

3rd November, 2017

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 Sir,

Sub: Notice of Extraordinary General Meeting

Further to our letter dated 1st November, 2017 and pursuant to Regulation 30 read with paragraph A of Part A of Schedule III of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, we are enclosing herewith the Notice of the Extraordinary General Meeting (EGM) of our Company to be held on Wednesday, 29th November, 2017, at 10.30 a.m. at the Textiles Committee Auditorium, Government of India, Ministry of Textiles, P. Balu Road, Prabhadevi Chowk, Prabhadevi, Mumbai - 400 025.

The Notice of the EGM along with the Explanatory Statement, Attendance Slip and Proxy Form will be made available on the Company's website at the link:

<http://www.mahindrafinance.com/announcements.aspx>

Please take the same on record.

Thanking you,

Yours Faithfully,
For Mahindra & Mahindra Financial Services Limited

Arnavaz

Arnavaz M. Pardiwalla
Company Secretary & Compliance Officer

Encl: a/a



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_mmfsl@mahindra.com

NOTICE

NOTICE is hereby given that an Extraordinary General Meeting of the Members of Mahindra & Mahindra Financial Services Limited will be held on Wednesday, 29th November, 2017 at 10.30 a.m. at the Textiles Committee Auditorium, Government of India, Ministry of Textiles, P. Balu Road, Prabhadevi Chowk, Prabhadevi, Mumbai – 400 025 to transact the following business:

SPECIAL BUSINESS:**Item No. 1****Further Issue of Securities through Qualified Institutions Placement**

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

“RESOLVED that pursuant to the provisions of Sections 23, 42, 62(1)(c), 71 and other applicable provisions, if any, of the Companies Act, 2013 and the rules enacted thereunder [including the Companies (Prospectus and Allotment of Securities) Rules, 2014] including any amendments thereto or re-enactment thereof (the **“Companies Act”**), the provisions of the Memorandum and Articles of Association of the Company and in accordance with the provisions of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 as amended (**“SEBI ICDR Regulations”**), the provisions of the Foreign Exchange Management Act, 1999 as amended and rules and regulations framed thereunder [including the Foreign Exchange Management (Transfer or Issue of any Foreign Security) Regulations, 2004] as amended from time to time, and in accordance with the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the uniform listing agreements entered into with the Stock Exchanges and subject to other applicable rules, regulations, guidelines, notifications and circulars issued by the Securities and Exchange Board of India (**“SEBI”**), the Reserve Bank of India (**“RBI”**), the Government of India (**“GOI”**), the Stock Exchanges, and/or any other competent governmental or regulatory authorities from time to time to the extent applicable and subject to such approvals, permissions, consents and sanctions as may be necessary from SEBI, Stock Exchanges, RBI, GOI and/or any other governmental or regulatory authorities as may be required in this regard and further subject to such terms and conditions or modifications as may be prescribed or imposed by any of them while granting any such approvals, permissions, consents and/or sanctions which may be agreed to by 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), consent of the Company be and is hereby accorded to create, offer, issue and allot such number of Equity Shares of face value of ₹ 2 each (**“Equity Shares”**), fully convertible debentures, preference shares convertible into Equity Shares, any other security convertible into or exchangeable into Equity Shares (collectively referred to as **“Securities”**) or any combination of Securities, in one or more tranches, by way of Qualified Institutions Placement (**“QIP”**), through issue of placement document or other permissible offer documents to any eligible person, including qualified institutional buyers (**“QIBs”**) as defined under the SEBI ICDR Regulations in accordance with Chapter VIII of the SEBI ICDR Regulations (**“Investors”**) as may be decided by the Board in its discretion and permitted under applicable laws and regulations, at such price or prices, at a discount or premium to market price permitted under applicable laws in such manner and on such terms and conditions as may be deemed appropriate by the Board in its absolute discretion including the discretion to determine the categories of Investors to whom the offer, issue and allotment shall be made to the exclusion of other categories of Investors at the time of such offer, issue and allotment considering the prevailing market conditions and other relevant factors and wherever necessary in consultation with lead manager(s) and/or underwriter(s) and/or other advisor(s) appointed and/or to be appointed by the Company (the **“Issue”**) such that the aggregate number of Equity Shares to be issued directly or upon conversion of any Securities shall not exceed 2,40,00,000 (Two crores and Forty lakhs) Equity Shares.

FURTHER RESOLVED that in pursuance of this Resolution:

- (a) The Securities to be so created, offered, issued and allotted shall be subject to the provisions of the Memorandum and Articles of Association of the Company;
- (b) The Equity Shares that may be issued by the Company shall rank *pari passu* with the existing Equity Shares of the Company in all respects; and
- (c) Equity Shares to be issued on conversion of Securities convertible into Equity Shares shall be appropriately adjusted for corporate actions such as bonus issue, rights issue, stock split, consolidation of stock, merger, demerger, transfer of undertaking, sale of division or any such capital or corporate re-organisation or restructuring.

