

# Mahindra FINANCE

## MAHINDRA & MAHINDRA FINANCIAL SERVICES LIMITED

Registered Office: Gateway Building, Apollo Bunder, Mumbai - 400 001.

Corporate Identity Number: L65921MH1991PLC059642

Tel: +91 22 66526000; Fax: +91 22 24984170

Website: [www.mahindrafinance.com](http://www.mahindrafinance.com) • email: [investorhelpline\\_mmfsl@mahindra.com](mailto:investorhelpline_mmfsl@mahindra.com)

Dear Member(s),

### **Postal Ballot Notice**

#### **[Notice pursuant to section 110 of the Companies Act, 2013, read with Rule 22(1) of the Companies (Management and Administration) Rules, 2014]**

Notice is hereby given pursuant to section 110 and all other applicable provisions, if any, of the Companies Act, 2013, ("the Act") read with the Companies (Management and Administration) Rules, 2014 ("the Rules"), including any statutory modification or re-enactment thereof for the time being in force, that the Resolutions appended below are proposed to be passed by Members by way of Postal Ballot including e-Voting. The Explanatory Statement pertaining to the said Resolutions setting out the material facts concerning each item and the reasons thereof is annexed hereto along with a Postal Ballot Form for your consideration.

The Board of Directors of the Company ["the Board"], in compliance with Rule 22(5) of the Rules, has appointed Mr. S. N. Ananthasubramanian or failing him, Ms. Malati Kumar of M/s. S. N. Ananthasubramanian & Co., Company Secretaries as Scrutinizer, for conducting the said Postal Ballot process in a fair and transparent manner.

In compliance with Regulation 44 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and provisions of section 110 of the Act read with the Rules, the Company is pleased to provide Remote Electronic Voting ("e-voting") facility as an alternate, to all its Members, to enable them to cast their votes electronically instead of dispatching the physical Postal Ballot Form by post. The Company has engaged the services of M/s. Karvy Computershare Private Limited ("Karvy") to provide e-voting facility to its Members. It may be noted that e-voting is optional. In case a Member has voted through e-voting facility, he/she is not required to send the physical Postal Ballot Form. In case a Member votes through e-voting facility as well as sends his/her vote through physical ballot, the vote cast through e-voting shall only be considered and the voting through physical Postal Ballot shall not be considered by the Scrutinizer.

The e-voting commences on Wednesday, 18<sup>th</sup> May, 2016 at 9.30 a.m. IST and concludes on Thursday, 16<sup>th</sup> June, 2016 at 5.30 p.m. IST. The e-voting module shall be disabled by Karvy for voting thereafter.

The e-voting facility is available at the link <https://evoting.karvy.com>. For e-voting, please read carefully the "**Procedure/ Instructions for e-voting**" enumerated in the notes to this Notice.

Members opting to vote through physical mode; i.e. sending the Postal Ballot Form duly signed by post, are requested to carefully read the instructions printed on the Form enclosed herewith and return it, duly completed and signed along with their assent (FOR) or dissent (AGAINST) in the attached self-addressed postage pre-paid envelope, so as to reach the Scrutinizer **on or before 16<sup>th</sup> June, 2016 by 5.30 p.m. IST.**

Please note that any Postal Ballot Form(s) received thereafter will be treated as not having been received.

The Scrutinizer will submit his Report to the Chairman or any other authorised Director of the Company, upon completion of scrutiny of the Postal Ballots received in electronic and physical mode. The Results of the Postal Ballot will be announced on **Saturday, 18<sup>th</sup> June, 2016 on or before 5.00 p.m. IST** through the website of the Company at the link <http://www.mahindrafinance.com/announcements.aspx>. The Results of the Postal Ballot and the Report of the Scrutinizer shall be displayed at the Company's Registered Office as well as Corporate Office besides being communicated to the Stock Exchanges on which the Company's Equity Shares are listed. The Results and the Report of the Scrutinizer will also be hosted on the Company's website at the link <http://www.mahindrafinance.com/announcements.aspx> and on the website of Karvy at <https://evoting.karvy.com>. The Results will thereafter be published in at least 1 (one) English and 1 (one) vernacular newspaper circulating in Maharashtra. References to Postal Ballot(s) in this Postal Ballot Notice include votes received electronically. The Resolutions shall be deemed to have been passed on the last date specified by the Company for receipt of duly completed Postal Ballot Forms or e-voting i.e. **Thursday, 16<sup>th</sup> June, 2016.**

## **DRAFT RESOLUTIONS:**

### **Item No. 1: To approve Borrowing limits of the Company and creation of charge on the assets of the Company**

To consider and, if thought fit, to pass the following as a Special Resolution:

**“RESOLVED that** in supersession of the Special Resolution passed by the Shareholders by means of a Postal Ballot on 17<sup>th</sup> June, 2015 and pursuant to the provisions of sections 180(1)(a), 180(1)(c) and all other applicable provisions of the Companies Act, 2013 read with such Rules as may be applicable and the Memorandum and Articles of Association of the Company, consent of the Company be accorded to the Board of Directors of the Company (hereinafter referred to as “the Board” which term shall be deemed to include any Committee thereof which the Board may have constituted or hereinafter constitute to exercise its powers including the powers conferred by this Resolution) to borrow moneys from time to time and, if they think fit, for creation of such mortgage, charge and/or hypothecation as may be necessary, on such of the assets of the Company, both present and future, in such manner as the Board may direct, in favour of financial institutions, investment institutions and their subsidiaries, banks, mutual funds, trusts, other bodies corporate (hereinafter referred to as the “Lending Agencies”) and Trustees for the holders of debentures/ bonds and/or other instruments which may be issued on private placement basis or otherwise, to secure rupee term loans/foreign currency loans, debentures, bonds and other instruments, even though the moneys to be borrowed together with the moneys already borrowed by the Company may exceed at anytime the aggregate of the paid-up share capital of the Company and its free reserves, of an outstanding aggregate value not exceeding Rs. 55,000 crores (apart from temporary loans obtained from the Company’s Bankers in the ordinary course of business), together with interest thereon at the agreed rates, further interest, liquidated damages, premium on pre-payment or on redemption, costs, charges, expenses and all other moneys payable by the Company to the Trustees under the Trust Deed and to the Lending Agencies under their respective Agreements/Loan Agreements/ Debenture Trust Deeds entered/to be entered into by the Company in respect of the said borrowings.

**FURTHER RESOLVED that** the Board be and is hereby authorised and empowered to do all such acts, deeds, matters and things, arrange, give such directions as may be deemed necessary or expedient, or settle the terms and conditions of such instrument, securities, loan, debt instrument as the case may be, on which all such moneys as are borrowed, or to be borrowed, from time to time, as to interest, repayment, security or otherwise howsoever as it may think fit, and to execute all such documents, instruments and writings as may be required to give effect to this Resolution and for matters connected therewith or incidental thereto, including intimating the concerned authorities or other regulatory bodies and delegating all or any of the powers conferred herein to any Committee of Directors or Officers of the Company.”

### **Item No. 2: Private Placement of Non-Convertible Debentures including Subordinated Debentures**

To consider and, if thought fit, to pass the following as a Special Resolution:

**“RESOLVED that** pursuant to the provisions of sections 42, 71 and all other applicable provisions, if any, of the Companies Act, 2013 (“the Act”), read with the Companies (Prospectus and Allotment of Securities) Rules, 2014 and Companies (Share Capital and Debentures) Rules, 2014 [hereinafter collectively referred to as “the Rules”] as may be amended from time to time, and subject to such other Regulations/Guidelines, approval of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as “the Board” which term shall be deemed to include any Committee thereof which the Board may have constituted or hereinafter constitute to exercise its powers including the powers conferred by this Resolution) for making offer(s) or invitation(s) to subscribe to Non-Convertible Debentures including Subordinated Debentures, in one or more tranches, aggregating upto Rs. 24,500 crores (Rupees Twenty-four Thousand Five Hundred crores), on a private placement basis, during the period of one year from the date of passing of the Special Resolution by the Members, within the overall borrowing limits of the Company, as may be approved by the Members from time to time.

