

Mahindra Finance

MAHINDRA & MAHINDRA FINANCIAL SERVICES LIMITED

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

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 Tuesday, 6th November, 2012 at 10.00 a.m. at Swatantryaveer Savarkar Rashtriya Smarak, 252, S.V.S. Marg, Shivaji Park, Dadar (W), Mumbai - 400 028 to transact the following business:

To consider and, if thought fit, to pass, with or without modification(s), the following resolution as a Special Resolution:

“RESOLVED that pursuant to the provisions of section 81(1A) and other applicable provisions, if any, of the Companies Act, 1956 (including any amendment(s), statutory modification(s) or re-enactment thereof), enabling provisions of the Memorandum and Articles of Association of the Company, the Listing Agreements entered into by the Company with the Stock Exchanges where Equity Shares of the Company are listed and in accordance with the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 [**“SEBI (ICDR) Regulations”**], Foreign Exchange Management Act, 1999 (**“FEMA”**), Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000 as amended from time to time and subject to other applicable rules, regulations and guidelines 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 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, Foreign Investment Promotion Board, GOI and/or any other 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 (hereinafter referred to as **“the requisite approvals”**), 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), the Board be authorised to create, offer, issue and allot Equity Shares of the face value of Rs.10/- each for an aggregate amount not exceeding Rs. 925 crores to Qualified Institutional Buyers (**“QIBs”**) under the Qualified Institutions Placement (**“QIP”**), in one or more tranches, whether or not such QIBs are Members of the Company, through a Placement Document and/or such other documents/writings/circulars/memoranda in such manner, at such price and on such terms and conditions as may be determined by the Board at an appropriate time in consultation with the Merchant Banker(s) appointed and/or to be appointed by the Company in relation to such QIP in accordance with the provisions of Chapter VIII of SEBI (ICDR) Regulations (the **“Issue”**).

FURTHER RESOLVED that the Relevant Date for determination of the price of the Equity Shares to be issued to QIBs shall be the date of the Meeting in which the Board of Directors of the Company or the Committee of Directors duly authorised by the Board of Directors of the Company decides to open the Issue.

FURTHER RESOLVED that the Equity Shares to be issued and allotted in terms of this Resolution shall rank pari passu in all respects with the existing Equity Shares of the Company.

FURTHER RESOLVED that these Equity Shares shall be listed with the Stock Exchanges, where the existing Equity Shares of the Company are listed.

FURTHER RESOLVED that such of these Equity Shares to be issued as are not subscribed may be disposed of by the Board in such manner and/or on such terms as the Board may deem fit and proper, in its sole and absolute discretion.

FURTHER RESOLVED that for the purpose of giving effect to the above, the Board in consultation with the Merchant Banker(s), Advisors and/or other intermediaries as may be appointed by the Company in relation to the Issue, be and is hereby authorised on behalf of the Company 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 and allotment of the aforesaid Equity Shares and listing thereof with the Stock Exchanges and to resolve and settle all questions and difficulties that may arise in the issue, offer and allotment of any of the Equity Shares, including finalization of the timing of the Issue/offering(s), identification of the Investors to whom Equity Shares are to be offered, utilization of the Issue proceeds and to agree to such conditions or modifications that may be imposed by SEBI, RBI, Stock Exchanges or other authorities while granting the requisite approvals or that may otherwise be deemed fit or proper by the Board and to do all acts, deeds, matters and things in connection therewith and incidental thereto as the Board in its absolute discretion deems fit, without being required to seek any further consent or approval of the Members or otherwise to the end and intent that they shall be deemed to have given their approval thereto expressly by the authority of this Resolution.”

Notes:-

1. Explanatory Statement as required under section 173(2) of the Companies Act, 1956 in respect of the item of Special Business is annexed hereto and forms part of this Notice.
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 the Registered Office not less than 48 hours before the time for holding the Meeting.

By Order of the Board

Arnavaz M. Pardiwalla
Company Secretary

Registered Office

Gateway Building,
Apollo Bunder,
Mumbai - 400 001.