FURTHER RESOLVED that in terms of Chapter VIII of the SEBI ICDR Regulations, the allotment of the Securities, or any combination of Securities as may be decided by the Board shall be completed within twelve months from the date of this Resolution or such other time as may be allowed under the SEBI ICDR Regulations from time to time.

FURTHER RESOLVED that the issue of Securities made by way of a QIP in terms of Chapter VIII of the SEBI ICDR Regulations shall be at such price which is not less than the price determined in accordance with the pricing formula provided under Chapter VIII of the SEBI ICDR Regulations (the “**QIP Floor Price**”). The Company may, however, in accordance with applicable laws, also offer a discount of not more than 5% or such percentage as permitted under applicable laws on the QIP Floor Price.

FURTHER RESOLVED that subject to applicable laws, in the event that Equity Shares are issued to QIBs by way of a QIP in terms of Chapter VIII of the SEBI ICDR Regulations, the Relevant Date for the purpose of pricing of the Equity Shares shall be the date of the meeting in which the Board decides to open the QIP of Equity Shares and in the event the QIP entails an issuance of Securities other than Equity Shares, the Relevant Date for the purpose of pricing shall be either the date of the meeting in which the Board decides to open the QIP or the date on which holders of Securities other than Equity Shares become eligible to apply for Equity Shares, as may be determined by the Board.

FURTHER RESOLVED that for the purpose of giving effect to any offer, issue or allotment of Securities or Equity Shares on conversion of Securities, the Board be and is hereby authorised on behalf of the Company to seek listing of any or all of such Securities or Equity Shares as the case may be, on one or more Stock Exchanges in India.

FURTHER RESOLVED that the Board be and is hereby authorised to appoint lead managers, underwriters, depositories, custodians, registrars, bankers, lawyers, advisors, debenture trustees and all such agencies as are or may be required to be appointed, involved or concerned in the Issue and to remunerate them by way of commission, brokerage, fees or the like and also to reimburse them out of pocket expenses incurred by them and also to enter into and execute all such arrangements, agreements, memoranda, documents, etc., with such agencies.

FURTHER RESOLVED that for the purpose of giving effect to the above, the Board be and is hereby authorised to take all actions and do all such acts, deeds, matters and things as it may, in its absolute discretion, deem necessary, desirable or expedient for the Issue, including the finalisation, approval and execution of the draft as well as final offer document(s), transaction agreements, deeds, general undertaking/indemnity, certificates, consents, communications, affidavits, applications, determining the form and manner of the Securities, finalisation of the dates and timing of the Issue, class of the investors to whom the Securities are to be offered, determining the issue price, face value, premium amount on issue/conversion of the Securities, if any, rate of interest and all other terms and conditions of the Securities, offer and allotment of Securities, execution of various transaction documents, signing of declarations, creation of mortgage/ charge, utilisation of the issue proceeds, and to take such steps and to do all such acts, deeds, matters and things as they may deem fit and proper for the purpose of the Issue and resolve and settle all questions or difficulties that may arise in regard to such Issue without being required to seek any further consent or approval of the Members or otherwise to the end and intent that the Members 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 delegate all or any of the powers herein conferred to any Committee of Directors or any Director(s) or Officer(s) of the Company in such manner as it may deem fit in its absolute discretion with the power to take such steps and to do all such acts, deeds, matters and things as they may deem fit and proper for the purpose of the Issue and settle any questions or difficulties that may arise in regard to the Issue.”

Item No. 2

Approval of Related Party Transaction

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

“RESOLVED that pursuant to the provisions of Section 188 and all other applicable provisions, if any, of the Companies Act, 2013 read with Rule 15 of the Companies (Meetings of Board and its Powers) Rules, 2014, Regulation 23 of

the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and other applicable Acts, rules, regulations, guidelines, notifications, clarifications and circulars and in accordance with the provisions of the Memorandum and Articles of Association of the Company and subject to such approvals, consents, permissions and sanctions by any governmental or regulatory authority as may be necessary and subject to such conditions and modifications as may be prescribed by any of them while granting such approvals, permissions, consents and sanctions and which may be agreed to by the Board of Directors of the Company (hereinafter referred to as the “**Board**” which term shall include a duly authorised Committee constituted by the Board), consent of the Members be and is hereby accorded to create, offer, issue and allot up to 2,50,00,000 (Two crores and Fifty lakhs) Equity Shares (“**Equity Shares**”) of the face value of ₹ 2 each fully paid-up on a preferential basis to Mahindra & Mahindra Limited, the holding company, (the “**Promoter**”) at a price not less than the minimum price as on the ‘Relevant Date’ determined in accordance with the provisions of Chapter VII of the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009, including premium on such terms and conditions as the Board may think fit in its absolute discretion.”