**FURTHER RESOLVED that** the Board be and is hereby authorised and empowered to arrange or settle the terms and conditions on which all such moneys are to be borrowed from time to time, as to interest, repayment, security or otherwise, as it may deem expedient, and to do all such acts, deeds, matters and things in connection therewith and incidental thereto as the Board in its absolute discretion deems fit, without being required to seek any further consent or approval of the Members or otherwise to the end and intent that they shall be deemed to have given their approval thereto expressly by the authority of this Resolution.

**FURTHER RESOLVED that** the Board be and is hereby authorised to execute all documents or writings as may be necessary, proper or expedient for the purpose of giving effect to this Resolution and for matters connected therewith or incidental thereto including intimating the concerned authorities or other regulatory bodies and delegating all or any of the powers conferred herein to any Committee of Directors or Officers of the Company.”

**Item No. 3: Re-appointment of Mr. Ramesh Iyer, Managing Director designated as “Vice-Chairman & Managing Director” of the Company**

To consider and, if thought fit, to pass the following as a Special Resolution:

**“RESOLVED that** subject to the provisions of sections 196, 197, 203 and all other applicable provisions of the Companies Act, 2013 (“the Act”) (including any statutory modification or re-enactment thereof for the time being in force) read with Schedule V of the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and the Articles of Association of the Company and subject to the approval of the Central Government, if necessary, and subject to such approvals, permissions and sanctions, as may be required, and subject to such conditions and modifications, as may be prescribed or imposed by any of the authorities including the Central Government in granting such approvals, permissions and sanctions, consent of the Company be and is hereby accorded to the re-appointment of Mr. Ramesh Iyer (DIN: 00220759) as Vice-Chairman & Managing Director of the Company under the provisions of the Act for a period of 5 (five) years with effect from 30<sup>th</sup> April, 2016 to 29<sup>th</sup> April, 2021 on a salary in the scale of Rs. 5,00,000 to Rs. 10,00,000 per month.

**FURTHER RESOLVED that** the perquisites (including allowances) payable or allowable and commission to Mr. Ramesh Iyer be as follows:

**Perquisites:**

1. In addition to the salary, Mr. Ramesh Iyer (hereinafter referred to as “the appointee”) shall also be entitled to perquisites which would include accommodation (furnished or otherwise) or house rent allowance in lieu thereof, gas, electricity, water, furnishings, medical reimbursement and leave travel concession for self and family, performance award, club fees, use of Company cars, medical and personal accident insurance and other benefits, amenities and facilities including those under the Company’s Special Post Retirement Benefits Scheme in accordance with the Rules of the Company.

The value of the perquisites would be evaluated as per Income-tax Rules, 1962 wherever applicable and at cost in the absence of any such Rule.

2. Contribution to Provident Fund, Superannuation Fund, Annuity Fund and Gratuity would not be included in the computation of ceiling on remuneration to the extent these either singly or put together are not taxable under the Income-tax Act, 1961.
3. Encashment of earned leave at the end of the tenure as per Rules of the Company shall not be included in the computation of ceiling on remuneration.
4. Provision of car for use on Company’s business, telephone and other communication facilities at residence would not be considered as perquisites.

**Commission:**

In addition to the salary and perquisites, the appointee would be entitled to such commission based on the net profits of the Company in any financial year not exceeding 1/4% (one-fourth per cent) of such profits as the Nomination and Remuneration Committee shall decide, having regard to the performance of the Company.

Provided that the remuneration payable to the appointee (including salary, commission, perquisites, allowances, benefits and amenities) shall not exceed the limits laid down in section 197 of the Act, read with the Rules framed thereunder, including any statutory modifications or re-enactment thereof for the time being in force read with Schedule V of the Act.

**FURTHER RESOLVED that** the approval of the Company be accorded to the Board of Directors of the Company (hereinafter referred to as the ‘Board’ which term shall be deemed to include the Nomination and Remuneration Committee of the Board) to vary, alter, increase, enhance or widen the terms and conditions of appointment and the remuneration payable to the appointee, from time to time, as they may in their discretion deem fit within the above limits and subject to the limits laid down in section 197 and all other applicable provisions of the Act including any statutory modification and re-enactment thereof for the time being in force, and the Rules framed thereunder read with Schedule V of the Act and subject to the approval of the Central Government, if necessary, and subject to the requisite approvals, if any, being obtained.

**FURTHER RESOLVED that** where in any financial year during the currency of the tenure of the appointee, the Company has no profits or its profits are inadequate, the Company may subject to receipt of the requisite approvals, if any, pay to the appointee, the above remuneration as the minimum remuneration for a period not exceeding 3 (three) years from the date of appointment by way of salary, perquisites and other allowances and benefits as specified above and that the perquisites pertaining to contribution to provident fund, superannuation fund or annuity fund, gratuity and leave encashment shall not be included in the computation of the ceiling on remuneration specified in section II and section III of Part II of Schedule V of the Act.

**FURTHER RESOLVED that** for the purpose of giving effect to this Resolution, the Board be authorised to do all such acts, deeds, matters and things as it may, in its absolute discretion, deem necessary, proper or desirable and to settle any questions, difficulties or doubts that may arise in this regard and further to execute all necessary documents, applications, returns and writings as may be necessary, proper, desirable or expedient.”

**Item No. 4: Appointment of Mr. V. Ravi as a Director**

To consider and, if thought fit, to pass the following as an Ordinary Resolution:

“**RESOLVED that** pursuant to the provisions of section 152 and all other applicable provisions of the Companies Act, 2013 (“the Act”) and the Rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) and the Articles of Association of the Company, Mr. V. Ravi (DIN: 00307328), who was appointed by the Board of Directors as an Additional Director of the Company with effect from 25<sup>th</sup> July, 2015 and who holds office up to the date of the forthcoming Annual General Meeting of the Company in terms of section 161 of the Act and in respect of whom the Company has received a Notice in writing from a Member along with the deposit of requisite amount under section 160 of the Act proposing his candidature for the office of Director, being so eligible, be appointed as a Director of the Company, not liable to retire by rotation.”

**Item No. 5: Appointment of Mr. V. Ravi as a Whole-time Director designated as “Executive Director & Chief Financial Officer” of the Company**

To consider and, if thought fit, to pass the following as a Special Resolution:

“**RESOLVED that** subject to the provisions of sections 196, 197, 203 and all other applicable provisions of the Companies Act, 2013 (“the Act”) (including any statutory modification or re-enactment thereof for the time being in force) read with Schedule V of the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and the Articles of Association of the Company and subject to the approval of the Central Government, if necessary, and subject to such approvals, permissions and sanctions, as may be required, and subject to such conditions and modifications, as may be prescribed or imposed by any of the authorities including the Central Government in granting such approvals, permissions and sanctions, consent of the Company be and is hereby accorded to the appointment of Mr. V. Ravi (DIN: 00307328) as a Whole-time Director of the Company under the provisions of the Act, designated as “Executive Director & Chief Financial Officer” for a period of 5 (five) years with effect from 25<sup>th</sup> July, 2015 to 24<sup>th</sup> July, 2020 on a salary of ₹ 3,00,000 per month in the scale of ₹ 3,00,000 to 6,00,000 per month.

