

## Term Sheet

10<sup>th</sup> Jan, 2022

Dear Sir/Ma'am

We hereby propose our Letter of Offer for private placement of Secured, Redeemable, Listed, Non-Convertible Debentures facilities on following terms & conditions, subject to approval of our Committee of Directors.

### Terms of Issue:

Particulars	Instrument Details
Issuer	Mahindra Rural Housing Finance Ltd
Nature of the Instrument	Secured, Redeemable, Listed, Non-Convertible Debentures
Issue Size	Rs. 110 Crores (Rupees One Hundred & Ten Crores Only)
Face Value	Rs.10,00,000/- per Debenture
Investor	INDIAN OIL CORPORATION LIMITED EMPLOYEES POST RETIREMENT MEDICAL BENEFIT FUND- Rs 50 Crs HDFC HYBRID DEBT FUND-Rs 50 Crs DARASHAW & CO PVT LTD- Rs 10 Crs
Eligible Investor	Mutual Funds / Banks / Financial Institutions / Insurance Companies / Pension Funds/Trust / Provident Fund/Corporate/Individuals/FIIs/ any other investor as may be permitted under applicable Legislation / Regulations
Mode of Offering	Private Placement
Arranger	Darashaw & Company Pvt Ltd
Issuance mode of the instrument	Demat only
Trading mode of the instrument	Demat only
Deemed Date of Allotment	The deemed date of Allotment shall be date of receipt of funds towards subscription in EBP or 11 <sup>th</sup> Jan, 2022 whichever is later or any other day as the company may decide.
Interest on Application	Not applicable
Day Count Basis	Actual/Actual i.e. The interest shall be computed on the basis of actual number of days elapsed in a year, for this purpose a year to comprise of a period of 365 days. In case of leap year, if February 29 falls during the tenor of a security, then the number of days shall be reckoned as 366 days for a whole one year period. (SEBI/HO/DDHS/P/CIR/2021/613-Chapter III - Day count convention, disclosure of cash flows and other disclosures in the offer document dated August 10, 2021)
Rating	"IND AA+ / Stable" rating by India Ratings & Research" "CRISIL AA+/Stable" rating by CRISIL Limited
Security	Debentures shall be secured by way of an exclusive charge on Books Debts and Future Receivables originating from loan contracts and/or owned Assets to the extent of 100% of Debenture outstanding. The Company will create appropriate security in favour of the debenture trustee within the time frame prescribed as per applicable law.
Tenor	9 Years 363 Days from Deemed date of Allotment

### Regd. Office:

Redemption	Redemption at par at the end of 9 Years 363 Days from the deemed date of allotment.
Coupon Rate	7.90% p.a.
Coupon Type	Fixed Coupon, Payable Annually
Step Up/Step Down Coupon Rate	NA
Interest Payable	Annually and on Maturity
Settlement Cycle & PAY in	Please refer fund settlement sheet
Letters of Allotment	The Issuer will issue the Letters of Allotment in dematerialized form within 2 (Two) working days from the Deemed Date of Allotment of Debentures.
Trustees	Axis Trustee Services Ltd.
Put / Call Option	Not Applicable
Interest Payment Dates	Please refer annexure below
Holiday Convention	If any interest payment date falls on a holiday, the payment may be made on the following working day. If any principal payment date falls on a holiday, principal will be payable on the previous working day. Working days shall be all days on which money market is functioning in Mumbai excluding non- working Saturdays or Sundays or a holiday of commercial banks in Mumbai or a public holiday in India. In case of failure of RBI's system for RTGS / NEFT payment, the same will be made on the next business day. The Company will not be liable to pay any additional interest on account of same. The Coupon payment convention will be as per SEBI circular- SEBI/HO/DDHS/P/CIR/2021/613 -Chapter III -Day count convention, disclosure of cash flows and other disclosures in the offer document dated August 10, 2021
Pay in Date	11 <sup>th</sup> Jan, 2022
Maturity Date	9 <sup>th</sup> Jan, 2032
Depository	NSDL
Purpose	The proceeds of the Debentures shall be utilised by the Company for the purpose of financing, repayment of dues of other financial institutions / Banks or for long-term working capital/ for financing of Loan Assets/ General Corporate purposes of the Company.
Record Date	The record date for the purpose of determination of the persons entitled to receive interest / Principal in respect of the debentures shall be 14 calendar days before the date of Interest / principal payment.
Listing	To be listed on BSE Limited, as per the applicable timelines as mentioned in the SEBI circular SEBI/HO/DDHS/P/CIR/2021/613 dated August 10, 2021 {Chapter VII - Standardization of timelines for listing of securities issued on a private placement basis} In-principal approval received on 21 <sup>st</sup> December 2021.
Creation of recovery expense fund	The company has created a recovery expense fund as applicable in the manner and as specified by the Securities and Exchange Board of India from time to time and has informed the Debenture Trustee about the same.