Item No. 3

Preferential Allotment of Equity Shares to Mahindra & Mahindra Limited

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

“RESOLVED that pursuant to the provisions of Sections 23, 42, 62(1)(c) and other applicable provisions, if any, of the Companies Act, 2013, and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) including the Companies (Prospectus and Allotment of Securities) Rules, 2014 and the Companies (Share Capital and Debentures) Rules, 2014, the rules and regulations issued by the Securities and Exchange Board of India including the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended (the “**SEBI ICDR Regulations**”), the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the “**SEBI LODR Regulations**”), the provisions of the Foreign Exchange Management Act, 1999 as amended and rules and regulations framed thereunder [including the Foreign Exchange Management (Transfer or Issue of any Foreign Security) Regulations, 2004] as amended from time to time, the policies, rules, regulations, guidelines, notifications and circulars, if any, issued by the Government of India or any other competent authority, from time to time, to the extent applicable and in accordance with the provisions of the Memorandum and Articles of Association of the Company and subject to such approvals, consents, permissions and sanctions by any governmental or regulatory authority as may be necessary and subject to such conditions and modifications as may be prescribed by any of them while granting such approvals, permissions, consents and sanctions and which may be agreed to by the Board of Directors of the Company (hereinafter referred to as the “**Board**” which term shall include a duly authorised Committee constituted by the Board to exercise its powers including powers conferred by this Resolution) and subject to any other alterations, modifications, conditions, corrections, changes and variations that may be decided by the Board in its absolute discretion, the consent of the Company be and is hereby accorded to the Board to create, offer, issue and allot up to 2,50,00,000 (Two crores and Fifty lakhs) Equity Shares (“**Equity Shares**”) of the face value of ₹ 2 each fully paid-up on a preferential basis to Mahindra & Mahindra Limited, the holding company, (the “**Promoter**”) at a price not less than the minimum price as on the ‘Relevant Date’ determined in accordance with the provisions of Chapter VII of the SEBI ICDR Regulations including premium on such terms and conditions as the Board may think fit in its absolute discretion.

FURTHER RESOLVED that in accordance with the provisions of Chapter VII of the SEBI ICDR Regulations the ‘Relevant Date’ for the purpose of determining the Floor Price for the issue of Equity Shares is 30th October, 2017 which is 30 (Thirty) days prior to the date of the EGM being 29th November, 2017.

FURTHER RESOLVED that the Equity Shares shall be issued and allotted by the Company to the Promoter in dematerialised form within a period of 15 (fifteen) days from the date of passing of this Resolution provided that where the issue and allotment of the said Equity Shares is subject to receipt of any approval from any regulatory authority or the Government of India, the issue and allotment shall be completed within a period of 15 (fifteen) days from the date of receipt of last of such approvals.

FURTHER RESOLVED that the Equity Shares shall be issued at a price (including premium) that will be subject to a minimum price (the “**Floor Price**”) determined in accordance with the provisions of Chapter VII of the SEBI ICDR Regulations (the “**Preferential Issue Price**”).

FURTHER RESOLVED that the Equity Shares to be issued and allotted in terms of this Resolution shall rank pari passu with the existing Equity Shares of the Company in all respects, including dividend and shall be subject to the Memorandum and Articles of Association of the Company and shall be subject to lock-in as provided under the provisions of Chapter VII of the SEBI ICDR Regulations.

FURTHER RESOLVED that for the purpose of giving effect to this Resolution, the Board be and is hereby authorised to do all such acts, deeds, matters and things as it may in its absolute discretion deem necessary, desirable and expedient for such purpose, including without limitation, effecting any modifications or changes to the foregoing (including modification to the terms of the issue), entering into contracts, arrangements, agreements, documents without being required to seek any fresh approval of the Members of the Company to the end and intent that they shall be deemed to have given their approval thereto expressly by the authority of this Resolution and to settle all questions, difficulties or doubts that may arise in regard to the offer, issue and allotment of the Equity Shares and utilisation of proceeds of the Equity Shares and take all other steps which may be incidental, consequential, relevant or ancillary to give effect to this Resolution.

FURTHER RESOLVED that the Board be and is hereby authorised to delegate all or any of the powers herein conferred to any Committee of the Board or any Director(s) or Officer(s) of the Company and to generally do all such acts, deeds, matters and things as may be required in connection with this Resolution, including issue of offer letter, making necessary filings with the Stock Exchanges and regulatory authorities and execution of any documents on behalf of the Company and to represent the Company before any governmental authorities and to appoint any merchant bankers or other professional advisors, consultants and legal advisors to give effect to this Resolution.”