**FURTHER RESOLVED that** the perquisites (including allowances) payable or allowable and commission to Mr. V. Ravi be as follows:

**Perquisites:**

1. In addition to the salary, Mr. V. Ravi (hereinafter referred to as “the appointee”) shall also be entitled to perquisites which would include accommodation (furnished or otherwise) or house rent allowance in lieu thereof, gas, electricity, water, furnishings, medical reimbursement and leave travel concession for self and family, performance award, club fees, use of Company cars, medical and personal accident insurance and other benefits, amenities and facilities including those under the Company's Special Post Retirement Benefits Scheme in accordance with the Rules of the Company.  
The value of the perquisites would be evaluated as per Income-tax Rules, 1962 wherever applicable and at cost in the absence of any such Rule.
2. Contribution to Provident Fund, Superannuation Fund, Annuity Fund and Gratuity would not be included in the computation of ceiling on remuneration to the extent these either singly or put together are not taxable under the Income-tax Act, 1961.
3. Encashment of earned leave at the end of the tenure as per Rules of the Company shall not be included in the computation of ceiling on remuneration.
4. Provision of car for use on Company's business, telephone and other communication facilities at residence would not be considered as perquisites.

**Commission:**

In addition to the salary and perquisites, the appointee would be entitled to such commission based on the net profits of the Company in any financial year not exceeding 1/4% (one-fourth per cent) of such profits as the Nomination and Remuneration Committee shall decide, having regard to the performance of the Company.

Provided that the remuneration payable to the appointee (including the salary, commission, perquisites, allowances, benefits and amenities) shall not exceed the limits laid down in section 197 of the Act, read with the Rules framed thereunder, including any statutory modifications or re-enactment thereof for the time being in force read with Schedule V of the Act.

**FURTHER RESOLVED that** the approval of the Company be accorded to the Board of Directors of the Company (hereinafter referred to as the 'Board' which term shall be deemed to include the Nomination and Remuneration Committee of the Board) to vary, alter, increase, enhance or widen the terms and conditions of appointment and the remuneration payable to the appointee, from time to time, as they may in their discretion deem fit within the above limits and subject to the limits laid down in section 197 and all other applicable provisions of the Act including any statutory modification and re-enactment thereof for the time being in force, and the Rules framed thereunder read with Schedule V of the Act and subject to the approval of the Central Government, if necessary, and subject to the requisite approvals, if any, being obtained.

**FURTHER RESOLVED that** where in any financial year during the currency of the tenure of the appointee, the Company has no profits or its profits are inadequate, the Company may subject to receipt of the requisite approvals, if any, pay to the appointee, the above remuneration as the minimum remuneration for a period not exceeding 3 (three) years from the date of appointment by way of salary, perquisites and other allowances and benefits as specified above and that the perquisites pertaining to contribution to provident fund, superannuation fund or annuity fund, gratuity and leave encashment shall not be included in the computation of the ceiling on remuneration specified in section II and section III of Part II of Schedule V of the Act.

**FURTHER RESOLVED that** for the purpose of giving effect to this Resolution, the Board be authorised to do all such acts, deeds, matters and things as it may, in its absolute discretion, deem necessary, proper or desirable and to settle any questions, difficulties or doubts that may arise in this regard and further to execute all necessary documents, applications, returns and writings as may be necessary, proper, desirable or expedient."

**Item No. 6: Appointment of Dr. Anish Shah as a Director**

To consider and, if thought fit, to pass the following as an Ordinary Resolution:

**"RESOLVED that** pursuant to the provisions of section 152 and all other applicable provisions of the Companies Act, 2013 ("the Act") and the Rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) and the Articles of Association of the Company, Dr. Anish Shah (DIN: 02719429), who was appointed by the Board of Directors as an Additional Director of the Company with effect from 18<sup>th</sup> March, 2016 and who holds office up to the date of forthcoming Annual General Meeting of the Company in terms of section 161 of the Act and in respect of whom the Company has received a Notice in writing from a Member along with the deposit of requisite amount under section 160 of the Act, proposing his candidature for the office of Director, being so eligible, be appointed as a Director of the Company, liable to retire by rotation."

By Order of the Board  
**For Mahindra & Mahindra Financial Services Limited**

**Arnavaz M. Pardiwalla**  
Company Secretary

Place : Mumbai

Date : 10<sup>th</sup> May, 2016

**Registered Office:**

Gateway Building,

Apollo Bunder,

Mumbai - 400 001.

Tel: +91 22 66526000; Fax: +91 22 24984170

CIN: L65921MH1991PLC059642

E-mail: [investorhelpline\\_mmfsl@mahindra.com](mailto:investorhelpline_mmfsl@mahindra.com)

Website: [www.mahindrafinance.com](http://www.mahindrafinance.com)

## NOTES:

1. The Company has engaged the services of M/s. Karvy Computershare Private Limited (“Karvy”) to provide e-voting facility to the Members of the Company as an alternate to dispatch the Postal Ballot Form. If a Member has voted through e-voting facility, he/she/it is not required to send the Postal Ballot Form.
2. **Remote E-voting:** In compliance with the provisions of section 110 of the Companies Act, 2013 read with Rule 22 of the Companies (Management and Administration) Rules, 2014 and Regulation 44 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is pleased to offer remote e-voting facility (“e-voting”) for all its Members to enable them to cast their votes electronically as an alternative to dispatch the Postal Ballot Forms. Please note that e-voting is entirely optional for the Member(s) and that the Member(s) can opt only for one mode of voting. If a Member has opted for e-voting, then he/she/it is not required to send the physical Postal Ballot Form. In case a Member votes through e-voting facility as well as sends his/her/its vote through physical ballot, the vote cast through e-voting shall only be considered and the voting through physical Postal Ballot shall not be considered by the Scrutinizer.
3. **The procedure and instructions for E-voting are as follows:**
  - a) Date and time of commencement of voting through electronic means: **Wednesday, 18<sup>th</sup> May, 2016 at 9.30 a.m. IST.**
  - b) Date and time of end of voting through electronic means beyond which voting will not be allowed: **Thursday, 16<sup>th</sup> June, 2016 till 5.30 p.m. IST.**
  - c) Details of Website: **<https://evoting.karvy.com>**
  - d) Details of persons to be contacted for issues relating to e-voting: Mr. Suresh Babu D., Deputy Manager – RIS, Karvy Computershare Private Limited, Karvy Selenium, Tower B, Plot No. 31-32, Gachibowli, Financial District, Nanakramguda, Hyderabad – 500 032. **Tel. No.:** +91 40 6716 2222; **Toll Free No.:**1800 345 4001; **Fax No.:** +91 40 2300 1153; **E-mail :** **[suresh.d@karvy.com](mailto:suresh.d@karvy.com)** or **[evoting@karvy.com](mailto:evoting@karvy.com)**.
  - e) Details of Scrutinizer: Mr. S. N. Ananthasubramanian or failing him, Ms. Malati Kumar of M/s. S. N. Ananthasubramanian & Co., Company Secretaries.

## The instructions for e-voting are as under:

- A. **In case of Members receiving an email from Karvy [for Members whose email IDs are registered with the Company/ Depository Participant]:**
  - i) Launch internet browser by typing the URL: **<https://evoting.karvy.com>**.
  - ii) Enter the login credentials (i.e. User ID and password mentioned in the email). Your Folio No. /DP ID – Client ID will be your User ID. However, if you are already registered with Karvy for e-voting, you can use your existing User ID and password for casting your vote.
  - iii) After entering these details appropriately, click on “LOGIN”.
  - iv) You will now reach password change Menu wherein you are required to mandatorily change your password. The new password shall comprise minimum 8 characters with at least one upper case (A-Z), one lower case (a-z), one numeric (0-9) and a special character (@,#,\$,etc.). The system will prompt you to change your password and update your contact details like mobile number, email ID, etc., on first login. You may also enter a secret question and answer of your choice to retrieve your password in case you forget it. **It is strongly recommended that you do not share your password with any other person and that you take utmost care to keep your password confidential.**
  - v) You need to login again with the new credentials.
  - vi) On successful login, the system will prompt you to select the E-Voting Event Number for Mahindra & Mahindra Financial Services Limited.
  - vii) On the voting page enter the number of shares (which represents the number of votes) as on the cut-off date i.e. 10th May, 2016 under “FOR/AGAINST” or alternatively, you may partially enter any number in “FOR” and partially in “AGAINST” but the total number in “FOR/AGAINST” taken together should not exceed your total shareholding as on the cut-off date.

