

6th November, 2019

The General Manager-Department of
Corporate Services,
BSE Limited,
Phiroze Jeejeebhoy Towers,
Dalal Street, Mumbai - 400 001.

Scrip Code : 532720

The Manager-Listing Department,
National Stock Exchange of India Limited,
"Exchange Plaza", 5th Floor,
Plot No. C/1, G Block,
Bandra-Kurla Complex,
Bandra (East), Mumbai - 400 051.

Scrip Code : M&MFIN

Dear Sirs,

Sub: Postal Ballot Notice - Disclosure under Regulation 30 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

We refer to our letter dated 22nd October, 2019, wherein we had *inter alia*, informed that the Board of Directors at its Meeting held on 22nd October, 2019, had subject to approval of the Members to be obtained by means of a Postal Ballot, recommended (a) the appointment of Mr. Arvind V. Sonde as an Independent Director, (b) the re-appointment of Mr. Chandrashekhar Bhawe as an Independent Director for a second term, and (c) Revision in the scale of salary payable to Mr. Ramesh Iyer, Managing Director designated as Vice-Chairman & Managing Director of the Company, with effect from 1st April, 2020.

Pursuant to Regulation 30 and other applicable Regulations of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, enclosed please find the Postal Ballot Notice dated 1st November, 2019 along with the Explanatory Statement and Postal Ballot Form which is being disseminated to the Members of the Company, seeking their approval in relation to the following Resolutions:

| Sr. No. | Description of the Resolutions |
|---------|--|
| 1. | Ordinary Resolution for appointment of Mr. Arvind V. Sonde (DIN: 00053834), as an Independent Director of the Company, to hold office for a term of 5 (five) consecutive years commencing from 9 th December, 2019 to 8 th December, 2024. |

| | |
|----|--|
| 2. | Special Resolution for re-appointment of Mr. Chandrashekhar Bhave (DIN: 00059856), as an Independent Director of the Company, to hold office for a second term of 5 (five) consecutive years commencing from 3 rd February, 2020 to 2 nd February, 2025. |
| 3. | Special Resolution for revision in the scale of salary payable to Mr. Ramesh Iyer, Managing Director designated as Vice-Chairman & Managing Director of the Company, with effect from 1 st April, 2020. |

The Postal Ballot Notice, along with other relevant documents, are being sent to all the Members whose names appear in the Register of Members/ List of Beneficial Owners as on 1st November, 2019 ("Cut-off date"), seeking their approval as set out in the Postal Ballot Notice.

Kindly take the same on record.

The Postal Ballot Notice and the Postal Ballot Form are also being uploaded on the website of the Company at the link <https://www.mahindrafinance.com/PostalBallot.aspx>.

Thanking you,

Yours Faithfully,
For Mahindra & Mahindra Financial Services Limited

Arnavaz

Arnavaz M. Pardiwalla
Company Secretary & Compliance Officer



Encl: a/a

Mahindra FINANCE

MAHINDRA & MAHINDRA FINANCIAL SERVICES LIMITED

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

Corporate Office: Mahindra Towers, 'A' Wing, 4th Floor, Worli, Mumbai – 400 018.

Corporate Identity Number: L65921MH1991PLC059642

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

Website: www.mahindrafinance.com; Email: investorhelpline_mmfsfsl@mahindra.com

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]

Dear Member(s),

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(s) or re-enactment(s) 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 voting through electronic means ("Remote E-voting"). The Explanatory Statement pursuant to Section 102 read with Section 110 of the Act 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 the Scrutinizer ("Scrutinizer"), for conducting the Postal Ballot and Remote E-voting 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 Sections 108, 110 and other applicable provisions of the Act read with the related Rules, the Company is pleased to provide Remote E-voting facility 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 Fintech Private Limited ("Karvy") to provide Remote E-voting facility to its Members.

Members have the option to vote either by Postal Ballot or through Remote E-voting. In case a Member has voted through e-voting facility, he/she/it is not required to send the physical Postal Ballot Form. In case Members cast their votes through both the modes, the vote cast through e-voting shall only be considered and the voting through physical Postal Ballot Form shall not be considered by the Scrutinizer. Members cannot exercise votes by proxy on Postal Ballot.

The Remote E-voting commences on **Saturday, 9th November, 2019 at 9:00 a.m. (IST) and concludes on Sunday 8th December, 2019 at 5:00 p.m. (IST)**. The e-voting module shall be disabled by Karvy for voting thereafter.

The Remote E-voting facility is available at the link: <https://evoting.karvy.com>. Members desiring to opt for Remote E-voting are requested to read the "**Procedure and Instructions for Remote 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 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 not later than **5:00 p.m. (IST) on 8th December, 2019**, to be eligible for being considered. Please note that any Postal Ballot Form(s) received thereafter will be treated as if no reply has been received from the Member.

Members are requested to exercise their voting rights by using the attached Postal Ballot Form only. No other Form is permitted.