Notes:

1. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, in respect of the business as set out in the Notice is annexed hereto.
2. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND A PROXY NEED NOT BE A MEMBER.**
3. The instrument appointing a proxy must be deposited with the Company at its Registered Office not less than 48 hours before the time for holding the Meeting.
4. A person can act as a proxy on behalf of Members not exceeding fifty and holding in the aggregate not more than ten per cent of the total share capital of the Company carrying voting rights. A Member holding more than ten per cent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other Member. Proxies submitted on behalf of limited companies, societies, etc., must be supported by an appropriate resolution/authority as applicable. The Proxy-holder shall prove his identity at the time of attending the Meeting.
5. A route map giving directions to reach the venue of the Extraordinary General Meeting (EGM) is given at the end of the Notice. The prominent landmark for the venue is ‘**Siddhivinayak Temple**’.
6. The Company’s Registrar and Transfer Agents for its Share Registry Work (Physical and Electronic) are Messrs. Karvy Computershare Private Limited (Karvy) having their office at Karvy Selenium, Tower B, Plot No. 31-32, Gachibowli, Financial District, Nanakramguda, Hyderabad – 500 032.
7. Pursuant to Sections 101 and 136 of the Companies Act, 2013, read with the Rules framed thereunder and pursuant to the circulars issued by the Ministry of Corporate Affairs (MCA) regarding the Green Initiative, the Notice of the EGM *inter alia*, indicating the process and manner of remote e-voting along with attendance slip and proxy form, would be sent by electronic mode to those Members whose e-mail addresses are registered with the Company/ Karvy/ Depository Participant and who have not opted to receive the same in physical form.

For Members who have not registered their e-mail addresses and/or have opted to receive the documents in physical form, physical copies of the Notice of the EGM would be sent by the permitted mode.

Members are requested to support the Green Initiative by registering/ updating their e-mail addresses, with their Depository Participant (in case of Shares held in dematerialised form) or with Karvy (in case of Shares held in physical form).

8. A copy of the Notice will also be available on the website of the Company viz. **www.mahindrafinance.com**. Members are entitled to receive such communication in physical form, upon making a request to the Company for the same. For any communication, the Members may also send a request to the Company’s investor email id: **investorhelpline_mmfsi@mahindra.com**.
9. Relevant documents referred to in the Notice will be available for inspection at the Registered Office and the Corporate Office of the Company during normal business hours on all working days except Saturdays, up to and including the date of the EGM.

10. Members/Proxies/Authorised Representatives are requested to bring their Attendance Slip enclosed herewith, to the Meeting. Corporate Members intending to send their Authorised Representatives to attend the Meeting pursuant to Section 113 of the Companies Act, 2013 are requested to send to the Company, a certified copy of the Board Resolution authorising their representative to attend and vote on their behalf at the Meeting.

11. Procedure for Remote E-voting

In compliance with the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended from time to time, and the provisions of Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Members are provided with the facility to exercise their right to vote electronically, through the e-voting services provided by Karvy, i.e. facility of casting votes by the Members using an electronic voting system from a place other than the venue of the EGM ("remote e-voting") on all the resolutions set forth in this Notice. A Member may avail of the facility at his discretion, as per the instructions provided herein.

- i) The remote e-voting facility will be available during the following period:

Day, date and time of Commencement of remote e-voting	From :	Saturday, 25 th November, 2017 [9.00 a.m. (IST)]
Day, date and time of end of remote e-voting beyond which remote e-voting will not be allowed	To :	Tuesday, 28 th November, 2017 [5.00 p.m. (IST)]

- ii) The remote e-voting will not be allowed beyond the aforesaid date and time and the e-voting module shall be disabled by Karvy upon expiry of the aforesaid period.

- iii) Details of Website: <https://evoting.karvy.com>

- iv) Details of persons to be contacted for issues relating to e-voting:

Mr. Suresh Babu D., Deputy Manager – RIS,

Karvy Computershare 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.

The instructions for remote e-voting are as under:

1. A. In case a Member receives an email from Karvy [for Members whose email IDs are registered with the Company/Depository Participant(s)] which includes details of E-Voting Event Number (EVEN), USER ID and password:

- Launch internet browser by typing the URL: <https://evoting.karvy.com>.
- Enter the login credentials (i.e. User ID and password). In case of physical folio, User ID will be EVEN (E-Voting Event Number) XXXX followed by folio number. In case of Demat account, User ID will be your DP ID and Client 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.
- After entering these details appropriately, click on "LOGIN".
- 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.
- You need to login again with the new credentials.
- 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. **22nd November, 2017** 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.
- viii) Members holding multiple folios/demat accounts shall choose the voting process separately for each of the folios/demat accounts.
- ix) Voting has to be done for each item of the Notice separately.
- x) You may then cast your vote by selecting an appropriate option and click on “Submit”.
- xi) 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).
- xii) Corporate/Institutional Members (i.e. other than Individuals, HUF, NRIs, etc.) are 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 Notice of EGM and Attendance Slip [for Members whose email addresses 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) E-Voting Event Number-XXXX (EVEN), User ID and Initial Password is provided in the Attendance Slip.
- iii) Please follow all the steps from (ii) to (xii) as mentioned in 1 (A) above, to cast your vote.

2. Once the vote on a Resolution is cast by a Member, the Member shall not be allowed to change it subsequently.

In case of any query pertaining to e-voting, please visit 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 at **evoting@karvy.com** or phone No. 040 6716 2222 or call Karvy’s toll free No. 1800-345-4001 for any further clarifications.