Pursuant to Clause 16.5.3(e) of Secretarial Standard on General Meetings (SS-2) issued by the Council of the Institute of Company Secretaries of India and approved by the Central Government, in case a Member abstains from voting on a Resolution i.e., the Member neither assents nor dissents to the Resolution, then his/her/its vote will be treated as an invalid vote with respect to that Resolution.

- viii) Members holding multiple folios/demat accounts shall choose the voting process separately for each of the folios/demat accounts.
- ix) You may then cast your vote by selecting an appropriate option and click on "Submit".
- x) A confirmation box will be displayed. Click "OK" to confirm else "CANCEL" to modify. Once you confirm, you will not be allowed to modify your vote. During the voting period, Members can login any number of times till they have voted on the Resolution(s).
- xi) Corporate/Institutional Members (i.e. other than Individuals, HUF, NRIs, etc.) are also required to send scanned certified true copy (PDF Format) of the Board Resolution/Authority Letter, etc., together with attested specimen signature(s) of the duly authorised representative(s), to the Scrutinizer at e-mail ID: [scrutinizer@snaco.net](mailto:scrutinizer@snaco.net) with a copy to [evoting@karvy.com](mailto:evoting@karvy.com). They may also upload the same in the e-voting module in their login. The scanned image of the above mentioned documents should be in the naming format "Corporate Name\_EVENT NO."

**B. In case of Members receiving physical copy of the Postal Ballot Notice and Form [for Members whose email IDs are not registered with the Company/Depository Participant or requesting physical copy]:**

- i) Launch internet browser by typing the URL: <https://evoting.karvy.com>
  - ii) Initial Password is provided in the Postal Ballot Form.
  - iii) Please follow all the steps from (iii) to (xi) as mentioned in (A) above, to cast your vote.
4. Once the vote on a Resolution is cast by a Member, the Member shall not be allowed to change it subsequently.
  5. In case of any query pertaining to e-voting, please visit Help & FAQ's section available at Karvy's website <https://evoting.karvy.com>.
  6. The voting rights of the Members shall be in proportion to the paid-up value of their shares in the equity capital of the Company as on the cut-off date, being **10<sup>th</sup> day of May, 2016**. A person who is not a Member as on the cut-off date is requested to treat this Notice for information purposes only.
  7. Mr. S. N. Ananthasubramanian or failing him, Ms. Malati Kumar of M/s. S. N. Ananthasubramanian & Co., Company Secretaries have been appointed as Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
  8. The Scrutinizer shall upon completion of scrutiny of the Postal Ballots received in electronic and physical mode submit his Report to the Chairman or any other authorised Director of the Company.
  9. The Results of the Resolutions shall be declared by the Chairman or any other Director authorised by the Chairman of the Company and the Resolutions will be deemed to be passed on the last date specified by the Company for receipt of duly completed Postal Ballot Forms or e-voting subject to receipt of the requisite number of votes in favour of the Resolutions.
  10. The Results declared along with the Scrutinizer's Report will be available on the website of the Company at the link <http://www.mahindrafinance.com/announcements.aspx> and on the website of Karvy at the link <https://evoting.karvy.com> and shall also be communicated to BSE Limited and the National Stock Exchange of India Limited.
  11. Information as required under Regulation 36(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Clause 1.2.5 of the Secretarial Standard on General Meetings (SS-2) is given hereunder:

Particulars	Names of the Directors		
	Mr. Ramesh Iyer	Mr. V. Ravi	Dr. Anish Shah
DIN	00220759	00307328	02719429
Age	57 years	56 years	46 years

Particulars	Names of the Directors		
	Mr. Ramesh Iyer	Mr. V. Ravi	Dr. Anish Shah
Brief resume, Qualification(s), Experience and Nature of expertise in specific functional areas, Recognition or awards.	<p>Mr. Ramesh Iyer has been the Managing Director of the Company with effect from 30<sup>th</sup> April, 2001 and is associated with the Company since inception. He has been recently elevated as Vice - Chairman of the Board of Directors designated as "Vice - Chairman &amp; Managing Director" with effect from 18<sup>th</sup> March, 2016.</p> <p>He comes with a wealth of experience in matters relating to business development, finance and marketing. He holds a Bachelor's Degree in Commerce and a Master's Degree in Business Administration.</p> <p>Mr. Iyer is also the President - Financial Services Sector and a Member of the Group Executive Board of Mahindra &amp; Mahindra Limited, the holding company.</p> <p>Mr. Iyer is a Member of the Banking &amp; Finance Committee of the Bombay Chamber of Commerce and Industry, the Core Committee of Finance Industry Development Council (FIDC) and the Task Force of NBFCs of Federation of Indian Chambers of Commerce and Industry (FICCI). He is also the Co-Chairman of the Group on Finance &amp; Leasing and Insurance of the Council of Economic Affairs, set up by Society of Indian Automobile Manufacturers (SIAM).</p> <p>Mr. Ramesh Iyer has recently won the "Business Leadership Award" by Indian Achievers Forum on September 10, 2015. In 2014, he was also awarded the "Best CEO – Financial Services" Mid-Sized Companies by Business Today. He has also been conferred two awards in the category "CEO of the Year" and "Most Admired Rural Entrepreneur of the Year Award" at The Rural Marketing Forum and Awards, conducted by CMO Asia on February 14, 2015. He is also the recipient of the award "CEO – Financial Services" at the CEO Awards 2015 organized by CEO India magazine on March 12, 2015.</p> <p>Mr. Ramesh Iyer is on the Board of various Mahindra Group Companies.</p>	<p>Mr. V. Ravi is the Executive Director &amp; Chief Financial Officer of the Company and has been associated with the Company since its inception. Mr. V. Ravi is a Chartered and Cost Accountant.</p> <p>Mr. V. Ravi is also on the following committees:</p> <ol style="list-style-type: none"> <li>1. Member of the Finance Industry Development Council.</li> <li>2. Member of Corporate Finance Committee of Federation of Indian Chambers of Commerce &amp; Industry.</li> <li>3. Member of the Capital Markets Group of Banking, Finance &amp; Economics Committee of the Bombay Chamber of Commerce and Industry.</li> </ol> <p>He has also been a member of the Asia Council of the Conference Board, USA and the Informal Advisory Group of the Reserve Bank of India.</p> <p>Mr. V. Ravi has received many accolades and recognitions in the field of Finance and Technology. He was awarded the "CFO 100 Roll of Honour 2014" award in the category – 'Winning Edge in Raising Capital/Fund Management – Revenues above Rs. 1,000 Crores' in the year 2014. He was also awarded the "CFO100 League of Excellence 2015" award by CFO 100 in the year 2015.</p>	<p>Dr. Anish Shah is the Group President (Strategy) for the Mahindra Group. His key focus areas are strategy development and implementation, building capabilities such as digitisation and analytics, driving international growth especially in the US and Africa. The Group Strategy office also leads Risk Management and Performance Review, plus enables synergies across Group companies.</p> <p>Prior to joining Mahindra &amp; Mahindra in 2014, Dr. Anish Shah was President and CEO of GE Capital India, where he led the transformation of the business, including a turnaround of its SBI Card joint venture. His career at GE spanned 14 years. As Director, Global Mortgage, he worked across more than thirty countries to drive growth and manage risk, and as Senior Vice President (Marketing and Product Development) at GE Mortgage Insurance, he led various growth initiatives and played a key role in preparing the business for an IPO, as a spinoff from GE. Dr. Anish Shah also received GE's prestigious Lewis Latimer Award for outstanding utilization of Six Sigma in developing a "Digital Cockpit". Before GE, Dr. Anish Shah worked at Bank of America, Bain &amp; Company, and Citibank.</p> <p>Dr. Shah holds a PhD from Carnegie Mellon's Tepper School of Business where his doctoral thesis was in the field of corporate governance. He also received a Master's degree from Carnegie Mellon, and a post-graduate diploma in Management from the Indian Institute of Management, Ahmedabad.</p>