A request for a duplicate Postal Ballot Form may be sent by the Member(s) to **Mr. Suresh Babu D.**, Deputy Manager-RIS, Karvy, at suresh.d@karvy.com or the same may be downloaded from the Company's website at the link: <https://www.mahindrafinance.com/PostalBallot.aspx>.

The Scrutinizer will submit his/her Report to the Chairman or any other Person of the Company authorised by him, upon completion of scrutiny of the Postal Ballots received in electronic and physical mode. The Results of the Postal Ballot shall be declared by the Chairman or any other Person of the Company authorised by the Chairman on **Monday, 9th December, 2019 by 11:00 p.m. (IST)** on the website of the Company at the link: <https://www.mahindrafinance.com/PostalBallot.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 BSE Limited and the National Stock Exchange of India Limited, 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: <https://www.mahindrafinance.com/PostalBallot.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 **Sunday, 8th December, 2019**, being the last date specified by the Company for receipt of duly completed Postal Ballot Forms or Remote E-voting.

ORDINARY RESOLUTION:

Item No.1 : Appointment of Mr. Arvind V. Sonde as an Independent Director of the Company

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

“RESOLVED that pursuant to the provisions of Sections 149, 150, 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013, the Companies (Appointment and Qualifications of Directors) Rules, 2014 and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”), [including any statutory modification(s) or amendment(s) thereto or re-enactment(s) thereof for the time being in force], Mr. Arvind V. Sonde (DIN: 00053834), who has given his consent along with a declaration that he meets the criteria of independence as provided in Section 149(6) of the Companies Act, 2013 and Rules framed thereunder and Regulation 16(1) (b) of the Listing Regulations, as amended, and in respect of whom the Company has received a Notice in writing from a Member under Section 160 of the Companies Act, 2013 proposing his candidature for the office of Director, being so eligible, be appointed as an Independent Director of the Company, not liable to retire by rotation, to hold office for a term of 5 (five) consecutive years commencing from 9th December, 2019 to 8th December, 2024.”

SPECIAL RESOLUTIONS :

Item No. 2 : Re-appointment of Mr. Chandrashekhar Bhawe as an Independent Director of the Company

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

“RESOLVED that pursuant to the provisions of Sections 149, 150, 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013, the Companies (Appointment and Qualifications of Directors) Rules, 2014 and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”) [including any statutory modification(s) or amendment(s) thereto or re-enactment(s) thereof for the time being in force], Mr. Chandrashekhar Bhawe (DIN: 00059856), who was appointed as an Independent Director of the Company by the Members vide Postal Ballot, with effect from 3rd February, 2015 and who holds office of the Independent Director up to 2nd February, 2020 and who being eligible for re-appointment as an Independent Director has given his consent along with a declaration that he meets the criteria of independence under Section 149(6) of the Companies Act, 2013 and Rules framed thereunder and Regulation 16(1)(b) of the Listing Regulations, as amended, and in respect of whom the Company has received a Notice in writing from a Member under Section 160 of the Companies Act, 2013 proposing his candidature for the office of Director, be re-appointed as an Independent Director of the Company, not liable to retire by rotation, to hold office for a second term of 5 (five) consecutive years commencing from 3rd February, 2020 to 2nd February, 2025.”

Item No. 3 : Revision in the scale of salary payable to Mr. Ramesh Iyer, Managing Director designated as Vice-Chairman & Managing Director of the Company

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

“RESOLVED that in partial modification of the Special Resolution passed on 16th June, 2016 by the Members vide Postal Ballot and pursuant to the provisions of Sections 197, 198 and all other applicable provisions of the Companies Act, 2013 (“the Act”) read with Schedule V of the Act, the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 [including any statutory modification(s) or amendment(s) thereto or re-enactment(s) thereof for the time being in force] and the Articles of Association of the Company, 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 in granting such approvals, permissions and sanctions, approval of the Company be and is hereby accorded to the revision in the scale of salary payable to Mr. Ramesh Iyer (DIN: 00220759), as the Managing Director of the Company designated as Vice-Chairman & Managing Director, with effect from 1st April, 2020 for the remainder of his term of office, i.e. upto 29th April, 2021, as stated hereunder:

Salary : In the scale of Rs. 9,50,000 per month to Rs. 15,00,000 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 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, Mr. Ramesh Iyer 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 Mr. Ramesh Iyer (including salary, commission, perquisites, allowances, benefits and amenities) shall not exceed the limits laid down in Section 197 and computed in the manner laid down in Section 198 of the Act, read with the Rules framed thereunder, including any statutory modification(s) or re-enactment(s) thereof for the time being in force read with Schedule V of the Act.

FURTHER RESOLVED that in case in the financial year during the currency of the tenure of Mr. Ramesh Iyer, the Company has no profits or its profits are inadequate, the Company may subject to receipt of the requisite approvals, in terms of Section II of Part II of Schedule V read with Section 197 of the Act, pay to Mr. Ramesh Iyer, the above remuneration as the minimum remuneration 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 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.”

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

**Arnavaz M. Pardiwalla
Company Secretary**

Registered Office:

Gateway Building, Apollo Bunder, Mumbai - 400 001.