3. Any person who acquires Shares of the Company and becomes a Member of the Company after the dispatch of the EGM Notice and holds shares as on the cut-off date, i.e. **Wednesday, 22nd November, 2017, may obtain the User ID and password in the manner as mentioned below:**

- a. If the mobile number of the Member is registered against Folio No./ DP ID Client ID, the Member may send SMS: MYEPWD<space> E-Voting Event Number +Folio no. or DP ID Client ID to +91-9212993399

Example for NSDL : MYEPWD<SPACE>IN12345612345678

Example for CDSL : MYEPWD<SPACE>1402345612345678

Example for Physical: MYEPWD<SPACE> XXXX1234567890

- b. if e-mail address or mobile number of the Member is registered against Folio No./ DP ID Client ID, then on the home page of **<https://evoting.karvy.com>**, the Member may click “Forgot Password” and enter Folio No. or DP ID Client ID and PAN to generate a password.
- c. Member may call Karvy’s Toll free number 1800-345-4001.
- d. Member may send an e-mail request to **evoting@karvy.com**. However, Karvy shall endeavour to send User ID and Password to those new Members whose e-mail IDs are available.

4. You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).

12. General instructions/information for Members for voting on the Resolutions:

- a. **Voting at EGM:** The Members who have not cast their vote through remote e-voting can exercise their voting rights at the EGM. The Company will make necessary arrangements in this regard at the EGM Venue. The facility for voting through electronic voting system (“Insta Poll”) shall be made available at the Meeting. Members who have already cast their votes by remote e-voting are eligible to attend the Meeting; however these Members are not entitled to cast their vote again at the Meeting.

A Member can opt for only a single mode of voting i.e. through remote e-voting or voting at the EGM. In case a Member casts votes by both the modes then voting done through remote e-voting facility shall prevail and voting at the EGM shall not be considered.

- b. The voting rights of Members shall be in proportion to their share in the paid-up Equity Share capital of the Company as on the cut-off date i.e. **Wednesday, 22nd November, 2017**. Members are eligible to cast their vote either through remote e-voting or at the EGM only if they are holding Shares as on that date. A person who is not a Member as on the cut-off date is requested to treat this Notice for information purposes only.
- c. 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 as well as voting through Insta Poll at the EGM, in a fair and transparent manner.
- d. The Scrutinizer after scrutinising the votes through remote e-voting and votes cast at the Meeting by Insta Poll, will, not later than 48 hours of conclusion of the Meeting, make a consolidated Scrutinizer's Report of the votes cast in favour or against, if any and submit the same forthwith to the Chairman or a person duly authorised by the Chairman who shall counter sign the same and declare the results of the voting.

The results declared along with the consolidated Scrutinizer's Report will be placed on the website of the Company at **www.mahindrafinance.com** and the website of Karvy: **https://evoting.karvy.com** immediately after the results are declared and will simultaneously be forwarded to BSE Limited and National Stock Exchange of India Limited, where Equity Shares of the Company are listed.

- e. The Resolutions shall be deemed to be passed on the date of the Meeting, i.e. **Wednesday, 29th November, 2017**, subject to receipt of the requisite number of votes in favour of the Resolutions.

By Order of the Board

Arnavaz M. Pardiwalla
Company Secretary

Registered Office :

Gateway Building,
Apollo Bunder,
Mumbai - 400 001.
CIN : L65921MH1991PLC059642
Email:investorhelpline_mmfsi@mahindra.com

1st November, 2017

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

The following Explanatory Statement sets out all material facts relating to the Special business mentioned under Item Nos. 1 to 3 of the accompanying Notice dated 1st November, 2017.

Item No. 1: Further Issue of Securities through Qualified Institutions Placement

The Company requires funds to augment its long-term resources to enable it to meet its business growth and funding requirements, investment in its subsidiaries and joint venture, strengthen its capital adequacy and for general corporate purposes. For these purposes, the Company has been exploring various routes for raising funds by way of issue of Equity Shares, fully convertible debentures, preference shares convertible into Equity Shares, any other security convertible into or exchangeable into Equity Shares (collectively referred to as “**Securities**”) or any combination thereof through a Qualified Institutions Placement in accordance with the provisions of Chapter VIII of the SEBI ICDR Regulations (the “**QIP**”). The Special Resolution seeks to empower the Board to issue Securities as aforesaid including through placement document to Qualified Institutional Buyers (“**QIBs**”) as defined under the SEBI ICDR Regulations in accordance with Chapter VIII of the SEBI ICDR Regulations (“**Investors**”) as may be decided by the Board in its sole discretion and in accordance with applicable laws.

The issue of Securities as aforesaid may be consummated at such time or times, at such price, at a discount or premium to market price in such manner and on such terms and conditions as the Board may in its absolute discretion decide taking into consideration prevailing market conditions and other relevant factors and wherever necessary in consultation with advisors, lead managers, underwriters and subject to SEBI ICDR Regulations and other applicable laws, regulations, rules and guidelines. The Board may at its discretion adopt any one or more of the mechanisms prescribed above to meet its objectives as stated above without the need for further approval from the Members of the Company.

