Mahindra FINANCE

SPECIMEN

MAHINDRA & MAHINDRA FINANCIAL SERVICES LIMITED

Registered Office: Gateway Building, Apollo Bunder, Mumbai - 400 001.
Corporate Identity Number: L65921MH1991PLC059642
Tel: +91 22 66526000; Fax: +91 22 24984170
Website: www.mahindrafinance.com • **email:** investorhelpline_mmfsl@mahindra.com

Dear Member(s),

Postal Ballot Notice pursuant to Section 110 of the Companies Act, 2013

Notice is hereby given to the Members of Mahindra & Mahindra Financial Services Limited ["the Company"] pursuant to Section 110 and other applicable provisions, if any, of the Companies Act, 2013 ["the Act"] read with the Companies (Management and Administration) Rules, 2014 ["the Rules"] (including any statutory modification or re-enactment thereof for the time being in force) that the resolution appended below is proposed to be passed as an Ordinary Resolution by way of Postal Ballot including E-voting. The Resolution and Explanatory Statement pertaining to the said Resolution, pursuant to Section 102 of the Act, setting out the relevant material facts and the reasons for which such resolution is proposed, are appended herewith for your consideration along with a Postal Ballot Form and self-addressed postage pre-paid Business Reply Envelope ["BRE"].

If you are voting through Postal Ballot Form (i.e. physical Ballot), you are requested to carefully read the instructions printed on the Form enclosed herewith and return it, duly completed and signed along with your assent (FOR) or dissent (AGAINST) in the attached self-addressed postage pre-paid BRE, so as to reach the Scrutinizer on or before 30th January, 2015 by 6.00 p.m. Please note that any Postal Ballot Form(s) received thereafter will be treated as not having been received.

For e-voting, please read carefully the "**Procedure/Instructions for e-voting**" enumerated in the notes to this Notice.

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

The Scrutinizer will submit his report to the Chairman or the Managing Director or the Company Secretary of the Company, after completion of scrutiny. The result of the Postal Ballot will be announced by the Chairman or the Managing Director or the Company Secretary of the Company on 3rd February, 2015 at 4.30 p.m. at the Company's Corporate Office situated at Mahindra Towers, P. K. Kurne Chowk, Worli, Mumbai – 400 018. In addition to the results being communicated to BSE Limited and National Stock Exchange of India Limited, it shall also be displayed at the Company's Registered Office as well as Corporate Office and on its website i.e. **www.mahindrafinance.com**. It will subsequently be published in at least 1 (one) English and 1 (one) vernacular newspaper circulating in Maharashtra. The Resolution will become effective on and from the date of announcement of result of the Postal Ballot by the Chairman or the Managing Director or the Company Secretary of the Company.

DRAFT ORDINARY RESOLUTION :

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

"**RESOLVED that** pursuant to the provisions of Sections 149, 152 read with Schedule IV and all other applicable provisions 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) and Clause 49 of the Listing Agreement, Mr. Chandrashekhar Bhave (DIN: 00059856), who has submitted a declaration that he meets the criteria for independence as provided in Section 149(6) of the Companies Act, 2013 and in respect of whom the Company has received a Notice in writing from a Member along with the deposit of requisite amount under Section 160 of the Companies Act, 2013 proposing his candidature for the office of Independent 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 with effect from the date of declaration of results of the Postal Ballot."

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

Arnavaz M. Pardiwalla
Company Secretary

Date : 23rd December, 2014
Place : Mumbai

NOTES:

1. The Company has engaged the services of M/s. Karvy Computershare Private Limited ("Karvy") to provide e-voting facility to the Members of the Company as an alternate to dispatch the Postal Ballot Form. If a Member has voted through e-voting facility, he/she/it is not required to send the Postal Ballot Form.

