



MAX FINANCIAL SERVICES LIMITED

CIN: L24223PB1988PLC008031

Registered Office: Bhai Mohan Singh Nagar, Village Railmajra,

Tehsil Balachaur, District Nawanshahr, Punjab – 144 533

Tel: 01881-462000, 462001 Fax: 01881- 273607

Website: www.maxfinancialservices.com

E-mail: investorhelpline@maxindia.com

May 26, 2020

BSE Limited
Phiroze Jeejeebhoy Towers
Dalal Street
Mumbai - 400 021.

National Stock Exchange of India Ltd.
Exchange Plaza
Bandra -Kurla Complex
Bandra (E), Mumbai 400 051

Scrip Code : 500271

Name of Scrip : MFSL

Dear Sir/Madam,

Subject : Declaration of results with respect to Notice dated April 23, 2020 issued to members of the Company

This is with reference to our earlier letter dated April 24, 2020, informing Stock Exchanges on seeking shareholders approval by way of Special Resolutions through Postal Ballot (including remote e-voting) for (i) for issue and allotment of 75,458,088 equity shares of Rs. 2/- each of the Company on a preferential allotment basis to Mitsui Sumitomo Insurance Company Limited (MSI) for consideration other than cash, i.e., by way of transfer of 394,775,831 equity shares of Rs.10/- each of Max Life Insurance Company Limited (MLIC) to the Company and (ii) for acquisition of remaining equity shares of Rs. 10/- each of MLIC, held by MSI, from time to time for a consideration of Rs. 85/- per equity share of MLIC, payable in cash.

Basis the report of Scrutinizer, we would like to inform you that the Members of the Company have accorded their approval with requisite majority for the Special Resolutions mentioned above.

In this regard, we enclose a copy of the Scrutinizer's Report for the dissemination of the public. Further, details of Postal Ballot and e-voting results as per Regulation 44(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 are being uploaded on the website of the stock exchanges in XBRL mode .

We request you to take the aforesaid on record.

Thanking you,

Yours faithfully
For **Max Financial Services Limited**

V. Krishnan
Company Secretary & Compliance Officer

Encl: As above

SCRUTINIZERS' REPORT

To,

Max Financial Services Limited

Bhai Mohan Singh Nagar, Railmajra,
Tehsil Balachaur, District
Nawanshahr, Punjab-144533

Sub: Scrutinizers' Report on postal ballot including voting by electronic means conducted in terms of Section 110 of the Companies Act, 2013 read with Rule 22 of the Companies (Management and Administration) Rules, 2014, as amended in respect of passing of the resolutions contained in the Notice dated April 23, 2020.

Dear Sir,

I Rupesh Agarwal, Company Secretaries in Whole-time Practice were appointed as Scrutinizer by the Board of Directors of Max Financial Services Limited for scrutinizing postal ballot including voting by electronic means in respect of passing of the resolutions contained in the Notice dated April 23, 2020 ("Notice") in a fair and transparent manner.

I submit our report as under:

1. The management of the Company is responsible to ensure the compliance with the requirements of the relevant provisions of (i) the Companies Act, 2013 and the rules made thereunder including circular dated April 8, 2020 and April 13, 2020; and (ii) the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 with the Stock Exchanges, relating to postal ballot including voting by electronic means. .
2. My responsibility as scrutinizer is restricted to prepare a scrutinizers' report of the votes cast by the members for the resolutions contained in the Notice, based on the data downloaded from website of website (www.evoting.nsdl.com) of National Securities Depository (India) Limited ('NSDL') authorised agency engaged by the Company to provide e-voting facilities till the time fixed for closing of the voting process i.e. on or before 5:00 P.M. (IST) on Sunday, May 24, 2020.
3. The Members of the Company as on the "cut-off date" i.e. Friday, April 17, 2020 were entitled to vote on the proposed resolutions to be passed through postal ballot including voting by electronic means as set-out in the Notice of Postal Ballot dated April 23, 2020.
4. The e-voting period remained open from Saturday, April 25, 2020 at 9.00 a.m. and will end at the close of working hours i.e. by 5:00 P.M. on Sunday, May 24, 2020, on the designated website of NSDL ,I.e.(www.evoting.nsdl.com).
5. On Friday, April 24, 2020 the Company has completed the dispatch of Postal Ballot notice(s)/ form(s), to its Members whose name(s) appeared in the Register of Members/ List of beneficial owners received from National Securities Depository Limited/Central Depository Services (India) Limited as on the Cut-off date i.e. Friday, April 17, 2020 and whose e-mail IDs was available with the Company and