Date : 9th October, 2012

ANNEXURE TO NOTICE**Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956**

The Company proposes to issue Equity Shares of Rs.10/- each through a Qualified Institutions Placement ("QIP") for an aggregate amount not exceeding Rs. 925 crores in accordance with the provisions of Chapter VIII of Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 ["SEBI (ICDR) Regulations"]. This capital is being raised inter alia, to augment the long term resources by way of enhancing the Tier I capital base, leverage the available business opportunities, provide funding for loans to the customers of the Company and for general corporate purposes.

The Special Resolution seeks to empower the Board of Directors to undertake a QIP with Qualified Institutional Buyers ("QIBs") as prescribed under Chapter VIII of the SEBI (ICDR) Regulations in order to facilitate and meet its funding needs. The Special Resolution also seeks to give the Board powers to issue the Equity Shares in one or more tranche or tranches, at such time or times, at such price or prices to QIBs under the QIP, as the Board in its absolute discretion deems fit.

As per SEBI (ICDR) Regulations, the pricing of QIP shall not be less than the average of the weekly high and low of the closing prices of the Equity Shares of the Company quoted on the Stock Exchanges during the two weeks preceding the relevant date. The relevant date for the determination of the applicable price shall be the date of the Meeting in which the Board of Directors or the Committee of Directors duly authorised by the Board of Directors of the Company decides to open the proposed Issue.

The detailed terms and conditions for the offer will be determined by the Board in consultation with the Advisors, Merchant Banker(s) and such other authority or authorities as may be required to be consulted by the Company considering the prevailing market conditions and in accordance with the applicable provisions of law and other relevant factors. The issue and allotment of Equity Shares under QIP would be subject to the availability of regulatory approvals, if any.

Section 81(1A) of the Act and the relevant clauses of the Listing Agreements executed with the Stock Exchanges where the Equity Shares of the Company are listed provide, inter alia, that when it is proposed to increase the issued capital of a Company by allotment of further shares, such further shares shall be offered to the existing Members of such Company in the manner laid down in section 81 unless the Members in a General Meeting decide otherwise. As the Special Resolution proposed in the Notice may result in the issue of Equity Shares to investors who may or may not be Members of the Company, consent of the Members is being sought pursuant to the provisions of section 81(1A) and other applicable provisions, if any, of the Act and in terms of the provisions of the Listing Agreements executed by the Company with the Stock Exchanges where the Equity Shares of the Company are listed.

The Board recommends the passing of the Resolution as a Special Resolution.

None of the Directors of the Company is in any way, concerned or interested in this item of business. It may be noted that all the Directors are Members of the Company.

By Order of the Board

Arnavaz M. Pardiwalla
Company Secretary

Registered Office

Gateway Building,
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Date : 9th October, 2012

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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 provided such request is received by the Company/Registrar & Transfer Agents, **Karvy Computershare Private Limited at Plot No. 17-24 Vittalrao Nagar, Madhapur, Hyderabad - 500 081** before 27th October, 2012.

Folio No. No. of Shares

Name & Address of the Shareholder

.....

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I hereby record my presence at the EXTRAORDINARY GENERAL MEETING of the Company being held at Swatantryaveer Savarkar Rashtriya Smarak, 252, S.V.S. Marg, Shivaji Park, Dadar (W), Mumbai - 400 028 on Tuesday, 6th day of November, 2012, at 10.00 a.m.

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

.....

.....

Signature(s) of the Shareholder(s) or Proxy

.....

NOTE: No duplicate Attendance Slip will be issued at the Meeting Hall.



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PROXY FORM

I/We

of being a member/members

of MAHINDRA & MAHINDRA FINANCIAL SERVICES LIMITED hereby appoint

..... of

..... or failing him

of

as my/our Proxy to vote for me/us and on my/our behalf at the Extraordinary General Meeting of the Company to be held on 6th November, 2012 and at any adjournment thereof.

As witness my/our hand(s) this day of, 2012.

Signed by the said

Affix a
15 Ps.
Revenue
Stamp

NOTE: The Proxy Form must be returned so as to reach the Registered Office of the Company not less than 48 hours before the time for holding the aforesaid Meeting.

