

Date: April 25, 2017

The National Stock Exchange of India Limited,
Bandra Kurla Complex,
Bandra East,
Mumbai - 400 051

Dear Sir/ Madam:

Subject: Proposed initial public offering (the “Offer”) of equity shares of face value of INR 10 each (the “Equity Shares”) of MAS Financial Services Limited (the “Company”).

In relation to the proposed Offer, the Company has filed a draft red herring prospectus dated March 24, 2017 (the “DRHP”) with the Securities and Exchange Board of India on March 27, 2017. As disclosed in the DRHP, the Company was contemplating a private placement of up to 4,100,000 Equity Shares for cash consideration aggregating up to INR 1,350 million, at its discretion and in consultation with us (in our capacity as the Book Running Lead Manager), prior to filing of the Red Herring Prospectus with the RoC (the “Pre-IPO Placement”).

In relation to the Pre-IPO Placement, the Company, Motilal Oswal Financial Services Limited (“MOFSL”) and Motilal Oswal Securities Limited (“MOSL”) have entered into an investment agreement dated March 30, 2017 (the “Investment Agreement”), pursuant to which (i) MOFSL agreed to subscribe to 2,364,695 Equity Shares for a consideration of INR 800 million; and (ii) MOSL agreed to subscribe to 1,625,727 Equity Shares for a consideration of INR 550 million. Subsequently, on March 30, 2017, by way of private placement, (i) MOFSL was allotted 2,364,695 Equity Shares for a consideration of INR 800 million; and (ii) MOSL was allotted 591,174 Equity Shares for a consideration of INR 200 million.

Further, on April 19, 2017, in accordance with the Investment Agreement, the Company has allotted 1,034,553 Equity Shares by way of private placement to MOSL, for a consideration of INR 350 million. Consequently, MOFSL and MOSL’s aggregate shareholding in the Company has increased to 3,990,422 Equity Shares representing 9.07% of the post placement equity share capital of the Company (i.e. after the allotment of Equity Shares pursuant to the Pre-IPO Placement, but not considering any allotment pursuant to the conversion of CCPS and CCDs of the Company).

The aforesaid acquisition is with the intention to transfer the entire shareholding of MOFSL and MOSL, i.e. 3,990,422 Equity Shares in the Company to a fund/ trust established and managed/ sponsored by MOPE Investment Advisers Private Limited, a subsidiary of MOFSL.

The details in relation to the Pre-IPO Placement shall be appropriately updated in the sections titled “Capital Structure”, “the Offer” and other relevant sections in the Red Herring Prospectus.

All capitalized terms used herein but not defined shall have the same meaning as assigned to them in the DRHP.

We request you to kindly take the abovementioned updates on record.



143668
26/4/2017

Thanking you,

Sincerely,

For Motilal Oswal Investment Advisors Limited



Authorised Signatory

Name: Subodh Mallya

Designation: Associate Vice President

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