

# Mahindra FINANCE

## MAHINDRA & MAHINDRA FINANCIAL SERVICES LIMITED

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

**Corporate Office:** Mahindra Towers, 'A' Wing, 4<sup>th</sup> Floor, Worli, Mumbai – 400 018.

**Corporate Identity Number:** L65921MH1991PLC059642

**Tel:** +91 22 66526000 | **Fax:** +91 22 24984170

**Website:** [www.mahindrafinance.com](http://www.mahindrafinance.com) | **Email:** [investorhelpline\\_mmfsl@mahindra.com](mailto:investorhelpline_mmfsl@mahindra.com)

### Postal Ballot Notice

[Notice pursuant to Section 110 of the Companies Act, 2013 and applicable Rules made thereunder]

Dear Member(s),

Notice is hereby given pursuant to the provisions of Section 110 and all other applicable provisions, if any, of the Companies Act, 2013, (**"the Act"**) read with Rules 20 and 22 of the Companies (Management and Administration) Rules, 2014 (**"the Rules"**), the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (**"Listing Regulations"**) including any statutory modification(s) or re-enactment(s) thereof for the time being in force, Ministry of Corporate Affairs (**"MCA"**) General Circulars No. 14/2020 dated 8<sup>th</sup> April, 2020, No. 17/2020 dated 13<sup>th</sup> April, 2020, No. 22/2020 dated 15<sup>th</sup> June, 2020, No. 33/2020 dated 28<sup>th</sup> September, 2020, No. 39/2020 dated 31<sup>st</sup> December, 2020 and No. 10/2021 dated 23<sup>rd</sup> June, 2021, respectively, (**collectively referred to as "MCA Circulars"**) and subject to other applicable laws and regulations, that the Ordinary Resolutions appended below are proposed to be passed by Members by way of Postal Ballot only through Remote E-voting.

In view of the ongoing COVID-19 pandemic requiring social distancing, MCA has in terms of the above Circulars advised the companies to take all decisions requiring Members' approval, by way of Postal Ballot through Remote E-voting mechanism in accordance with the provisions of the Act and Rules made thereunder, without holding a general meeting that requires physical presence of Members at a common venue. MCA has clarified that the requirements provided in Rule 20 of the Rules as well as the framework provided in the MCA Circulars will be applicable mutatis mutandis for companies that are required to provide e-voting facility under the Act while they are transacting any business(es) only by Postal Ballot upto 31<sup>st</sup> December, 2021.

The Company will send the Postal Ballot Notice by email to all its Members who have registered their email addresses with the Company/ KFin Technologies Private Limited, Registrar & Transfer Agent of the Company (**"KFintech"**) or the Depository Participants and whose names appear on the Register of Members/ List of Beneficial Owners as received from National Securities Depository Limited (**"NSDL"**) and Central Depository Services (India) Limited (**"CDSL"**) as on **Monday, 4<sup>th</sup> October, 2021 ("cut-off date")**. Hard copy of the Postal Ballot Notice along with Postal Ballot Form and pre-paid business reply envelope will not be sent to the Members for this Postal Ballot and Members are required to communicate their assent or dissent only through the Remote E-voting System. This Postal Ballot is accordingly being initiated in compliance with the MCA Circulars.

The Explanatory Statement pursuant to Section 102 read with Section 110 of the Act pertaining to the Ordinary Resolutions setting out the material facts concerning each item and the reasons thereof is annexed hereto for your consideration.

The Board of Directors of the Company (**"the Board"**), in compliance with Rule 22(5) of the Rules, has appointed Mr. S. N. Viswanathan (ICSI Membership No. ACS 61955) or failing him, Ms. Malati Kumar (ICSI Membership No. ACS 15508), Partners, M/s. S. N. Ananthasubramanian & Co., Company Secretaries, as the Scrutinizer (**"Scrutinizer"**), for conducting the Postal Ballot through Remote E-voting process in a fair and transparent manner.

In compliance with Regulation 44 of the Listing Regulations and Sections 108, 110 and other applicable provisions of the Act read with the related Rules and the MCA Circulars, the Company is providing the Remote E-voting facility to all its Members, to enable them to cast their votes electronically. The Company has engaged the services of KFintech to provide the Remote E-voting facility to its Members.

The Remote E-voting commences on **Saturday, 9<sup>th</sup> October, 2021 at 9:00 a.m. (IST) and concludes on Sunday, 7<sup>th</sup> November, 2021 at 5:00 p.m. (IST)**. The e-voting module shall be disabled by KFintech for voting thereafter. Members are requested to peruse the proposed Resolutions along with Explanatory Statement and thereafter record their assent or dissent by means of Remote E-voting facility provided by the Company not later than **5:00 p.m. (IST) on 7<sup>th</sup> November, 2021**, failing which it will be strictly considered that no reply has been received from the Members.

The Remote E-voting facility is available at the link: <https://evoting.kfintech.com>. Members desiring to exercise their votes are requested to carefully read the **"Instructions relating to Remote E-voting"** enumerated in the Notes to this Notice.