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Depositories. Pursuant to the Circulars nos. 14/2020 and 17/2020 dated April 8, 2020 and April 13, 2020 ('MCA Circulars'), respectively issued by Ministry of Corporate Affairs, the Company has dispatched the notices/ forms only through e-mails. The Company has not dispatched the postal ballot notices/ forms to those members whose e-mail IDs were not available with the Company and Depositories. However, the Company has also given an additional option to members to vote by postal ballot in the Postal Ballot Notice dated April 23, 2020, including the process to the members to register their e-mail ids with the Company or their depository participants.

6. Due to COVID-19 pandemic and lockdown announced by the Government of India on all India basis, physical ballot could not be dispatched. Further, the Company has also not received any physical ballot form and accordingly, voting done through e-voting only was considered for this report.
7. As stated in Sub-rule 3 of Rule 22 of Companies (Management and Administration) Rules, 2014, as amended, advertisements were published by the Company in Business Standard (English), all editions and Desh Sewak (Punjabi), Chandigarh edition on Sunday April 26, 2020 informing about the completion of dispatch of Postal Ballot notices/ forms, to the Members, those registered their E-mail ids with the depositories along with other related matters mentioned therein.
8. We had monitored the process of electronic voting (i.e. e-voting) through the scrutinizer's secured link provided by NSDL through its designated website.
9. After completion of e-voting, votes cast by the Members, were unblocked in the presence of two witnesses Mr. Lakhan Gupta and Mr. Shashikant Tiwari who are not in the employment of the Company.
10. The particulars of report downloaded from the website of NSDL have been entered in a separate register maintained for the purpose of Postal Ballot.
11. Votes cast by the members through e-voting, were reconciled with the records maintained by the Registrar and Transfer Agent of the Company and authorizations lodged with the Company.
12. This report is based on vote cast through e-voting, which was downloaded from the website www.evoting.nsdl.com.
13. After ascertaining the votes cast by e-voting, we hereby submit the result as under:

1. **Approval for issue and allotment of 75,458,088 equity shares of Rs. 2/- each of the Company on a preferential allotment basis to Mitsui Sumitomo Insurance Company Limited (MSI) for consideration other than cash, i.e., by way of transfer of 394,775,831 equity shares of Rs. 10/- each of Max Life Insurance Company Limited (MLIC) to the Company (AS A SPECIAL RESOLUTION)**

"RESOLVED THAT pursuant to the provisions of Section 23, 42, 62(1) (c) and other applicable provisions, if any, of the Companies Act, 2013 (hereinafter referred to as the 'Act'), read with the Companies (Prospectus and Allotment of Securities) Rules, 2014, the Companies (Share Capital and Debentures) Rules, 2014 and such others rules and regulations made thereunder (including any amendments, statutory modification(s) and/or re-enactment thereof for the time

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being in force) (hereinafter referred to as the 'Act'), and in accordance with provisions of the Memorandum and Articles of Association of the company and any other applicable rules, regulations, guidelines, notifications, circulars and clarifications issued by the Government of India, the Securities and Exchange Board of India ('SEBI'), including the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended ('Listing Regulations'), SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended (the 'SEBI (ICDR) Regulations') as applicable including approvals from the BSE Limited, the National Stock Exchange of India Limited (collectively the 'Stock Exchanges'), the Competition Commission of India, the Department of Economic Affairs, Government of India, and the Insurance Regulatory and Development Authority of India and subject to such approvals, permissions, sanctions and consents as may be necessary and on such terms and conditions (including any alterations, modifications, corrections, changes and variations, if any, that may be stipulated while granting such approvals, permissions, sanctions and consents as the case may be) by any other regulatory authorities and which may be agreed by the Board of Directors of the Company (hereinafter referred to as 'Board' which term shall be deemed to include any duly constituted / to be constituted Committee of Directors thereof to exercise its powers including powers conferred under this resolution) and in terms of the investment agreement executed between the Company, promoters of the Company, Mitsui Sumitomo Insurance Company Limited ('MSI') and Max Life Insurance Company Limited ('Max Life') (the 'Definitive Agreements'), the approval of the members be and is hereby accorded to the Company to create, offer, issue and allot up to 75,458,088 (Seventy Five Million Four Hundred Fifty Eight Thousand and Eighty Eight) fully paid-up equity shares of the face value of Rs. 2/- (Rupees Two) each, on a preferential basis to MSI, (a company, having its office at 9 Kanda-Surugadai, 3-Chome, Chiyoda-ku, Tokyo, 101-8011, Japan and having PAN AACCM6963D), for consideration other than cash, and the consideration shall be paid by way of transfer of 394,775,831 (Three Hundred Ninety Four Million Seven Hundred Seventy Five Thousand and Eight Hundred Thirty One) equity shares of Rs. 10/- (Rupees Ten) each of Max Life (the 'Sale Shares') held by MSI to the Company (i.e. a swap of shares of Max Life with equity shares of the Company) and based on the valuation report obtained by the Company in accordance with applicable law, at a price of Rs. 565.11 (Rupees Five Hundred and Sixty Five and Paise Eleven only) per Equity Share of the face value of Rs. 2/- (Rupees Two) of the Company, being the price determined in accordance with Chapter V (*Preferential Issue*) of the SEBI (ICDR) Regulations."