Further, the Board may also offer a discount of not more than 5% or such other percentage as permitted on the QIP Floor Price calculated in accordance with the pricing formula provided under Chapter VIII of the SEBI ICDR Regulations. The “Relevant Date” for the purpose of pricing of the Equity Shares shall be the date of the meeting in which the Board decides to open the QIP of Equity Shares and in the event the QIP entails an issuance of Securities other than Equity Shares, the “Relevant Date” for the purpose of pricing shall be either the date of the meeting in which the Board decides to open the QIP or the date on which holder of Securities other than Equity Shares become eligible to apply for Equity Shares, as may be determined by the Board.

Since the QIP may result in issuance of Securities to investors who may or may not be Members of the Company, consent of the Members is being sought pursuant to Section 62(1)(c) and other applicable provisions of the Companies Act, 2013, the SEBI ICDR Regulations and any other law for the time being in force and being applicable and in terms of the provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Board believes that the QIP is in the interest of the Company and therefore recommends the Special Resolution for approval of the Members as set out at Item No. 1 of the Notice.

None of the Directors, Key Managerial Personnel and their relatives are in any way concerned or interested, financially or otherwise, in the proposed Resolution except to the extent of their shareholding, if any, in the Company.

Item Nos. 2 and 3: Approval of Related Party Transaction and Preferential Allotment of Equity Shares to Mahindra & Mahindra Limited

In light of the proposed fund raising initiative by the Company and in order for Mahindra & Mahindra Limited, the holding company, (the “**Promoter**”) to maintain its present shareholding in the Company, the Board of Directors of the Company at its meeting held on 1st November, 2017 accorded its approval to issue up to 2,50,00,000 (Two crores and Fifty lakhs) Equity Shares on a preferential basis to the Promoter. The Equity Shares shall be issued at a price (including premium) [the “**Preferential Issue Price**”] that will be subject to a minimum price (the “**Floor Price**”) determined in accordance with Chapter VII of the SEBI ICDR Regulations. The ‘Relevant Date’ for the purpose of determination of the Floor Price for the Issue of Equity Shares is 30th October, 2017 which is 30 days prior to the date of the EGM being 29th November, 2017.

Information required to be disclosed in the Explanatory Statement as per Regulation 73 of the SEBI ICDR Regulations is set forth below:

1. Objects of the Preferential Issue:

To augment long-term resources to enable the Company to meet its business growth and funding requirements, investment in its subsidiaries and joint venture, strengthen its capital adequacy and for general corporate purposes,

the Company proposes to raise funds through an issuance of Equity Shares/convertible securities to Qualified Institutional Buyers (“QIBs”) pursuant to a Qualified Institutions Placement under Chapter VIII of the SEBI ICDR Regulations. Issuance of Equity Shares/convertible securities to QIBs would help the Company to broaden its investor base.

In addition to achieving the above purpose of investor diversification, the Company continuing to remain a subsidiary of the Promoter, would enable it to leverage strategic and financial synergies with its Promoter, which includes access to new and existing markets and lower borrowing costs.

Accordingly, the Board of Directors of the Company at its Meeting held on 1st November, 2017 accorded its approval to issue up to 2,50,00,000 (Two crores and Fifty lakhs) Equity Shares on a preferential basis to the Promoter. These funds will also be used by the Company for business growth and funding requirements, investment in its subsidiaries and joint venture, meeting long-term working capital requirements, strengthen its capital adequacy and for general corporate purposes as per its growth and business plans from time to time.

2. The proposal or intention of the Promoter/Directors/Key Management Personnel to subscribe to the proposed preferential issue, if any:

The Company has received a letter of intent from the Promoter indicating its intention to subscribe to the proposed preferential issue. Except for the Promoter who will subscribe to the Equity Shares as part of the proposed preferential issue, none of the Directors or Key Managerial Personnel intends to subscribe to the proposed preferential issue.

3. The shareholding pattern of the Company before and after the preferential issue of Equity Shares:

Category	Pre-issue Shareholding (as on 27 th October, 2017)		Post-issue Shareholding*	
	Number of shares held	% of shareholding	Number of shares held	% of shareholding
A. Promoter and Promoter Group Shareholding				
Mahindra & Mahindra Limited	291,207,660	51.20	316,207,660	51.19
Sub-total – Indian Promoters	291,207,660	51.20	316,207,660	51.19
Foreign Promoters	-	-	-	-
Sub-total (A)	291,207,660	51.20	316,207,660	51.19
B. Public Shareholding				
1. Institutions	236,558,482	41.60	260,558,482	42.18
2. Central Government/ State Government	-	-	-	-
3. Non-Institutions	37,331,975	6.56	37,331,975	6.04
Sub-total (B)	273,890,457	48.16	297,890,457	48.22
C. Non Promoter – Non Public Shareholding	3,666,843	0.64	3,666,843	0.59
Sub-total (C)	3,666,843	0.64	3,666,843	0.59
Grand Total (A+B+C)	568,764,960	100.00	617,764,960	100.00

* The post-issue shareholding calculated above assumes issue and allotment of 2,50,00,000 (Two crores and Fifty lakhs) Equity Shares to the Promoter under Preferential Allotment and also assumes issue and allotment of 2,40,00,000 (Two crores and Forty lakhs) Equity Shares pursuant to the proposed Qualified Institutions Placement.