Particulars	Names of the Directors		
	Mr. Ramesh Iyer	Mr. V. Ravi	Dr. Anish Shah
Terms and conditions of appointment or re-appointment	The details are indicated in Resolution No. 3.	The details are indicated in Resolution No. 5.	Liable to retire by rotation.
Details of remuneration sought to be paid	The details are indicated in Resolution No. 3.	The details are indicated in Resolution No. 5.	Not Applicable
Details of the remuneration last drawn by such person (F.Y. 2015-16)	Rs. 443.82 Lacs per annum	Rs. 206.63 Lacs per annum	Not Applicable
Date of first appointment on the Board	30 <sup>th</sup> April, 2001	25 <sup>th</sup> July, 2015	18 <sup>th</sup> March, 2016
Shareholding in the Company	6,36,380 Equity Shares of Rs. 2 each.	4,78,850 Equity Shares of Rs. 2 each.	NIL
Relationship with other Directors and Key Managerial Personnel	None of the Directors of the Company is inter-se related to each other or with the Key Managerial Personnel of the Company.		
The number of Meetings of the Board attended during the Financial Year 2015-16.	5	3 (Since his appointment on the Board with effect from 25 <sup>th</sup> July, 2015)	1 (Since his appointment on the Board with effect from 18 <sup>th</sup> March, 2016)
Other Directorships (Excluding Mahindra & Mahindra Financial Services Limited)	<ol style="list-style-type: none"> <li>1. Mahindra Insurance Brokers Limited</li> <li>2. Mahindra Rural Housing Finance Limited</li> <li>3. Mahindra First Choice Services Limited</li> <li>4. Mahindra First Choice Wheels Limited</li> <li>5. NBS International Limited</li> <li>6. Mahindra Finance USA LLC.</li> <li>7. Finance Industry Development Council.</li> </ol>	<ol style="list-style-type: none"> <li>1. Mahindra Insurance Brokers Limited</li> <li>2. Mahindra Rural Housing Finance Limited</li> <li>3. Mahindra Asset Management Company Private Limited</li> <li>4. Mahindra Finance USA LLC</li> <li>5. Mahindra Solar One Private Limited.</li> </ol>	<ol style="list-style-type: none"> <li>1. Mahindra Lifespace Developers Limited</li> <li>2. Orizonte Business Solutions Limited</li> <li>3. Mahindra Trucks and Buses Limited.</li> </ol>

Particulars	Names of the Directors		
	Mr. Ramesh Iyer	Mr. V. Ravi	Dr. Anish Shah
Membership/Chairmanship of Committees of other Boards  (Excluding Mahindra & Mahindra Financial Services Limited)	<p><b>Mahindra Rural Housing Finance Limited</b></p> <ul style="list-style-type: none"> <li>Assets and Liability Committee- Chairman</li> <li>Corporate Social Responsibility Committee – Chairman and</li> <li>Nomination and Remuneration Committee - Member</li> </ul> <p><b>Mahindra Insurance Brokers Limited</b></p> <ul style="list-style-type: none"> <li>Nomination and Remuneration Committee - Member and</li> <li>Corporate Social Responsibility Committee - Member</li> </ul> <p><b>Mahindra First Choice Wheels Limited</b></p> <ul style="list-style-type: none"> <li>Audit Committee - Member</li> </ul> <p><b>Mahindra First Choice Services Limited</b></p> <ul style="list-style-type: none"> <li>Audit Committee - Member</li> </ul> <p><b>NBS International Limited</b></p> <ul style="list-style-type: none"> <li>Nomination and Remuneration Committee - Member</li> </ul>	<p><b>Mahindra Insurance Brokers Limited</b></p> <ul style="list-style-type: none"> <li>Audit Committee - Member and</li> <li>Corporate Social Responsibility Committee - Member</li> </ul> <p><b>Mahindra Rural Housing Finance Limited</b></p> <ul style="list-style-type: none"> <li>Audit Committee - Member and</li> <li>Assets and Liability Committee - Member</li> </ul>	<p><b>Mahindra Lifespace Developers Limited</b></p> <ul style="list-style-type: none"> <li>Audit Committee - Member and</li> <li>Loans &amp; Investment Committee - Member</li> </ul>

By Order of the Board  
For Mahindra & Mahindra Financial Services Limited

**Arnavaz M. Pardiwalla**  
Company Secretary

Place : Mumbai

Date : 10<sup>th</sup> May, 2016

**Registered Office:**

Gateway Building,

Apollo Bunder,

Mumbai - 400 001.

Tel: +91 22 66526000; Fax: +91 22 24984170

CIN: L65921MH1991PLC059642

E-mail: [investorhelpline\\_mmfs@mahindra.com](mailto:investorhelpline_mmfs@mahindra.com)

Website: [www.mahindrafinance.com](http://www.mahindrafinance.com)

Note: An Explanatory Statement pursuant to section 102 of the Companies Act, 2013 setting out the material facts is appended hereto.

## **Explanatory Statement pursuant to section 102(1) of the Companies Act, 2013**

The following Explanatory Statement pursuant to section 102(1) of the Companies Act, 2013 (“the Act”), sets out all material facts relating to the business mentioned under Item Nos. 1 to 6 of the accompanying Notice dated 10<sup>th</sup> May, 2016.

### **ITEM NO.1**

In terms of the provisions of section 180(1)(c) of the Act, the Board of Directors of a company cannot borrow moneys in excess of the amount of the paid-up capital of the company and its free reserves without the approval of the Members by way of a Special Resolution.

The Members by a Special Resolution passed by means of a Postal Ballot Voting process on 17<sup>th</sup> June, 2015, had empowered the Board of Directors of the Company to borrow moneys upto Rs. 50,000 crores even though such borrowing would be in excess of the paid-up share capital and free reserves of the Company.

The moneys so borrowed by the Company and outstanding as at 31<sup>st</sup> March, 2016 amounted to Rs. 29,452.31 crores. During the year 2015-16, the Company has disbursed approximately Rs. 26,706.33 crores and it has plans to disburse over Rs. 35,000 crores during the current year, for financing the Mahindra range of vehicles and tractors and for other products like Cars, Commercial Vehicles, Construction Equipment, Preowned Vehicles, etc., of reputed automobile manufacturers, for Invoice Discounting and SME Financing.

In order to further expand its business and to meet increased financial needs for the budgeted disbursements, it is proposed to enhance the borrowing limits of the Company to Rs. 55,000 crores.

The Company may be required to secure some of the borrowings by creating mortgage/charge on all or any of the movable or immovable properties of the Company in favour of the lender(s) in such form, manner and ranking as may be determined by the Board of Directors of the Company from time to time, in consultation with the lender(s). In terms of section 180(1)(a) of the Act any proposal to sell, lease or otherwise dispose of the whole, or substantially the whole, of any such undertaking requires the approval of the Members by way of a Special Resolution.

Accordingly, the consent of the Members is being sought for the enhancement of the borrowing limits and to secure such borrowings by mortgage/charge on any of the movable and/or immovable properties and/or the whole or any part of the undertaking(s) of the Company as set out in Resolution No.1 appended to this Notice.