"RESOLVED FURTHER THAT the Equity Shares of the Company being offered, issued and allotted to MSI by way of a preferential issue or allotment shall inter-alia be subject to the following:

- (i) The equity shares shall be issued and allotted by the Company to MSI in de-materialized form within period of 15 (Fifteen) days from the date of passing of this Special Resolution provided that where the issue and allotment of the said equity shares is pending on account of pendency of any approval or permission for such issue and allotment by any regulatory authority or the Central Government, the issue and allotment shall be completed within a period of 15 (Fifteen) days from the date of receipt of last of such approval or permission;
- (ii) The equity shares to be offered, issued and allotted shall rank *pari passu* with the existing equity shares of the Company in all respects including the payment of dividend and voting rights if any;

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- (iii) The "Relevant Date" for the offer, issue and allotment of the equity shares by way of a preferential issue, as per the SEBI (ICDR) Regulations, for determination of minimum price for the issue of said equity shares is Monday, April 27, 2020 being 30 (Thirty) days prior to the date of passing of the resolution;
- (iv) The equity shares to be offered, issued and allotted shall be subject to lock-in as provided under the applicable provisions of SEBI (ICDR) Regulations;
- (v) The equity shares so offered, issued and allotted will be listed on BSE Limited and the National Stock Exchange of India Limited where the equity shares of the Company are listed, subject to the receipt of necessary regulatory permissions and approvals as the case may be; and
- (vi) The equity shares so offered, issued and allotted to MSI (being the Sellers), are being issued for consideration other than cash and the consideration shall be paid by way of transfer of 394,775,831 (Three Hundred Ninety Four Million Seven Hundred Seventy Five Thousand and Eight Hundred Thirty One) equity shares of Rs. 10/- (Rupees Ten) each of Max Life ('the Sale Shares') from MSI, pursuant to the Definitive Agreements executed by the Company with MSI, promoters of the Company and Max Life and the transfer of such Shares by MSI to the Company will constitute full consideration for the equity shares to be issued by the Company to MSI, pursuant to this resolution."

"RESOLVED FURTHER THAT the Board be and is hereby authorised on behalf of the Company to do all such acts, deeds, matters and things as the Board may, in its absolute discretion, deem necessary or desirable for such purpose and for the purpose of giving effect to this resolution, including without limitation to vary, modify or alter any of the relevant terms and conditions, attached to the number of equity shares to be allotted to MSI, effecting any modifications, changes, variations, alterations, additions and/or deletions to the preferential issue as may be required by any regulatory, or other authorities or agencies involved in or concerned with the issue of the equity shares, making applications to the stock exchanges for obtaining in-principle approvals, listing of shares, filing requisite documents with the Ministry of Corporate Affairs and other regulatory authorities, filing of requisite documents with the depositories, to resolve and settle any questions and difficulties that may arise in the preferential offer, issue and allotment of equity shares without being required to seek any further consent or approval of the members of the Company."

"RESOLVED FURTHER THAT the Board be and is hereby authorised to delegate all or any of its powers conferred upon it by these resolutions to any officer(s) or authorized signatory(is) to give effect to these resolutions including execution of any documents on behalf of the 'Company' and to represent the Company before any governmental or regulatory authorities and to appoint any professional advisors, bankers, consultants, advocates and advisors to give effect to this resolution and further to take all others steps which may be incidental, consequential, relevant or ancillary in this regard."