CIN: L65921MH1991PLC059642

Tel: +91 22 66526000/6156

Fax: +91 22 24984170

E-mail: investorhelpline_mmfs@mahindra.com

Website: www.mahindrafinance.com

Place : Mumbai

Date : 1st November, 2019

NOTES:

1. The Explanatory Statement pursuant to the provisions of Sections 102 and 110 of the Companies Act, 2013 (“the Act”) stating material facts and reasons for the proposed Resolutions is annexed hereto.
2. The Postal Ballot Notice is being sent to the Members whose names appear on the Register of Members/ List of Beneficial Owners as received from National Securities Depository Limited (“NSDL”) and Central Depository Services (India) Limited (“CDSL”) as on Friday, 1st November, 2019. The Postal Ballot Notice is being sent to Members in electronic form to the e-mail IDs registered with their Depository Participant (in case of electronic shareholding)/the Company’s Registrar and Transfer Agents (in case of physical shareholding). In case of Members whose e-mail ID is not registered, physical copy of Postal Ballot Notice and Form is being sent by permitted mode along with a postage pre-paid self-addressed Business Reply Envelope.
3. The voting rights of the Members shall be in proportion to the paid-up value of their shares in the Equity Share capital of the Company as on the cut-off date, i.e. 1st day of November, 2019. A person who is not a Member as on the cut-off date is requested to treat this Notice for information purposes only.
4. Members may note that this Notice will be available on the Company’s website at the link: <https://www.mahindrafinance.com/PostalBallot.aspx> and on the website of Karvy at the link: <https://evoting.karvy.com>.
5. Relevant documents referred to in this Postal Ballot Notice are available for inspection of the Members at the Registered Office and the Corporate Office of the Company, between 10.00 a.m. to 12.00 noon, on all working days (except Saturdays, Sundays and Public Holidays), from the date of despatch of this Postal Ballot Notice till Sunday, 8th December, 2019.

6. **Remote E-voting:** In compliance with the provisions of Sections 108, 110 and other applicable provisions of the Act, read with Rule 20 and Rule 22 of the Companies (Management and Administration) Rules, 2014, as amended and Regulation 44 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is offering Remote E-voting facility (through E-Voting Platform of Karvy: <https://evoting.karvy.com>), as an alternate which would enable the Members to cast votes electronically, instead of sending physical Postal Ballot Form. Please note that Remote E-Voting is optional.
7. **The procedure and instructions for Remote E-voting are as follows:**
- a) Day, date and time of commencement of voting through electronic means: **Saturday, 9th November, 2019 at 9:00 a.m. (IST).**
 - b) Day, date and time of end of voting through electronic means beyond which voting will not be allowed: **Sunday, 8th December, 2019 till 5:00 p.m. (IST).**
 - c) Details of Website: <https://evoting.karvy.com>.
 - d) Details of person to be contacted for issues relating to e-voting: Mr. Suresh Babu D., Deputy Manager - RIS, Karvy Fintech Private Limited, Unit: Mahindra & Mahindra Financial Services 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 or evoting@karvy.com.
 - e) Details of Scrutinizer: Mr. S. N. Ananthasubramanian (FCS No. 4206), or failing him, Ms. Malati Kumar (ACS No. 15508), 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(s)]:**
- 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. **1st November, 2019** 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 with a copy to 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(s) 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.
8. Once the vote on a Resolution is cast by a Member, whether partially or otherwise, the Member shall not be allowed to change it subsequently or cast the vote again.
 9. In case of any query, clarification(s) and/or grievance(s), in respect of voting by electronic means, please refer the Help & FAQs section and E-voting user manual available at the download Section of Karvy's website <https://evoting.karvy.com> or contact at investorhelpline_mmfsi@mahindra.com or e-voting@karvy.com or on Phone No. +91 40 6716 2222 or call Karvy's Toll Free No. 1800-345-4001, for any further clarifications.
 10. Resolutions passed by the Members through Postal Ballot are deemed to have been passed as if the same have been passed at a General Meeting of the Members, and shall be deemed to have been passed on the last date of voting, i.e., **Sunday, 8th December, 2019.**
 11. Information as required under Regulations 26(4) and 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) for Item Nos. 1 and 2 is given hereunder:

| Name of the Director | Mr. Arvind V. Sonde | Mr. Chandrashekhar Bhawe |
|--|--|--|
| DIN | 00053834 | 00059856 |
| Age | 64 years | 69 years |
| Date of first appointment on the Board | Not Applicable | 3 rd February, 2015 |
| Brief resume, Qualification(s), Experience and Nature of expertise in specific functional areas, Recognition or awards | <p>Mr. Arvind V. Sonde is an Advocate, a member of the Institute of Chartered Accountants of India and has a Bachelor's Degree in Commerce and Law from Mumbai University.</p> <p>Mr. Arvind Sonde specialises in Direct Tax law and as an Advocate for over three decades he has counselled major corporations, organizations, and individuals. He appears pro bono for charities and other deserving entities and has been a frequent speaker at various fora and writer on tax issues in India. He has often been named by the International Tax Review as one of India's Top 10 Tax Controversy Leaders and Top 10 Tax Dispute Advisers.</p> <p>Mr. Arvind Sonde was a Member along with Dr. Urjit Patel, former Governor of the Reserve Bank of India, and others on the Task Force</p> | <p>Mr. Chandrashekhar Bhawe started his career in the Indian Administrative Service (IAS) in 1975 after completing his bachelor's degree in Electrical Engineering. He worked in different positions in the Central and State Governments and also won awards from the Government of Maharashtra for his outstanding work in the area of family welfare and excellence in administration. He then worked in Securities and Exchange Board of India (SEBI) as a Senior Executive Director from 1992–1996, helping create the regulatory infrastructure for Indian capital markets.</p> <p>Mr. Bhawe then took voluntary retirement from the IAS to set up the National Securities Depository Limited (NSDL) in 1996 and was its Chairman and Managing Director from 1996 to 2008. Mr. Bhawe was the Chairman of SEBI, India's capital markets regulator, from 2008 to 2011. He was also the Chairman of the Asia-Pacific Regional Committee and a member of the Technical and the Executive Committees of the International Organisation of Securities Commissions (IOSCO), over this period.</p> |

| Name of the Director | Mr. Arvind V. Sonde | Mr. Chandrashekhar Bhawe |
|--|--|--|
| | <p>on Direct Taxes headed by Dr. Vijay Kelkar in September 2002 constituted by the Ministry of Finance and was also a Member on the Emerging Issues Task Force on Non Resident Taxation formed by the Ministry of Finance, Government of India.</p> | <p>Mr. Bhawe has several professional affiliations that include:</p> <ul style="list-style-type: none"> • Chairman of the Board of Directors of the Indian Institute for Human Settlements (IIHS). • Trustee of the Independent Public Spirited Media Foundation. • Member of the Regulatory Committee – Abu Dhabi Global Markets. <p>Mr. Bhawe is the Non-Executive Chairman of IIHS, a non-profit organisation established for the purpose of creating and disseminating knowledge related to human settlements in the context of urban areas. Mr. Bhawe is not a Member of any mandatory Committees of IIHS.</p> |
| Terms and conditions of appointment/re-appointment | Appointed as an Independent Director of the Company, not liable to retire by rotation, to hold office for a period of 5 (five) consecutive years commencing from 9 th December, 2019 to 8 th December, 2024, on passing of the Ordinary Resolution by the Members. | Re-appointed as an Independent Director of the Company, not liable to retire by rotation, to hold office for a second term of 5 (five) consecutive years commencing from 3 rd February, 2020 to 2 nd February, 2025, on passing of the Special Resolution by the Members. |
| Details of remuneration sought to be paid | Mr. Arvind V. Sonde and Mr. Chandrashekhar Bhawe would be entitled to sitting fees for attending the Meetings of the Board of Directors and Committees thereof. In addition, they would be entitled to commission as determined each year by the Board of Directors within the limits approved by the Members of the Company for the Non-Executive Directors of the Company. | |
| Details of remuneration last drawn (F.Y. 2018-19) | Not Applicable | <p>Sitting fees paid to Mr. Chandrashekhar Bhawe for the year ended 31st March, 2019 was Rs. 9.10 lakhs. During the Financial Year 2018-19, Rs.19 lakhs was paid to Mr. Bhawe as commission for the year ended 31st March, 2018.</p> <p>During the current Financial Year Rs. 21 Lakhs has been paid to Mr. Bhawe as commission for the year ended 31st March, 2019.</p> |
| Shareholding in the Company | <p>Own : Nil</p> <p>For other persons on a beneficial basis: Nil</p> | <p>Own : Nil</p> <p>For other persons on a beneficial basis: Nil</p> |
| Relationship with other Directors and Key Managerial Personnel | None of the Directors of the Company is <i>inter-se</i> related to each other or with the Key Managerial Personnel of the Company. | |
| Number of Board Meetings attended during the Financial Year 2019-20 till date. | Not Applicable | 5 (out of 5 Meetings held) |

| Name of the Director | Mr. Arvind V. Sonde | Mr. Chandrashekhar Bhawe |
|---|--|--|
| Directorships held in other Companies | Franklin Templeton Trustee Services Private Limited | <ol style="list-style-type: none"> 1. Avenue Supermarts Limited 2. Vistaar Financial Services Private Limited (Chairman) 3. Indian Institute for Human Settlements 4. Tejas Networks Limited |
| Chairmanship/ Membership of Board Committees of other Companies | <ul style="list-style-type: none"> • Audit Committee - Member • Unit Holder Grievance Committee - Member | <p>Avenue Supermarts Limited</p> <ul style="list-style-type: none"> • Audit Committee - Chairman • Nomination and Remuneration Committee - Chairman <p>Vistaar Financial Services Private Limited</p> <ul style="list-style-type: none"> • Corporate Social Responsibility Committee - Chairman • Nomination and Remuneration Committee - Chairman <p>Indian Institute for Human Settlements</p> <ul style="list-style-type: none"> • Executive Committee - Chairman <p>Tejas Networks Limited</p> <ul style="list-style-type: none"> • Audit Committee - Chairman • Nomination and Remuneration Committee - Member • Risk Management Committee - Member |

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

**Arnavaaz M. Pardiwalla
Company Secretary**

Registered Office:

Gateway Building, Apollo Bunder, Mumbai - 400 001.