2. **E-voting:** In compliance with the provisions of Section 110 of the Companies Act, 2013 read with Rule 22 of the Companies (Management and Administration) Rules, 2014 and Clause 35B of the Listing Agreement, the Company is pleased to offer e-voting facility for all its Members to enable them to cast their votes electronically as an alternative to dispatch the Postal Ballot Forms. Please note that e-voting is entirely optional for the Member(s) and that the Member(s) can opt only for one mode of voting. If a Member has opted for e-voting, then he/she/it is not required to send the physical Postal Ballot Form. In case a Member votes through e-voting facility as well as sends his vote through physical ballot, the vote cast through e-voting shall only be considered and the voting through physical Postal Ballot shall not be considered by the Scrutinizer.

3. **The procedure and instructions for E-voting are as follows:**

   (a) Date and time of commencement of voting through electronic means : 31st December, 2014 at 10.00 a.m.

   (b) Date and time of end of voting through electronic means beyond which voting will not be allowed: 30th January, 2015 till 6.00 p.m.

   (c) Details of Website: **https://evoting.karvy.com**

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

   Karvy Computershare Private Limited
   Unit : Mahindra & Mahindra Financial Services Limited
   Plot No. 17-24, Vittal Rao Nagar, Madhapur, Hyderabad 500 081.
   Tel. No.: +91 40 44655000; Toll Free No.: 18003454001
   Fax No. : +91 40 23420814; **E-mail** : **evoting@karvy.com**.

   (e) Details of Scrutinizer: Mr. S. N. Ananthasubramanian, Practising Company Secretary, or failing him, Ms. Malati Kumar, Practising Company Secretary.

   The instructions for e-voting are as under :

   1. **A. In case of Members receiving an email from Karvy [for Members whose email IDs are registered with the Company/ Depository Participant] :**

      i. Launch internet browser by typing the URL: **https://evoting.karvy.com**.

      ii. Enter the login credentials (i.e. User ID and password mentioned in the email). Your Folio No./DP ID – Client ID will be your User ID. However, if you are already registered with Karvy for e-voting, you can use your existing User ID and password for casting your vote.

      iii. After entering these details appropriately, click on "LOGIN".

      iv. You will now reach password change Menu wherein you are required to mandatorily change your password. The new password shall comprise minimum 8 characters with at least one upper case (A-Z), one lower case (a-z), one numeric (0-9) and a special character (@,#,$,etc.). The system will prompt you to change your password and update your contact details like mobile number, email ID, etc., on first login. You may also enter a secret question and answer of your choice to retrieve your password in case you forget it. **It is strongly recommended that you do not share your password with any other person and that you take utmost care to keep your password confidential.**

      v. You need to login again with the new credentials.

      vi. On successful login, the system will prompt you to select the E-Voting Event Number for Mahindra & Mahindra Financial Services Limited.

      vii. On the voting page enter the number of shares (which represents the number of votes) as on the cut-off date i.e. 23rd December, 2014 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. You may also choose the option "ABSTAIN" and the shares held will not be counted under either head.

      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 or requesting physical copy] :

i. Launch internet browser by typing the URL: **https://evoting.karvy.com**

ii. Initial Password is provided in the Postal Ballot Form.

iii. Please follow all the steps from (iii) to (xi) as mentioned in (A) above, to cast your vote.

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

5. In case of any query pertaining to e-voting, please visit Help & FAQ's section available at Karvy's website **https://evoting.karvy.com.**

6. The voting rights of the Members shall be in proportion to the paid-up value of their shares in the equity capital of the Company as on the cut-off date, being 23rd day of December, 2014.

7. Mr. S. N. Ananthasubramanian, Practising Company Secretary, or failing him, Ms. Malati Kumar, Practising Company Secretary have been appointed as Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.

8. The Scrutinizer shall within a period not exceeding seven (7) days from the last date of receipt of Postal Ballot Forms/ conclusion of the e-voting period make a Scrutinizer's Report of the votes cast in favour or against, if any, forthwith to the Chairman of the Company.