The Board recommends the passing of the Resolution under Item No.1 as a Special Resolution.

Your approval is sought by voting through Postal Ballot pursuant to the provisions of section 110 of the Act read together with such Rules as may be applicable for passing the Special Resolution as set out in this Notice.

None of the Directors, Key Managerial Personnel of the Company and their relatives are in any way, concerned or interested, financially or otherwise, in the Resolution set out at Item No. 1 of the Notice except to the extent of their shareholding interest, if any, in the Company.

### **ITEM NO.2**

In terms of section 42 of the Act read with the Companies (Prospectus and Allotment of Securities) Rules, 2014 [hereinafter referred to as “the Rules”], a company offering or making an invitation to subscribe to Non-Convertible Debentures (‘NCDs’) on a private placement basis, is required to obtain the prior approval of the Members by way of a Special Resolution. Such an approval by a Special Resolution can be obtained once a year for all the offers and invitations for such NCDs during the year.

The Members by a Special Resolution passed by means of a Postal Ballot Voting process on 17<sup>th</sup> June, 2015, had approved of the issuance of NCDs and/or other debt securities on a private placement basis, in accordance with the provisions of the Act, for a period of one year from the date of passing of the Special Resolution. NCDs including Subordinated Debentures issued on a private placement basis constitute a significant source of borrowings for the Company. The aggregate borrowings of the Company at present is approximately Rs. 29,452.31 crores, of which NCDs including Subordinated Debentures, comprise Rs. 10,832.70 crores.

It is proposed to offer or invite subscriptions for NCDs including Subordinated Debentures, in one or more tranches, aggregating upto Rs. 24,500 crores (Rupees Twenty-four Thousand Five Hundred crores) on a private placement basis, during the period of one year from the date of passing of the Special Resolution by the Members, within the overall borrowing limits of the Company, as may be approved by the Members from time to time, with authority to the Board to determine the terms and conditions, including the issue price of the NCDs, interest, repayment, security or otherwise, as it may deem expedient and to do all such acts, deeds, matters and things in connection therewith and incidental thereto as the Board in its absolute discretion deems

fit, without being required to seek any further consent or approval of the Members or otherwise to the end and intent that they shall be deemed to have given their approval thereto expressly by the authority of the Resolution. Accordingly, the approval of the Members is being sought by way of a Special Resolution under section 42 and other applicable provisions, if any, of the Act read with the Rules framed thereunder as set out in Resolution No.2 appended to this Notice.

The Board recommends the passing of the Resolution under Item No.2 as a Special Resolution.

Your approval is sought by voting through Postal Ballot pursuant to the provisions of section 110 of the Act read together with such Rules as may be applicable for passing the Special Resolution as set out in this Notice.

None of the Directors, Key Managerial Personnel of the Company and their relatives are in any way, concerned or interested, financially or otherwise, in the Resolution set out at Item No. 2 of the Notice except to the extent of their shareholding interest, if any, in the Company.

### **ITEM NO. 3**

Mr. Ramesh Iyer was re-appointed as the Managing Director of the Company by the Board of Directors at its Meeting held on 25<sup>th</sup> April, 2011 for a period of five years with effect from 30<sup>th</sup> April, 2011. The Members at the 21<sup>st</sup> Annual General Meeting of the Company held on 29<sup>th</sup> July, 2011 had approved the said re-appointment and remuneration payable to Mr. Ramesh Iyer as the Managing Director of the Company.

The Board of Directors of the Company at its Meeting held on 23<sup>rd</sup> April, 2014, had pursuant to the approval of the Nomination and Remuneration Committee and subject to the approval of the Members, approved the revision in the remuneration payable to Mr. Ramesh Iyer as Managing Director of the Company with effect from 1<sup>st</sup> August, 2014 till the remainder of his term of office.

The Members at the 24<sup>th</sup> Annual General Meeting of the Company held on 24<sup>th</sup> July, 2014 had approved the revision in the remuneration payable to Mr. Ramesh Iyer, Managing Director of the Company with effect from 1<sup>st</sup> August, 2014 till the remainder of his term of office.

The Board of Directors of the Company at its Meeting held on 18<sup>th</sup> March, 2016, had pursuant to the recommendation of the Nomination and Remuneration Committee appointed Mr. Ramesh Iyer as the Vice-Chairman of the Board of Directors of the Company designated as "Vice-Chairman & Managing Director".

The business activities of the Company are increasing along with growth and opportunities in the Financial Services Sector. The Company is continuously expanding its financial services portfolio which now also includes personal loan, mutual fund distribution, financing commercial vehicles, construction equipments, SME financing and Invoice discounting. In view of the growing business activities of the Company, responsibilities of the Vice-Chairman & Managing Director have considerably increased.

Considering the performance of the Company, the Vice-Chairman & Managing Director's contribution towards the growth, his increasing responsibilities and trend in the industry, the Board of Directors of the Company at its Meeting held on 23<sup>rd</sup> April, 2016, has pursuant to the recommendation of the Nomination and Remuneration Committee and subject to the approval of the Members, approved the re-appointment and scale of salary and the other terms of remuneration including perquisites and commission payable to Mr. Ramesh Iyer as the Vice-Chairman & Managing Director of the Company with effect from 30<sup>th</sup> April, 2016, for a period of 5 (five) years.

The Company has received the requisite disclosures from Mr. Ramesh Iyer. He is not disqualified from being appointed as Director in terms of section 164 of the Act.

The Memorandum setting out the terms of the remuneration of Mr. Ramesh Iyer as required under section 190 of the Companies Act, 2013 ('the Act') shall be open for inspection by the Members at the Registered Office of the Company during normal business hours (9.30 a.m. to 5.30 p.m.) on all working days except Saturdays.

Pursuant to the provisions of sections 196, 197, 203 and all other applicable provisions of the Act (including any statutory modification or re-enactment thereof for the time being in force) read with Schedule V of the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the appointment of and remuneration payable to the Vice-Chairman & Managing Director is now being placed before the Members for their approval by way of a Special Resolution.

The Board recommends the passing of the Resolution under Item No.3 as a Special Resolution.

Your approval is sought by voting through Postal Ballot pursuant to the provisions of section 110 of the Act read together with

such Rules as may be applicable for passing the Special Resolution as set out in this Notice.

Except for Mr. Ramesh Iyer and his relatives, none of the other Directors, Key Managerial Personnel (“KMP”) of the Company and relatives of the Directors and KMP are, in any way, concerned or interested, financially or otherwise except to the extent of their shareholding interest, if any, in the Company.

#### **ITEM NOS. 4 & 5**

The Board of Directors has pursuant to the approval of the Nomination and Remuneration Committee of the Board (“the Committee”) appointed Mr. V. Ravi as an Additional Director of the Company with effect from 25<sup>th</sup> July, 2015.

Based on the recommendation of the Committee, the Board has appointed Mr. V. Ravi as a Whole-time Director designated as “Executive Director & Chief Financial Officer” for a period of 5 (five) years with effect from 25<sup>th</sup> July, 2015 to 24<sup>th</sup> July, 2020 and approved his remuneration, subject to the approval of the Members by a Special Resolution.

Mr. V. Ravi holds office upto the date of the ensuing Annual General Meeting pursuant to section 161 of the Companies Act, 2013 (“the Act”) and Article 147 of the Articles of Association of the Company. The Company has received a Notice in writing from a Member alongwith the deposit of the requisite amount under section 160 of the Act proposing his candidature for the office of Director of the Company.

The Company has also received the requisite disclosures from Mr. V. Ravi. He is not disqualified from being appointed as Director in terms of section 164 of the Act.

The Memorandum setting out the terms of the remuneration of Mr. V. Ravi as required under section 190 of the Act shall be open for inspection by the Members at the Registered Office of the Company during normal business hours (9.30 a.m. to 5.30 p.m.) on all working days except Saturdays.