4. Proposed time within which preferential issue of Equity Shares shall be completed:

As required under the SEBI ICDR Regulations, the proposed preferential issue shall be completed, within a period of 15 days from the date of passing of the Special Resolution contained in this Notice. Provided that where the allotment on preferential basis is subject to receipt of any approval from any regulatory authority or the Government of India, the allotment shall be completed within a period of 15 days from the date of receipt of the last of such approvals.

5. The Identity of the natural persons who are the ultimate beneficial owners of the Equity Shares proposed to be allotted and/or who ultimately control the proposed allottees, the percentage of pre and post preferential issue capital that may be held by them:

Name of the proposed allottee	Category	Ultimate beneficial owners	Percentage of post preferential issue capital to be held	Change of Control
Mahindra & Mahindra Limited	Promoter	Mahindra & Mahindra Limited is a public listed company in India.	51.19%*	The proposed preferential issue of Equity Shares shall not result in change of control of the Company.

* The post-issue shareholding calculated above assumes issue and allotment of 2,50,00,000 (Two crores and Fifty lakhs) Equity Shares to the Promoter under Preferential Allotment and also assumes issue and allotment of 2,40,00,000 (Two crores and Forty lakhs) Equity Shares pursuant to the proposed Qualified Institutions Placement.

6. Lock-in Period:

- (i) The Equity Shares to be allotted on a preferential basis to the Promoter shall be subject to 'lock-in' for a period of three years from the date of trading approval for such Equity Shares in accordance with Regulation 78(1) of the SEBI ICDR Regulations;
- and
- (ii) The entire pre-preferential allotment shareholding of the Promoter, shall be locked-in from the Relevant Date up to a period of six months from the date of trading approval as per Regulation 78(6) of the SEBI ICDR Regulations.

7. Undertakings:

In terms of the SEBI ICDR Regulations, the Company hereby undertakes that:

- (i) It shall re-compute the price of the Equity Shares in terms of the provisions of the SEBI ICDR Regulations, where it is required to do so; and
- (ii) If the amount payable on account of the re-computation of price is not paid within the time stipulated in the SEBI ICDR Regulations, the Equity Shares shall continue to be locked-in till the time such amount is paid by the proposed allottees.

8. Other Disclosures:

- (i) The Promoter has not sold or transferred any Equity Shares of the Company during six months prior to the Relevant Date.
- (ii) It is hereby confirmed that neither the Company nor its Directors or its Promoter are a wilful defaulter.
- (iii) A copy of the certificate from M/s. B S R & Co. LLP, Chartered Accountants, Statutory Auditors of the Company, certifying that the above preferential issue of Equity Shares is being made in accordance with the applicable provisions of the SEBI ICDR Regulations, will be open for inspection at the Registered Office and Corporate Office of the Company during normal business hours on all working days except Saturdays, up to and including the date of the EGM. Copies of the above mentioned Statutory Auditors' Certificate shall also be laid before the Shareholders' meeting.
- (iv) Since it is proposed to issue and allot the aforesaid securities on preferential allotment basis, a Special Resolution is required to be approved by Members pursuant to the provisions of Sections 42 and 62(1)(c) and other applicable provisions of the Companies Act, 2013 and Chapter VII of the SEBI ICDR Regulations.

The Board of Directors believe that the proposed preferential issue and allotment of Equity Shares is in the best interest of the Company and its Members and hence recommends the Ordinary Resolution and Special Resolution as set out at Item Nos. 2 and 3 of the Notice, respectively.

None of the Directors, Key Managerial Personnel and their relatives are in any way concerned or interested, financially or otherwise, in the proposed Resolutions except to the extent disclosed below and to the extent of their shareholding, if any, in the Company.

Additional information pertaining to Item No. 2:

Sr. No.	Particulars	Details
1.	Name of the related party	Mahindra & Mahindra Limited
2.	Name of the director or key managerial personnel who is related, if any	Mr. V. S. Parthasarathy, Non-Executive and Non-Independent Director of the Company is the Group Chief Financial Officer & Group Chief Information Officer and Member of the Group Executive Board of Mahindra & Mahindra Limited.
3.	Nature of relationship	As on date, the Company is a subsidiary of the Promoter.
4.	Nature, material terms, monetary value and particulars of the contract or arrangement	Preferential Allotment of up to 2,50,00,000 (Two crores and Fifty lakhs) Equity Shares of face value of ₹ 2 each. Other details, terms and conditions are covered in the foregoing paragraphs of the Explanatory Statement.
5.	Any other information relevant or important for the Members to take a decision on the proposed resolution	All other information relevant or important is covered in the foregoing paragraphs of the Explanatory Statement.
6.	Voting	In accordance with the provisions of Regulation 23(4) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, all entities covered under the definition of "Related Party" under Section 2(76) of the Companies Act, 2013, irrespective of the fact whether the entity is a related party to the transaction or not, shall abstain from voting on the Resolution mentioned at Item No. 2 of the Notice.