Conditions for breach of Covenants	Conditions for breach of covenants shall be mentioned in the Trust Deed which will be executed within the time frame prescribed as per applicable law.
Risk factors pertaining to the issue	As mentioned on page 61 in the Disclosure document dated 16 <sup>th</sup> December 2021.
Documents	Copy of Board Resolution for Debentures. Certified True Copy of resolution passed by Committee of Directors
Minimum Application & in multiples of Debt securities thereafter	10 Debenture and in multiples of 1 thereafter
Payment of Issue price	Rs. 10,00,000/- per debenture on the pay in date, i.e. 11 <sup>th</sup> Jan, 2022
Validity	The offer is valid till 11 <sup>th</sup> Jan, 2022. However the Company reserves the right to change / modify the terms at any time without any notice during the period of this offer.
Mandatory compliance clause	Company reserves right to make multiple issuances under the same ISIN with reference to SEBI Circular SEBI circular SEBI/HO/DDHS/P/CIR/2021/613 dated August 10, 2021 {Chapter VIII - Specifications related to ISIN for debt securities} Issue can be made either by way of creation of fresh ISIN or by way of issuance under the existing ISIN at premium /par/discount as the case may be in line with SEBI Circular SEBI/HO/DDHS/P/CIR/2021/613 dated August 10, 2021 {Chapter VIII - Specifications related to ISIN for debt securities}
All covenants of the issue (including side letters, accelerated payment clause, etc.)	Default in Payment: In case of default in payment of Coupon and/or principal redemption on the Redemption Date, additional interest @ 2% p.a. over the Coupon will be payable by the Company for the defaulting period. Delay in Listing: In case of delay in listing, the Company will pay penal interest @ 1% p.a. over the coupon rate for the period of delay to the investor (i.e. from date of allotment to the date of listing). The interest rates mentioned above payable by the Company are independent of each other. All other covenants shall be mentioned in the Trust Deed which will be executed within the time frame prescribed as per applicable law..
Events of Default (including manner of voting /conditions of joining Inter Creditor Agreement)	Please refer clause "Event of Default" on page number 83 of Shelf Disclosure documents dated 16 <sup>th</sup> December 2021. Manner of Voting/conditions of joining Inter Creditor Agreement – Manner of Voting shall be as detailed in the Inter Creditor Agreement which shall be executed in terms of SEBI (Debenture Trustee) Regulations 1993, Regulation 15, Sub Regulation 7, Subject to the approval of Debenture holders and conditions as may be specified by SEBI from time to time, the debenture trustee, on behalf of debenture holder, may enter into inter creditor agreements provided under the framework specified by RBI

## Bidding Details

Bidding Open Date (T)	10 <sup>th</sup> Jan, 2022
Bidding Close Date (T)	10 <sup>th</sup> Jan, 2022
Bidding Type / Manner of Bidding	Open Bidding
Allocation Option	Uniform Price
Mechanism of Settlement	Pay in shall be done through Clearing Corporation of BSE i.e. Indian Clearing Corporation Limited "ICCL"
Settlement Cycle	T+1 day, T being the day of bidding i.e. 10 <sup>th</sup> Jan, 2022 Settlement date 11 <sup>th</sup> Jan, 2022