9. The Results of the Resolution shall be declared by the Chairman or the Managing Director or the Company Secretary of the Company and the Resolution will be deemed to be passed on the date of such declaration subject to receipt of the requisite number of votes in favour of the Resolution.

10. The Results declared along with the Scrutinizer's Report will be available on the website of the Company (**www.mahindrafinance.com**) and on Karvy's website (**https://evoting.karvy.com**) and shall also be communicated to BSE Limited and the National Stock Exchange of India Limited.

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

Arnavaz M. Pardiwalla
Company Secretary

Date : 23rd December, 2014
Place: Mumbai

Note: An Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 is appended hereto.

EXPLANATORY STATEMENT UNDER SECTION 102 OF THE COMPANIES ACT, 2013

The Board of Directors, on the recommendation received from the Nomination and Remuneration Committee, has at its Meeting held on 16th December, 2014 approved the proposal for obtaining the consent of the Members by means of a Postal Ballot for the appointment of Mr. Chandrashekhar Bhave as an Independent Director on the Board of Directors of the Company, who shall hold office from the date of declaration of results of the Postal Ballot, for a period of 5 (five) consecutive years.

The Board recommends the appointment of Mr. Chandrashekhar Bhave in accordance with the provisions of Section 149 read with Schedule IV to the Act, to hold office for a term upto five consecutive years on the Board of Directors of the Company from the date of passing of the Resolution by the Members.

The Company has received a Notice in writing from a Member along with the deposit of the requisite amount under Section 160 of the Act, proposing the candidature of Mr. Bhave for the office of Independent Director of the Company.

The Company has also received a declaration from Mr. Chandrashekhar Bhave to the effect that he meets with the criteria of independence as prescribed both under sub-section (6) of Section 149 of the Act and under Clause 49 of the Listing Agreement.

Further, Mr. Bhave is not disqualified from being appointed as Director in terms of Section 164 of the Act and has given his consent in writing to act as Director of the Company.

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

A brief profile of Mr. Bhave as required under Clause 49 of the Listing Agreement is given below :

Mr. Chandrashekhar Bhave 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.

Mr. Bhave 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. Bhave 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.

Mr. Bhave has several professional affiliations that include:

- Member of the Board of the Public Interest Oversight Board (PIOB), Madrid which supervises the work of the standard-setting bodies of the International Federation of Accountants from the perspective of public interest.
- Member of the City of London Advisory Council for India.
- Trustee of the IFRS Foundation, London that oversees the International Accounting Standards Board.

As on the date of this Notice, Mr. Bhave is the Non-Executive Chairman of Indian Institute for Human Settlements (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. Bhave is not a Member of any mandatory Committees of IIHS.

The Board considers that the expertise and knowledge of Mr. Bhave would be of immense benefit and value to the Company and it will be in the interest of the Company to avail his services as an Independent Director. In terms of Section 149 and other applicable provisions of the Companies Act, 2013, Mr. Bhave being eligible is proposed to be appointed as an Independent Director for a term of 5 (five) consecutive years from the date of passing of the Resolution by the Members and he shall not be liable to retire by rotation during his tenure.

As on date of this Notice, Mr. Bhave does not hold by himself or for any other person on a beneficial basis, any Equity Shares in the Company. He is not related to any other Director of the Company. Other terms and conditions for his appointment shall be available for inspection without any fee by the Members at the Registered Office of the Company during normal business hours on any working day, excluding Saturday, Sunday and Public Holidays and are also available on the website of the Company, **www.mahindrafinance.com**.

None of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financially or otherwise, in the Resolution set out in the Notice. This Explanatory Statement may also be regarded as a disclosure under Clause 49 of the Listing Agreement with the Stock Exchanges.

Accordingly, the Board recommends the Ordinary Resolution in relation to the appointment of Mr. Chandrashekhar Bhave as an Independent Director, for approval by the Members of the Company by way of Postal Ballot including E-voting.