Pursuant to the provisions of sections 196, 197, 203 and all other applicable provisions of the Act (including any statutory modification or re-enactment thereof for the time being in force) read with Schedule V of the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the appointment of and remuneration payable to the Executive Director & Chief Financial Officer is now being placed before the Members for their approval by way of a Special Resolution.

The Board recommends the passing of the Resolutions under Item Nos. 4 and 5 as Ordinary and Special Resolutions, respectively.

Your approval is sought by voting through Postal Ballot pursuant to the provisions of section 110 of the Act read together with such Rules as may be applicable for passing the Ordinary and Special Resolutions as set out in this Notice.

Except for Mr. V. Ravi and his relatives, none of the other Directors, Key Managerial Personnel (“KMP”) of the Company and relatives of the Directors and KMP are, in any way, concerned or interested, financially or otherwise, in the Resolutions set out at Item Nos. 4 and 5 of the Notice except to the extent of their shareholding interest, if any, in the Company.

The following additional information as required by Schedule V of the Companies Act, 2013 in respect of Item No. 3 and Item No. 5 is given below:

#### **I. GENERAL INFORMATION:**

##### **i) Nature of Industry:**

The Company is a Non-Banking Financial Company engaged in providing finance for new and pre-owned auto and utility vehicles, tractors, cars and commercial vehicles.

##### **ii) Date or expected date of commencement of commercial production:**

The Company was incorporated on 1<sup>st</sup> January, 1991 and commenced business operations on 19<sup>th</sup> February, 1991.

##### **iii) In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus:**

Not applicable

iv) **Financial performance based on given indicators – as per Audited Financial Statement for the year ended 31<sup>st</sup> March, 2016:**

Particulars	Rupees (in crores)
Turnover and Other Income	5,905.10
Net Profit as per Statement of Profit and Loss (after Tax)	672.60
Profit as computed under section 198 of the Companies Act, 2013	1,498.69
Net Worth	6,088.11

v) **Foreign Investments or collaborations, if any:**

The Company has made a cumulative investment of Rs. 153.17 crores as on 31<sup>st</sup> March, 2016 in Mahindra Finance USA LLC, a joint venture between De Lage Landen Financial Services Inc., and the Company.

II. **INFORMATION ABOUT THE APPOINTEES:**

Particulars	Name of Directors (“the Appointees”)	
	Mr. Ramesh Iyer	Mr. V. Ravi
Background details	The information is furnished in Note No. 11 of this Notice.	
Past remuneration during the financial year ended 31 <sup>st</sup> March, 2016		
Recognition or Awards		
Job Profile and their suitability	Mr. Ramesh Iyer has been the Managing Director of the Company since 30 <sup>th</sup> April, 2001 and has been associated with the Company since its inception. He has been recently elevated as Vice-Chairman of the Board of Directors designated as “Vice-Chairman & Managing Director” with effect from 18 <sup>th</sup> March, 2016. The turnover and profits of the Company have been growing over the years. The growth in the Company’s operations can to a very large extent be attributable to the dynamism and relentless efforts set by Mr. Ramesh Iyer, Vice-Chairman & Managing Director. Several new initiatives have been and are being taken to further the growth and the profitability of the Company. Taking into consideration his qualifications and expertise in relevant fields, Mr. Ramesh Iyer is best suited for the responsibilities currently assigned to him by the Board of Directors of the Company.	Mr. V. Ravi has been the Chief Financial Officer of the Company since 18 years. He was appointed by the Board of Directors as a Whole-time Director designated as “Executive Director & Chief Financial Officer” with effect from 25 <sup>th</sup> July, 2015. In view of the vast knowledge and experience of Mr. V. Ravi, Executive Director & Chief Financial Officer of the Company and his contribution in diversification of the business activities of the Company and streamlining various major functions like Finance & Accounts, Treasury and Information Technology in the Company and taking into consideration his qualifications and expertise, Mr. V. Ravi is best suited for the responsibilities currently assigned to him by the Board of Directors of the Company.
Remuneration Proposed	Salary in the scale of Rs. 5,00,000 per month to Rs. 10,00,000 per month with effect from 30 <sup>th</sup> April, 2016 and other perquisites, allowances and commission as fully set out in Item No. 3 of the Notice.	Salary of Rs. 3,00,000 per month in the scale of Rs. 3,00,000 per month to Rs. 6,00,000 per month with effect from 25 <sup>th</sup> July, 2015 and other perquisites, allowances and commission as fully set out in Item No. 5 of the Notice.

Particulars	Name of Directors (“the Appointees”)	
	Mr. Ramesh Iyer	Mr. V. Ravi
Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person (in case of expatriates the relevant details would be with respect to the country of his origin)	Taking into consideration the size of the Company, the profile of the appointees, their responsibilities, the industry benchmarks, the remuneration proposed to be paid is commensurate with the remuneration packages paid to similar senior level counterpart(s) in other companies in the industry.	
Pecuniary relationship directly or indirectly with the Company, or relationship with the managerial personnel, if any	Besides the remuneration proposed to be paid to the appointees, they do not have any other pecuniary relationship with the Company or relationship with the managerial personnel.	

### III. OTHER INFORMATION:

i) Reasons of loss or inadequate profits:

Not applicable as the Company has posted a net profit after tax of ₹ 672.60 crores for the year ended 31<sup>st</sup> March, 2016.

ii) Steps taken or proposed to be taken for improvement and

iii) Expected increase in productivity and profits in measurable terms :

Not applicable as the Company has adequate profits. The Company posted a profit before tax of ₹ 1,038.18 crores for the year ended 31<sup>st</sup> March, 2016.

### IV. Disclosures:

Mr. Ramesh Iyer and Mr. V. Ravi satisfy all the conditions set out in Part-I of Schedule V of the Companies Act, 2013 (“the Act”) as also conditions set out under sub-section (3) of section 196 of the Act for being eligible for their respective appointments. They are not disqualified from being appointed as Director in terms of section 164 of the Act.

The information as required under Regulation 36(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Clause 1.2.5 of the Secretarial Standard on General Meetings (SS-2) has been provided in Note No. 11 of this Notice.

The Company shall make appropriate disclosures as required under Schedule V of the Act, in the Corporate Governance Report forming part of the Annual Report for the Financial Year 2015-16.

### ITEM NO.6

The Board of Directors has pursuant to the recommendation of the Nomination and Remuneration Committee of the Board appointed Dr. Anish Shah as an Additional Director of the Company with effect from 18<sup>th</sup> March, 2016. He holds office up to the date of the forthcoming Annual General Meeting of the Company under section 161 of the Companies Act, 2013 (“the Act”) and Article 147 of the Articles of Association of the Company.

The Company has received a Notice in writing from a Member alongwith the deposit of the requisite amount under section 160 of the Act proposing the candidature of Dr. Anish Shah for the office of Director of the Company.

The Company has also received the requisite disclosures from Dr. Anish Shah. He is not disqualified from being appointed as Director in terms of section 164 of the Act. Dr. Anish Shah does not hold any shares in the Company. Dr. Anish Shah, Group President (Strategy) and a Member of the Group Executive Board of Mahindra & Mahindra Limited, the Holding Company will be considered as a non-independent Director.

The Company is seeking the approval of the Members for the appointment of Dr. Anish Shah as a Director of the Company, liable to retire by rotation.

The Board recommends the passing of the Resolution under Item No. 6 as an Ordinary Resolution.

Your approval is sought by voting through Postal Ballot pursuant to the provisions of section 110 of the Act read together with such Rules as may be applicable for passing the Ordinary Resolution as set out in this Notice.