CIN: L65921MH1991PLC059642

Tel: +91 22 66526000/6156

Fax: +91 22 24984170

E-mail: investorhelpline_mmfsl@mahindra.com

Website: www.mahindrafinance.com

Place : Mumbai

Date : 1st November, 2019

Explanatory Statement pursuant to Sections 102(1) and 110 of the Companies Act, 2013

The following Explanatory Statement pursuant to Section 102(1) read with Section 110 of the Companies Act, 2013 ("the Act"), sets out all material facts relating to the business mentioned under Item Nos. 1 to 3 of the accompanying Notice dated 1st November, 2019.

ITEM NO. 1

The Board of Directors based on the recommendation of the Nomination and Remuneration Committee, has at its Meeting held on 22nd October, 2019 and subject to the approval of the Members by means of a Postal Ballot, approved the proposal for the appointment of Mr. Arvind V. Sonde as an Independent Director on the Board of Directors of the Company who shall hold office with effect from 9th December, 2019 for a period of 5 (five) consecutive years, not liable to retire by rotation.

The Board recommends the appointment of Mr. Arvind V. Sonde (DIN: 00053834) in accordance with the provisions of Section 149 read with Schedule IV of the Act, to hold office for a term of 5 (five) consecutive years on the Board of Directors of the Company commencing from 9th December, 2019 to 8th December, 2024.

The Company has received a Notice in writing from a Member under Section 160 of the Act, proposing the candidature of Mr. Arvind V. Sonde for the office of Independent Director of the Company.

Mr. Arvind V. Sonde has confirmed that he is not disqualified from being appointed as a Director under Section 164 of the Act and that he satisfies the criteria of 'fit and proper' as prescribed by the Reserve Bank of India vide Master Direction No. DNBR.PD.008/03.10.119/2016-17 dated 1st September, 2016. Mr. Arvind V. Sonde has also confirmed that he is not debarred from holding the office of Director by virtue of any SEBI Order or any other such authority pursuant to circulars dated 20th June, 2018 issued by BSE Limited and the National Stock Exchange of India Limited pertaining to enforcement of SEBI Orders regarding appointment of Directors by listed companies, and has given his consent in writing to act as Director of the Company.

The Company has also received necessary declarations from Mr. Arvind V. Sonde stating that he meets the criteria of independence as prescribed under sub-section (6) of Section 149 of the Act and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), as presently applicable.

In terms of Regulation 25(8) of the Listing Regulations, Mr. Arvind V. Sonde has confirmed that he is not aware of any circumstance or situation, which exists or may be reasonably anticipated, that could impair or impact his ability to discharge his duties with an objective independent judgement and without any external influence.

In the opinion of the Board, Mr. Arvind V. Sonde fulfills the conditions as specified in the Act and the Rules framed thereunder and the Listing Regulations for appointment as an Independent Director, and he is independent of the Management.

As on date of this Notice, Mr. Sonde does not hold by himself or for any other person on a beneficial basis, any Equity Shares in the Company.

Mr. Arvind V. Sonde is not *inter-se* related to any of the Directors or Key Managerial Personnel (including relatives of Directors or Key Managerial Personnel) of the Company.

As per the provisions of Section 149 of the Act, Mr. Sonde shall hold office for a term of five consecutive years commencing from 9th December, 2019 to 8th December, 2024, and is not liable to retire by rotation.

Copy of the draft letter of appointment of Mr. Arvind V. Sonde setting out the terms and conditions of appointment shall be available for inspection without any fee by the Members in physical or electronic form at the Registered Office and Corporate Office of the Company between 10.00 a.m. to 12.00 noon on all working days (except Saturdays, Sundays and Public Holidays) and are also available on the website of the Company, at the link: <https://www.mahindrafinance.com/PostalBallot.aspx>.

Accordingly, the Board recommends the Ordinary Resolution set out in the Notice under Item No.1 in relation to the appointment of Mr. Arvind V. Sonde, as an Independent Director, for approval by the Members of the Company through Postal Ballot including E-voting.

Save and except Mr. Arvind V. Sonde, and his relatives to the extent of their shareholding interest, if any, in the Company, none of the other 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.

ITEM NO. 2

Mr. Chandrashekhar Bhavé was appointed as an Independent Director by the Members of the Company by means of a Postal Ballot voting process with effect from 3rd February, 2015 for a period of 5 (five) consecutive years, pursuant to the provisions of Section 149 of the Act read with the Companies (Appointment and Qualifications of Directors) Rules, 2014 and the erstwhile Clause 49 of the Listing Agreement with the Stock Exchanges. Mr. Bhavé holds office as an Independent Director of the Company up to 2nd February, 2020 (“first term” in line with the explanation to Section 149(10) and 149(11) of the Act).