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

Arnavaz M. Pardiwalla
Company Secretary

Date : 23rd December, 2014
Place : Mumbai

Mahindra FINANCE

SPECIMEN

MAHINDRA & MAHINDRA FINANCIAL SERVICES LIMITED

Registered Office: Gateway Building, Apollo Bunder, Mumbai - 400 001.
Corporate Identity Number: L65921MH1991PLC059642
Tel: +91 22 66526000; Fax: +91 22 24984170
Website: www.mahindrafinance.com • **email:** investorhelpline_mmfsl@mahindra.com

POSTAL BALLOT FORM

POSTAL BALLOT NO.

1. Name(s) of Member(s) :

2. Registered address of the Sole/first named Member :

3. Name(s) of Joint holder(s), if any :

4. Registered Folio No. / DPID No. / Client ID No.* (*applicable to investors holding shares in dematerialised form) :

5. No. of Shares held :

6. I/We hereby exercise my/our vote in respect of the Ordinary Resolution as proposed to be passed through Postal Ballot for the business stated in the Notice of the Company dated 23rd December, 2014, by sending my/our assent or dissent to the said Resolution by placing tick (✓) mark at the appropriate box below:

Description	No. of Shares held	I/We assent to the Resolution (FOR)	I/We dissent to the Resolution (AGAINST)
Appointment of Mr. Chandrashekhar Bhave as an Independent Director of the Company			

Place :

Date :

(Signature of Member)

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

ELECTRONIC VOTING PARTICULARS

EVEN (E-Voting Event Number)	USER ID	PASSWORD

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

INSTRUCTIONS FOR VOTING IN PHYSICAL MODE

1. A Member desiring to exercise the vote by Postal Ballot should complete this Postal Ballot Form and send it to the Scrutinizer in the attached self-addressed envelope (bearing the address of the Scrutinizer appointed by the Board of Directors of the Company). Postage will be borne and paid by the Company. However, envelopes containing Postal Ballots, if sent by courier at the expense of the Member will also be accepted.

2. This Form should be completed and signed by the Member. In case of joint holding, this Form should be completed and signed (as per the specimen signature registered with the Company or furnished by National Securities Depository Limited / Central Depository Services (India) Limited to the Company, in respect of shares held in the physical form or dematerialised form respectively) by the first named Member and in his/her absence, by the next named Member.

3. In case of shares held by companies, trusts, societies, etc. duly completed Postal Ballot Form should be accompanied by a certified copy of the Board Resolution / Authorisation giving requisite authority to the person voting on the Postal Ballot Form. Where the form has been signed by a representative of the President of India or of the Governor of a State, a certified copy of the nomination should accompany the Postal Ballot Form.

4. There will be only one Postal Ballot Form for every folio irrespective of the number of Joint Members.

5. The right of voting by Postal Ballot shall not be exercised by a Proxy.

6. Unsigned or incorrect Postal Ballot Form will be rejected.

7. A Member need not use all the votes nor needs to cast all the votes in the same way.

8. Duly completed Postal Ballot Form should reach the Scrutinizer on or before 30th January, 2015 by 6.00 p.m. Postal Ballot Form received after this date will be treated as if the reply from the Member(s) has not been received.

9. A Member may request for a duplicate Postal Ballot Form, if so required. However, the duly filled in duplicate Postal Ballot Form should reach the Scrutinizer not later than the date specified at Sr. No. 8 above.

10. 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. 23rd December, 2014.

11. 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.

12. The Scrutinizer's decision on the validity of a Postal Ballot Form will be final.

13. The Results of the Postal Ballot will be declared at the Corporate Office of the Company as specified in the Notice.

14. The Results and Report of the Scrutinizer will also be hosted on the Company's website **www.mahindrafinance.com** and the Results will thereafter be published in newspapers, for the information of Members.