Except for Dr. Anish Shah and his relatives, none of the other Directors, Key Managerial Personnel ("KMP") of the Company and relatives of the Directors and KMP are, in any way, concerned or interested, financially or otherwise, in the Resolution set out at Item No. 6 of the Notice except to the extent of their shareholding interest, if any, in the Company.

By Order of the Board  
**For Mahindra & Mahindra Financial Services Limited**

**Arnavaz M. Pardiwalla**  
Company Secretary

Place : Mumbai

Date : 10<sup>th</sup> May, 2016

**Registered Office:**

Gateway Building,

Apollo Bunder,

Mumbai - 400 001.

Tel: +91 22 66526000; Fax: +91 22 24984170

CIN: L65921MH1991PLC059642

E-mail: [investorhelpline\\_mmfsl@mahindra.com](mailto:investorhelpline_mmfsl@mahindra.com)

Website: [www.mahindrafinance.com](http://www.mahindrafinance.com)

# Mahindra FINANCE

## MAHINDRA & MAHINDRA FINANCIAL SERVICES LIMITED

Registered Office: Gateway Building, Apollo Bunder, Mumbai - 400 001.

Corporate Identity Number: L65921MH1991PLC059642

Tel: +91 22 66526000; Fax: +91 22 24984170

Website: [www.mahindrafinance.com](http://www.mahindrafinance.com) • email: [investorhelpline\\_mmfsl@mahindra.com](mailto:investorhelpline_mmfsl@mahindra.com)

### POSTAL BALLOT FORM

POSTAL BALLOT NO.

1. Name(s) of Member(s) :
2. Registered address of the Sole/first named Member :
3. Name(s) of Joint holder(s), if any :
4. Registered Folio No. / DPID No. / Client ID No.\* :  
(\*applicable to investors holding shares in dematerialised form)
5. No. of Shares held :
6. I/We hereby exercise my/our vote in respect of the Ordinary and Special Resolutions as proposed to be passed through Postal Ballot/ e-voting for the business stated in Item Nos. 1 to 6 in the Notice of the Company dated 10<sup>th</sup> May, 2016, by sending my/our assent or dissent to the said Resolution(s) by placing tick (✓) mark at the appropriate box below:

Sr. No.	Description	No. of Shares held	I/We assent to the Resolution(s) (FOR)	I/We dissent to the Resolution(s) (AGAINST)
1.	Special Resolution for increase in Borrowing limits from Rs. 50,000 crores to Rs. 55,000 crores under section 180(1)(c) of the Companies Act, 2013 ("the Act") and creation of charge on the assets of the Company under section 180(1)(a) of the Act.			
2.	Special Resolution for issue of Non-Convertible Debentures including Subordinated Debentures, in one or more tranches, aggregating upto Rs. 24,500 crores on a Private Placement basis.			
3.	Special Resolution for re-appointment of Mr. Ramesh Iyer, Managing Director designated as "Vice-Chairman & Managing Director" of the Company.			
4.	Ordinary Resolution for appointment of Mr. V. Ravi as a Director.			
5.	Special Resolution for appointment of Mr. V. Ravi as a Whole-time Director designated as "Executive Director & Chief Financial Officer" of the Company.			
6.	Ordinary Resolution for appointment of Dr. Anish Shah as a Director.			

Place :

Date :

\_\_\_\_\_  
(Signature of Member)

The Company is pleased to offer remote e-voting facility as an alternate for the Members of the Company, to enable them to cast their votes electronically instead of sending the Postal Ballot Forms to the Scrutinizer. Detailed instructions for e-voting are given in Note No. 3 of the Postal Ballot Notice. E-Voting is optional.

### ELECTRONIC VOTING PARTICULARS

EVEN (E-Voting Event Number)	USER ID	PASSWORD

**NOTE: Please read carefully the instructions printed overleaf before exercising your vote.**

## INSTRUCTIONS FOR VOTING IN PHYSICAL MODE

1. A Member desiring to exercise the vote by Postal Ballot should complete this Postal Ballot Form and send it to the Scrutinizer in the attached self-addressed envelope (bearing the address of the Scrutinizer appointed by the Board of Directors of the Company). Postage will be borne and paid by the Company. However, envelopes containing Postal Ballots, if sent by courier or by registered post/speed post at the expense of the Member will also be accepted.
2. This Form should be completed and signed by the Member. In case of joint holding, this Form should be completed and signed (as per the specimen signature registered with the Company or furnished by National Securities Depository Limited / Central Depository Services (India) Limited to the Company, in respect of shares held in the physical form or dematerialised form respectively) by the first named Member and in his/her absence, by the next named Member.
3. In case of shares held by companies, trusts, societies, etc. duly completed Postal Ballot Form should be accompanied by a certified copy of the Board Resolution / Authorisation giving requisite authority to the person voting on the Postal Ballot Form. Where the Form has been signed by a representative of the President of India or of the Governor of a State, a certified copy of the nomination should accompany the Postal Ballot Form.
4. There will be only one Postal Ballot Form for every folio irrespective of the number of Joint Members.
5. The right of voting by Postal Ballot shall not be exercised by a Proxy.
6. Incomplete, unsigned or incorrect Postal Ballot Forms will be rejected.
7. Pursuant to Clause 16.5.3(e) of Secretarial Standard on General Meetings (SS-2) issued by the Council of the Institute of Company Secretaries of India and approved by the Central Government, in case a Member abstains from voting on a Resolution i.e., the Member neither assents nor dissents to the Resolution, then his/her/its vote will be treated as an invalid vote with respect to that Resolution.
8. Additionally, please note that the Postal Ballot Forms shall be considered invalid if:
  - a. The Member's signature does not tally;
  - b. Any competent authority has given directions in writing to the Company to freeze the voting rights of the Member;
  - c. The Postal Ballot Form is received torn or defaced or mutilated such that it is difficult for the Scrutinizer to identify either, the Member, or the number of votes, or as to whether the votes are for 'Assent' or 'Dissent', or if the signature could not be verified or one or more of the above grounds.
  - d. The Member has made any amendment to the Resolution or imposed any condition while exercising his/her/its vote.
9. A Member need not use all the votes nor needs to cast all the votes in the same way.
10. Duly completed Postal Ballot Form should reach the Scrutinizer on or before Thursday, 16<sup>th</sup> June, 2016 by 5.30 p.m. IST. Postal Ballot Form received after this date will be treated as if the reply from the Member(s) has not been received.
11. A Member may request for a duplicate Postal Ballot Form, if so required or can download the Postal Ballot Form from the Company's Website at the link <http://www.mahindrafinance.com/announcements.aspx> and the same duly completed should reach the Scrutinizer not later than the last date for voting specified at Sr. No.10 above. In case of receipt of more than one Postal Ballot Form from a Member, the last received Form would be considered and the earlier received Form(s) would be considered invalid.
12. The voting rights shall be reckoned on the paid-up value of Shares registered in the name of the Member(s) on the date of the Notice annexed herewith i.e. 10<sup>th</sup> May, 2016. Any recipient of the Notice who has no voting rights is requested to treat this Notice for information purposes only.
13. Member(s) are requested not to send any other paper alongwith the Postal Ballot Form in the enclosed self-addressed postage prepaid envelope as such envelope will be sent to the Scrutinizer and any extraneous paper found in such envelope would be destroyed by the Scrutinizer.
14. The Scrutinizer's decision on the validity of a Postal Ballot Form will be final.
15. The Results of the Postal Ballot will be declared on Saturday, 18<sup>th</sup> June, 2016 as specified in the Notice.
16. The Results declared along with the Scrutinizer's Report will be hosted on the website of the Company at the link <http://www.mahindrafinance.com/announcements.aspx> and on the website of Karvy at the link <https://evoting.karvy.com> and shall also be communicated to BSE Limited and the National Stock Exchange of India Limited. The Results will thereafter be published in newspapers for the information of Members.