The Nomination and Remuneration Committee at its Meeting held on 21st October, 2019, on the basis of the performance evaluation of Mr. Chandrashekhar Bhavé and taking into account the external business environment, the business knowledge, acumen, experience and the substantial contribution made by Mr. Bhavé during his tenure, has recommended to the Board that the continued association of Mr. Chandrashekhar Bhavé as an Independent Director of the Company would be beneficial to the Company.

Based on the above and the performance evaluation of Mr. Bhavé, the Board recommends the re-appointment of Mr. Chandrashekhar Bhavé (DIN: 00059856), as an Independent Director of the Company, not liable to retire by rotation, to hold office for a second term of 5 (five) consecutive years on the Board of the Company commencing from 3rd February, 2020 to 2nd February, 2025.

The performance evaluation was based on various criteria, *inter alia*, including attendance at Board and Committee Meetings, skill, experience, ability to challenge views of others in a constructive manner, knowledge acquired with regard to the Company’s business/activities, understanding of industry and global trends, quality of contribution to Board discussions and decisions, etc.

Mr. Chandrashekhar Bhavé has confirmed that he is not disqualified from being appointed as a Director under Section 164 of the Act and that he satisfies the criteria of ‘fit and proper’ as prescribed by the Reserve Bank of India vide Master Direction No. DNBR.PD.008/03.10.119/2016-17 dated 1st September, 2016. Mr. Chandrashekhar Bhavé has also confirmed that he is not debarred from holding the office of Director by virtue of any SEBI Order or any other such authority pursuant to circulars dated 20th June, 2018 issued by BSE Limited and the National Stock Exchange of India Limited pertaining to enforcement of SEBI Orders regarding appointment of Directors by listed companies, and has given his consent in writing to act as Director of the Company.

The Company has received necessary declarations from Mr. Chandrashekhar Bhavé stating that he meets the criteria of independence as prescribed under sub-section (6) of Section 149 of the Act and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”) as presently applicable.

In terms of Regulation 25(8) of the Listing Regulations, Mr. Chandrashekhar Bhavé has confirmed that he is not aware of any circumstance or situation, which exists or may be reasonably anticipated, that could impair or impact his ability to discharge his duties with an objective independent judgement and without any external influence.

In the opinion of the Board, Mr. Chandrashekhar Bhavé, fulfills the conditions as specified in the Act and Rules framed thereunder and the Listing Regulations for appointment as an Independent Director, and he is independent of the Management.

The Company has received a Notice in writing from a Member under Section 160 of the Act, proposing the candidature of Mr. Chandrashekhar Bhavé, for the office of Independent Director of the Company.

As on date of this Notice, Mr. Bhavé does not hold by himself or for any other person on a beneficial basis, any Equity Shares in the Company.

Mr. Chandrashekhar Bhavé is not *inter-se* related to any of the Directors or Key Managerial Personnel (including relatives of Directors or Key Managerial Personnel) of the Company.

As per the provisions of Section 149 of the Act, Mr. Bhavé shall hold office for a term of five consecutive years commencing from 3rd February, 2020 to 2nd February 2025, and is not liable to retire by rotation.

Copy of the draft letter of appointment of Mr. Chandrashekhar Bhavé setting out the terms and conditions of appointment shall be available for inspection without any fee by the Members in physical or electronic form at the Registered Office and Corporate Office of the Company between 10.00 a.m. to 12.00 noon on all working days (except Saturdays, Sundays and Public Holidays) and are also available on the website of the Company, at the link: <https://www.mahindrafinance.com/PostalBallot.aspx>.

In compliance with the provisions of Section 149 read with Schedule IV of the Act, Regulation 17 of the Listing Regulations and other applicable regulations, the proposal for re-appointment of Mr. Chandrashekhar Bhavé as an Independent Director is now being placed before the Members for their approval.

Accordingly, the Board recommends the Special Resolution set out in the Notice under Item No. 2 in relation to the re-appointment of Mr. Chandrashekhar Bhavé as an Independent Director, for approval by the Members of the Company through Postal Ballot including E-voting.

Save and except Mr. Chandrashekhar Bhavé, and his relatives to the extent of their shareholding interest, if any, in the Company, none of the other 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.

ITEM NO. 3

Mr. Ramesh Iyer was re-appointed as the Managing Director designated as Vice-Chairman & Managing Director by a Special Resolution passed by the Members of the Company through Postal Ballot on 16th June, 2016, for a period of 5 (five) years with effect from 30th April, 2016 to 29th April, 2021, on a salary in the scale of Rs. 5,00,000 to Rs. 10,00,000 per month.