## Annexure -A - Illustration of Bond Cash Flows for Series MRHFL-FF2021

Cash Flows	Due Date	Payment Date #	No. of days in Period / No. of days for denominator	Amount per Debenture (in Rupees)
1 <sup>st</sup> Coupon	Wednesday, January 11, 2023	Wednesday, January 11, 2023	365 / 365	79000
2 <sup>nd</sup> Coupon	Thursday, January 11, 2024	Thursday, January 11, 2024	365 / 365	79000
3 <sup>rd</sup> Coupon	Saturday, January 11, 2025	Monday, January 13, 2025	366 / 366	79000
4 <sup>th</sup> Coupon	Sunday, January 11, 2026	Monday, January 12, 2026	365 / 365	79000
5 <sup>th</sup> Coupon	Monday, January 11, 2027	Monday, January 11, 2027	365 / 365	79000
6 <sup>th</sup> Coupon	Tuesday, January 11, 2028	Tuesday, January 11, 2028	365 / 365	79000
7 <sup>th</sup> Coupon	Thursday, January 11, 2029	Thursday, January 11, 2029	366 / 366	79000
8 <sup>th</sup> Coupon	Friday, January 11, 2030	Friday, January 11, 2030	365 / 365	79000
9 <sup>th</sup> Coupon	Saturday, January 11, 2031	Monday, January 13, 2031	365 / 365	79000
10 <sup>th</sup> Coupon	Friday, January 09, 2032	Friday, January 09, 2032	363 / 365	78567
Principal	Friday, January 09, 2032	Friday, January 09, 2032	-	1000000

Note: The interest payment should be rounded to nearest rupee.

# Payment date updated on account of due date falls on Sunday / Non-working Saturday

\*If the interest payment date falls on a holiday, the payment may be made on the following working day however the dates of the future coupon payments would be as per the schedule originally stipulated at the time of issuing the security. The interest payment should be rounded to nearest rupee. If the maturity date falls on a holiday, redemption and accrued interest are payable on the immediately previous business day. The Coupon payment convention will be as per SEBI Circular - SEBI/HO/DDHS/P/CIR/2021/613-Chapter III - Day count convention, disclosure of cash flows and other disclosures in the offer document dated August 10, 2021.\*In case of a leap year, if February 29 falls during the tenor of a security, then the number of days shall be reckoned as 366 days (Actual/Actual day count convention) for a whole one year period, irrespective of whether the interest is payable annually, half yearly, quarterly or monthly etc. It is thus emphasized that for a half yearly interest payment, 366 days would be reckoned twice as the denominator; for quarterly interest, four times and for monthly interest payment, twelve times. The leap year convention will be as per SEBI Circular - SEBI/HO/DDHS/P/CIR/2021/613-Chapter III - Day count convention, disclosure of cash flows and other disclosures in the offer document dated August 10, 2021.

Thanking You,  
For Mahindra Rural Housing Finance Limited.,

Authorised Signatory

Page 4

Regd. Office:

Mahindra Towers, 4<sup>th</sup> Floor, Dr. G.M. Bhosale Marg, Worli, Mumbai 400 018 India

Tel: +91 22 66526000 | Fax: +91 22 24984170/71 | [www.mahindrahomefinance.com](http://www.mahindrahomefinance.com)

CIN : U65922MH2007PLC169791

Investorhelpline.mrhfl@mahindra.com

10<sup>th</sup> Jan, 2022

## Funds Settlement:

- The participants should do the funds pay-in to the Indian Clearing Corporation Ltd's (ICCL) designated Bank account up to 10:30 am on T+1 day (Pay-in date : 11<sup>th</sup> Jan 2022).
- The participants must ensure to do the funds pay-in from their same bank account which is updated by them in the BSE BOND (EBP) platform while placing the bids.
- The Designated Bank Accounts of ICCL are as under:

### ICICI Bank:

Beneficiary Name: INDIAN CLEARING CORPORATION LTD

Account Number: ICCLEB

IFSC Code: ICIC0000106

Mode: NEFT/RTGS

### YES Bank:

Beneficiary Name: INDIAN CLEARING CORPORATION LTD

Account Number: ICCLEB

IFSC Code: YESB0CMSNOC

Mode: NEFT/RTGS

### HDFC Bank Limited

Beneficiary Name: INDIAN CLEARING CORPORATION LTD

Account Number: ICCLEB

IFSC Code: HDFC0000060

Mode: NEFT/RTGS

- For each option, separate funds payment instructions should be given by the participants.
- Funds payment for each Option (If any) as mentioned above has to be initiated separately. The funds should not be clubbed for two different options settling on the same day.

Thanking you,  
Yours faithfully,

For Mahindra Rural Housing Finance Limited.,

Authorised Signatory

Page 5

### Regd. Office:

Mahindra Towers, 4<sup>th</sup> Floor, Dr. G.M. Bhosale Marg, Worli, Mumbai 400 018 India

Tel: +91 22 66526000 | Fax: +91 22 24984170/71 | [www.mahindrahomefinance.com](http://www.mahindrahomefinance.com)

CIN : U65922MH2007PLC169791

Investorhelpline.mrhfl@mahindra.com