By Order of the Board**Arnavaz M. Pardiwalla**
Company Secretary**Registered Office :**

Gateway Building,
Apollo Bunder,
Mumbai - 400 001.
CIN : L65921MH1991PLC059642
Email:investorhelpline_mmfsi@mahindra.com

1st November, 2017

ROUTE MAP OF THE VENUE OF THE EXTRAORDINARY GENERAL MEETING OF THE COMPANY

EGM Venue:

Textiles Committee Auditorium,
Government of India, Ministry of Textiles,
P. Balu Road, Prabhadevi Chowk,
Prabhadevi, Mumbai – 400 025.

Prominent Landmark: Siddhivinayak Temple



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

PROXY FORM

[Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014]

Name of the Member(s): _____

Registered Address of the Member: _____

E-mail Id: _____ Folio No./ Client ID: _____ DP ID: _____

I/We, being the Member(s) of MAHINDRA & MAHINDRA FINANCIAL SERVICES LIMITED holding _____ Equity Shares hereby appoint :

1. Name: _____ E-mail Id: _____

Address: _____

Signature: _____ or failing him/her

2. Name: _____ E-mail Id: _____

Address: _____

Signature: _____ or failing him/her

3. Name: _____ E-mail Id: _____

Address: _____

Signature: _____

as my/our Proxy to attend and vote (on a Poll) for me/us and on my/our behalf at the Extraordinary General Meeting of the Company, to be held on Wednesday, 29th November, 2017 at 10.30 a.m. at Textiles Committee Auditorium, Government of India, Ministry of Textiles, P. Balu Road, Prabhadevi Chowk, Prabhadevi, Mumbai - 400 025 and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.	Description
----------------	-------------

Special Business

- | | |
|----|---|
| 1. | Issue and allotment of upto 2,40,00,000 (Two crores and Forty lakhs) Equity Shares of Rs. 2 each/ securities convertible into Equity Shares to Qualified Institutional Buyers under the Qualified Institutions Placement. |
|----|---|

2.	Approval of Related Party Transaction.
3.	Issue and allotment of upto 2,50,00,000 (Two crores and Fifty lakhs) Equity Shares of Rs. 2 each on a preferential allotment basis to Mahindra & Mahindra Limited, the holding company (the "Promoter").

Signed this _____ day of _____ 2017

Signature of Shareholder

Signature of Proxy-holder(s)

Affix Revenue Stamp of ₹ 1/-

Notes:

1. This form of Proxy in order to be effective should be duly stamped, completed, signed and deposited at the Registered Office of the Company not less than 48 hours before the commencement of the Meeting.
2. A Proxy need not be a Member of the Company.
3. A person can act as Proxy on behalf of Members not exceeding fifty and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights; provided that a Member holding more than 10% of the total share capital of the Company carrying voting rights may appoint a single person as Proxy and such person shall not act as Proxy for any other person or shareholder. The Proxy-holder shall prove his identity at the time of attending the Meeting.

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_mmfsf@mahindra.com

ATTENDANCE SLIP

PLEASE COMPLETE THIS ATTENDANCE SLIP AND HAND IT OVER AT THE ENTRANCE OF THE MEETING HALL.

Joint Shareholders desiring to attend the Meeting may obtain additional Attendance Slips on request. Such request should reach the Company/Registrar & Transfer Agents, Messrs. Karvy Computershare Private Limited at Karvy Selenium, Tower B, Plot No.31-32, Gachibowli, Financial District, Nanakramguda, Hyderabad - 500 032 on or before 19th November, 2017.

Name & Registered Address
of the Shareholder:

Joint Holder 1:

Joint Holder 2:

Folio No.:

DP ID.:

Client ID:

No. of Shares:

I hereby record my presence at the EXTRAORDINARY GENERAL MEETING of the Company being held at Textiles Committee Auditorium, Government of India, Ministry of Textiles, P. Balu Road, Prabhadevi Chowk, Prabhadevi, Mumbai - 400 025 on Wednesday, the 29th day of November, 2017 at 10.30 a.m.

Name(s) of the Shareholder(s)/Representative/Proxy (IN BLOCK CAPITALS)	
Signature(s) of the Shareholder(s)/Representative/Proxy	

ELECTRONIC VOTING PARTICULARS

Shareholders may please note the User Id and Password given below for the purpose of remote e-voting in terms of Section 108 of the Companies Act, 2013, read with Rule 20 of the Companies (Management and Administration) Rules, 2014.

EVEN (E-Voting Event Number)	USER ID	PASSWORD

Notes:

- The remote e-voting period will commence on **Saturday, 25th November, 2017 (9.00 a.m. IST)** and will end on **Tuesday, 28th November, 2017 (5.00 p.m. IST)**.
- Detailed instructions for e-voting are given in Note No. 11 of the EGM Notice.