The Board of Directors of the Company at its Meeting held on 22nd October, 2019, has pursuant to the approval of the Nomination and Remuneration Committee of the Board and subject to the approval of the Members, approved the revision in the scale of salary payable to Mr. Ramesh Iyer, Managing Director designated as Vice-Chairman & Managing Director of the Company with effect from 1st April, 2020 for the remainder of his term of office, in line with the current market trends.

Mr. Ramesh Iyer's key mandate at Mahindra Group is to drive inclusive growth, aligned to the Company's guiding belief of driving rural prosperity. He has been instrumental in building Mahindra Finance since 1994 into one of India's leading rural finance companies. During his tenure the Financial Services Sector of the Mahindra Group which includes the Company and its subsidiaries viz., Mahindra Insurance Brokers Limited, Mahindra Rural Housing Finance Limited, Mahindra Asset Management Company Private Limited and Mahindra Trustee Company Private Limited has grown inorganically. Considering the Vice-Chairman & Managing Director's contribution towards growth, his increasing responsibilities and trend in the industry, it is proposed to revise the scale of salary payable to Mr. Ramesh Iyer, with effect from 1st April, 2020 for the remainder of his term of office i.e. upto 29th April, 2021.

In compliance with Section 190 of the Act, a Memorandum setting out the terms of the revised remuneration of Mr. Ramesh Iyer is available for inspection of the Members in physical or in electronic form at the Registered Office and the Corporate Office of the Company.

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

Accordingly, the Board recommends the Special Resolution set out in the Notice under Item No. 3 in relation to the revision in remuneration of Mr. Ramesh Iyer, for approval by the Members of the Company through Postal Ballot including E-voting.

Save and except Mr. Ramesh Iyer and his relatives, to the extent of their shareholding interest, if any, in the Company, none of the other 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. 3 of the Notice.

The following additional information as required by Schedule V of the Companies Act, 2013 in respect of Item No. 3 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 and SME Financing.

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

The Company was incorporated on 1st January, 1991 and commenced business operations on 19th 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 31st March, 2019:

| Particulars | Rs. (in crores) |
|---|-----------------|
| Turnover and other Income | 8,809.81 |
| Net Profit as per Statement of Profit and Loss (after Tax) | 1,557.06 |
| Profit as computed under Section 198 of the Companies Act, 2013 | 1,225.58 |
| Net Worth | 10,908.02 |

v) Foreign Investments or collaborations, if any:

The Company has made a cumulative investment of Rs. 210.55 crores as on 31st March, 2019 in Mahindra Finance USA LLC, a joint venture between De Lage Landen Financial Services Inc., and the Company.

II. INFORMATION ABOUT THE APPOINTEE:

| | | |
|-------|--|---|
| (i) | Background details | <p>Mr. Ramesh Iyer is the Vice-Chairman & Managing Director of Mahindra & Mahindra Financial Services Limited (MMFSL), which is in the business of financial services for more than 25 years. Mr. Iyer has been associated with the Company since its inception. Mr. Iyer took over as CEO in the year 1999 and has been Managing Director since 2001. In March 2016 Mr. Iyer was given the additional responsibility of Vice-Chairman. Mr. Ramesh Iyer is also the President – Financial Services Sector and a member of the Group Executive Board of Mahindra & Mahindra Limited, the holding company. Mr. Ramesh Iyer is a Finance Professional with an experience of over 35 years. He holds a Bachelor's Degree in Commerce and a Master's Degree in Business Administration.</p> <p>Mr. Iyer manages the Financial Services Sector of the Mahindra Group which includes MMFSL, Mahindra Insurance Brokers Limited, Mahindra Rural Housing Finance Limited, Mahindra Asset Management Company Private Limited and Mahindra Trustee Company Private Limited. He also oversees the operations of Mahindra Finance USA LLC., a U.S. joint venture with De Lage Landen Financial Services Inc., a wholly-owned subsidiary of the Rabobank Group.</p> <p>Mr. Ramesh Iyer has been closely involved in the development of the Country's dynamic Financial Services Sector and is an active member of the National Committee on Financial Inclusion and Digitisation of Confederation of Indian Industry (CII). He is also a member of CII's National Committee on Leadership & HR. Mr. Iyer chairs the CII WR Task Force Committee on Human Resources and is also the Co-Chairman of the NBFC Committee of IMC Chamber of Commerce & Industry. Mr. Iyer is an eminent member of the Banking & Finance Committee of the Bombay Chamber of Commerce and Industry (BCCI) and the Taskforce of NBFCs of the Federation of Indian Chambers of Commerce and Industry (FICCI). Mr. Ramesh Iyer has recently been appointed as Chairman of the Finance Industry Development Council (FIDC). Mr. Ramesh Iyer serves on the boards of several Mahindra Group Companies and is also an Independent Director of Noveltech Feeds Private Limited.</p> <p>Apart from being on the various bodies of the Financial Services Sector, Mr. Iyer is also on the Advisory Boards of various Educational Institutions like IITB-Washington University, Vidyalkar Institute of Technology – School of Management, We Schools' PGDM-Rural Management Committee and on the College Development Committee of Vivek College of Commerce.</p> <p>Mr. Ramesh Iyer has had an illustrious career marked by numerous awards and accolades. He has won the Indian Achievers Award for Corporate Leadership by Indian Achievers Forum. He was also conferred the Business Leadership Award by the Institute of Economic Studies, New Delhi. His leadership was lauded with the 'CEO with HR Orientation' Award by Employer Branding Institute, CMO Asia, with their Strategic Partner CMO Council. In addition, Mr. Iyer has also received the Udyog Rattan Award by the Institute of Economic Studies, New Delhi; the Rashtriya Udyog Pratibha Award by the Council for Economic Growth & Research, Pune; and the Bhartiya Udyog Ratna Award by the National Education & Human Resource Development Organisation, Mumbai.</p> |
| (ii) | Past remuneration during the financial year ended 31 st March, 2019 | Rs. 728.80 lakhs |
| (iii) | Recognition or Awards | The information is already covered in the section "Background details". |
| (iv) | Job Profile and his suitability | Mr. Ramesh Iyer has been the Managing Director of the Company since 30 th April, 2001 and has been associated with the Company since its inception. He was elevated as "Vice-Chairman & Managing Director" with effect from 18 th March, 2016. 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. |
| (v) | Remuneration Proposed | <p>Revised Scale of Salary:</p> <p>Salary in the scale of Rs. 9,50,000 per month to Rs. 15,00,000 per month with effect from 1st April, 2020.</p> |