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	Particulars	E-VOTING	
		Number of member(s) voted	Votes held by them
	Number of Members & Shares held by them	329	227,125,245
Less:	Number of Members & Invalid/Rejected Votes	0	0
Less:	Number of Members & abstained from voting	0	0
Less:	Number of Members & Votes not exercised	1	15,796
	No. of Valid Votes Cast	328*	227,109,449

Particulars	E-VOTING		% of total number of valid votes cast
	Number of members voted	Votes held by them	
Favour	321*	226,906,201	99.91
Against	8	203,248	0.09
Total	329*	227,109,449	100.00

* 1 (one) members holding 1,304,951 equity shares in total partially exercised their voting rights for 1,289,155 equity shares in favour only and not exercised voting right for 15,796 equity shares .

2. Approval for (a) acquisition of 394,775,831 equity shares of Rs. 10/- each of MLIC from MSI for consideration other than cash and (b) acquisition of remaining equity shares of Rs. 10/- each of MLIC, held by MSI, from time to time at a consideration of Rs. 85/- per equity share of MLIC, payable in cash.: (AS A SPECIAL RESOLUTION)

"RESOLVED THAT pursuant to the provisions of Section 186 of the Companies Act, 2013 ("the Act") read with the Companies (Meetings of Board and its Powers) Rules, 2014 and other applicable provisions, if any, of the Act (including any modification or re-enactment thereof for the time being in force) and subject to such approvals, consents, sanctions and permissions as may be necessary, and in terms of the Definitive Agreements executed by Max Financial Services Limited (the 'Company') with Mitsui Sumitomo Insurance Company Limited ('MSI'), promoters of the Company and Max Life Insurance Company Limited ('Max Life'), consent of the Members 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, unless the context otherwise

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requires, any committee of the Board or any officer(s) authorized by the Board to exercise the powers conferred on the Board under this resolution), to acquire from MSI the following equity shares held in Max Life, however the aggregate of the investments so far made in Max Life and the proposed acquisition of shares of Max Life from MSI will be over and above the limit of 60% (Sixty percent) of the paid-up share capital, free reserves and securities premium account of the Company or 100% (One Hundred percent) of free reserves and securities premium account of the Company, whichever is more, as prescribed under Section 186 of the Companies Act, 2013:

- (i) 394,775,831 (Three Hundred Ninety Four Million Seven Hundred Seventy Five Thousand and Eight Hundred Thirty One) equity shares of Rs. 10/- (Rupees Ten) each of Max Life ('the Sale Shares') from MSI for consideration other than cash; and
- (ii) Acquire the remaining equity shares of Rs. 10/- (Rupees Ten) each of Max Life, held, from time to time as morefully explained in Item No. 2 of the Explanatory Statement by MSI in Max Life at a consideration of Rs. 85/- (Rupees Eighty Five only) per Equity Share of Max Life, payable in cash, subject to applicable laws."

"RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board be and is hereby authorised on behalf of the Company to delegate all or any of its powers to any officer(s) or authorized signatory(is) to give effect to this resolution including execution of any documents on behalf of the Company and to appoint any professional advisors, bankers, consultants, advocates and advisors to give effect to this resolution and further to take all other steps which may be incidental, consequential, relevant or ancillary in this connection."

	Particulars	E-VOTING	
		Number of member(s) voted	Votes held by them
	Number of Members & Shares held by them	326	227,125,170
Less:	Number of Members & Invalid/Rejected Votes	0	0
Less:	Number of Members & abstained from voting	0	0
Less:	Number of Members & Votes not exercised	1	15,796
	No. of Valid Votes Cast	325*	227,109,374

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Particulars	E-VOTING		% of total number of valid votes cast
	Number of members voted	Votes held by them	
Favour	318*	226,906,108	99.91
Against	8	203,266	0.09
Total	326*	22,710,9374	100.00

*1 (one) members holding 1,304,951 equity shares in total partially exercised their voting rights for 1,289,155 equity shares in favour only and not exercised voting right for 15,796 equity shares .

Thanking You,
Yours faithfully.

Countersigned by:
For Max Financial Services Limited



~~Chairman or Director~~/Company Secretary
authorized by him

Rupesh Agarwal
Managing Partner
Membership No.A16302
Certificate of Practice No.5673
UDIN: A016302B000277211

Date: 26.05.2020
Place: Delhi

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Yours faithfully.

Countersigned by:
For Max Financial Services Limited



Chairman or Director/Company Secretary
authorized by him

Rupesh Agarwal
Managing Partner
Membership No.A16302
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