| | | |
|-------|---|--|
| (vi) | 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 Mr. Ramesh Iyer, the responsibilities shouldered by him and 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. |
| (vii) | Pecuniary relationship directly or indirectly with the Company, or relationship with the managerial personnel, if any | Besides the remuneration proposed to be paid to him, the Vice-Chairman & Managing Director does 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 Rs.1,557.06 crores for the year ended 31st March, 2019.
- 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 Rs. 2,382.44 crores for the year ended 31st March, 2019.

IV. DISCLOSURES:

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 2019-20.

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

**Arnavaz M. Pardiwalla
Company Secretary**

Registered Office:

Gateway Building, Apollo Bunder, Mumbai - 400 001.

CIN: L65921MH1991PLC059642

Tel: +91 22 66526000/6156

Fax: +91 22 24984170

E-mail: investorhelpline_mmfs@mahindra.com

Website: www.mahindrafinance.com

Place : Mumbai

Date : 1st November, 2019

Mahindra FINANCE

MAHINDRA & MAHINDRA FINANCIAL SERVICES LIMITED

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

Corporate Office: Mahindra Towers, 'A' Wing, 4th Floor, Worli, Mumbai – 400 018.

Corporate Identity Number: L65921MH1991PLC059642

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

Website: www.mahindrafinance.com • **Email:** investorhelpline_mmfs@mahindra.com

The last date for receipt of Postal Ballot is Sunday, 8th December, 2019, 5.00 p.m.

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(s) in respect of the Ordinary and Special Resolutions as proposed to be passed through Postal Ballot/ Remote E-voting for the business stated in Item Nos. 1 to 3 in the Notice of the Company dated 1st November, 2019, by conveying my/our assent or dissent to the said Resolutions by placing tick mark (✓) in the appropriate box below:

| Item No. | Description | No. of Shares held | I/We assent to the Resolution(s) (FOR) | I/We dissent to the Resolution(s) (AGAINST) |
|----------|---|--------------------|--|---|
| 1. | Ordinary Resolution for appointment of Mr. Arvind V. Sonde (DIN: 00053834) as an Independent Director of the Company, to hold office for a term of 5 (five) consecutive years commencing from 9 th December, 2019 to 8 th December, 2024. | | | |
| 2. | Special Resolution for re-appointment of Mr. Chandrashekhar Bhawe (DIN: 00059856) as an Independent Director of the Company, to hold office for a second term of 5 (five) consecutive years commencing from 3 rd February, 2020 to 2 nd February, 2025. | | | |
| 3. | Special Resolution for revision in the scale of salary payable to Mr. Ramesh Iyer, Managing Director designated as Vice-Chairman & Managing Director of the Company, with effect from 1 st April, 2020. | | | |

Place :

Date :

(Signature of Member or Authorised Signatory)

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. The E-voting facility is available at the link: <https://evoting.karvy.com>. Detailed instructions for Remote E-voting are given in Note No. 7 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 Business Reply 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 or deposited in person 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 **Sunday, 8th December, 2019 by 5.00 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: <https://www.mahindrafinance.com/PostalBallot.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., **Friday, 1st November, 2019 ("cut-off date")**. 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 proposed Resolutions, if passed by the Members, by way of Postal Ballot and Remote E-voting shall be considered as passed on the last date of voting, i.e., Sunday, 8th December, 2019.
16. The Results of the Postal Ballot will be declared on **Monday, 9th December, 2019** as specified in the Notice.
17. The Results declared along with the Scrutinizer's Report will be hosted on the website of the Company at the link: <https://www.mahindrafinance.com/PostalBallot.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.