The Scrutinizer will submit his/her Report to the Chairman or any person authorised by him upon completion of scrutiny of the votes. The Results of voting by means of Postal Ballot through Remote E-voting shall be declared by the Chairman or any person authorised by him, on or before **Tuesday, 9<sup>th</sup> November, 2021 by 4:00 p.m.** and will be displayed on the website of the Company at the link: <https://mahindrafinance.com/investor-zone/corporate-governance> and disseminated to the Stock Exchanges. The Results declared along with the Report of the Scrutinizer shall be displayed at the Company's Registered Office as well as Corporate Office besides being communicated to BSE Limited and the National Stock Exchange of India Limited, on which the Company's Equity Shares are listed. The Results and the Report of the Scrutinizer will also be hosted on the Company's website at the link: <https://mahindrafinance.com/investor-zone/corporate-governance> and on the website of KFintech at <https://evoting.kfintech.com>. The Results will thereafter be published in at least 1 (one) English and 1 (one) vernacular newspaper circulating in Maharashtra. The Resolutions shall be deemed to have been passed on **Sunday, 7<sup>th</sup> November, 2021**, being the last date specified by the Company for Remote E-voting process, subject to receipt of the requisite number of votes in favour of the Resolutions.

## **ORDINARY RESOLUTIONS:**

### **Item No. 1:**

#### **Appointment of Messrs. Deloitte Haskins & Sells, Chartered Accountants (ICAI Firm Registration Number: 117365W) as one of the Joint Statutory Auditors of the Company**

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

**"RESOLVED that** pursuant to the provisions of Sections 139, 141, 142 and other applicable provisions, if any, of the Companies Act, 2013 (**"the Act"**) read with the Companies (Audit and Auditors) Rules, 2014, and in accordance with the Circular No. RBI/2021-22/25-Ref. No. DoS.CO.ARG/ SEC.01/08.91.001/2021-22 dated 27<sup>th</sup> April, 2021 issued by the Reserve Bank of India on Guidelines for Appointment of Statutory Auditors (**"RBI Guidelines"**), including any amendments, modifications, variations or re-enactments thereof, from time to time, approval of the Members of the Company, be and is hereby accorded for the appointment of Messrs. Deloitte Haskins & Sells, Chartered Accountants (ICAI Firm Registration Number: 117365W) [**"Messrs. Deloitte Haskins & Sells"**] as one of the Joint Statutory Auditors of the Company in place of Messrs. B S R & Co. LLP, Chartered Accountants (ICAI Firm Registration Number: 101248W/W-100022) who have communicated their resignation with effect from 9<sup>th</sup> November, 2021 as the Statutory Auditors of the Company.

**FURTHER RESOLVED that** Messrs. Deloitte Haskins & Sells shall hold office from 9<sup>th</sup> November, 2021 until the conclusion of the Thirty-Second Annual General Meeting of the Company, for the purpose of the audit of the Company's Standalone and Consolidated Financial Statements for the Financial Year 2021-22.

**FURTHER RESOLVED that** Messrs. Deloitte Haskins & Sells shall act as the Joint Statutory Auditors of the Company along with Messrs. Mukund M. Chitale & Co., proposed to be appointed as the other Joint Statutory Auditors of the Company for the purpose of the audit of the Company's Standalone and Consolidated Financial Statements, at a remuneration of Rs. 92.50 Lakhs for the Financial Year 2021-22, to be allocated between both the Joint Statutory Auditors, depending upon their respective scope of work and additionally out of pocket expenses, outlays and taxes, as applicable.

**FURTHER RESOLVED that** the Board, including the Audit Committee of the Board or any other person(s) authorised by the Board or Audit Committee in this regard, be and is hereby authorised on behalf of the Company, to do all such acts, deeds, matters and things as it may, in its absolute discretion deem necessary or desirable for such purpose and with the power to the Board to settle all questions, difficulties or doubts that may arise in the regard to the implementation of the Resolution, including but not limited to determination of roles and responsibilities/scope of work of the respective Joint Statutory Auditors, negotiating, finalising, amending, signing, delivering, executing the terms of appointment, including any contract or document in this regard and to alter and vary the terms and conditions of remuneration arising out of increase in scope of work, amendments to Accounting Standards or Regulations and such other requirements resulting in the change in scope of work, etc., without being required to seek any further consent or approval of the Members of the Company."

### **Item No. 2:**

#### **Appointment of Messrs. Mukund M. Chitale & Co., Chartered Accountants (ICAI Firm Registration Number: 106655W) as one of the Joint Statutory Auditors of the Company**

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

**"RESOLVED that** pursuant to the provisions of Sections 139, 141, 142 and other applicable provisions, if any, of the Companies Act, 2013 (**"the Act"**) read with the Companies (Audit and Auditors) Rules, 2014, and in accordance with the Circular No. RBI/2021-22/25-Ref. No. DoS.CO.ARG/SEC.01/08.91.001/2021-22 dated 27<sup>th</sup> April, 2021 issued by the Reserve Bank of India on Guidelines for Appointment of Statutory Auditors (**"RBI Guidelines"**), including any amendments, modifications, variations or re-enactments thereof, from time to time, approval of the Members of the Company, be and is hereby accorded for the appointment of **Messrs. Mukund M. Chitale & Co.,**

**Chartered Accountants** (ICAI Firm Registration Number: 106655W) [**“Messrs. Mukund M. Chitale & Co.”**] as one of the Joint Statutory Auditors of the Company in place of Messrs. B S R & Co. LLP, Chartered Accountants (ICAI Firm Registration Number: 101248W/W-100022) who have communicated their resignation with effect from 9<sup>th</sup> November, 2021 as the Statutory Auditors of the Company.

**FURTHER RESOLVED that** Messrs. Mukund M. Chitale & Co., shall hold office from 9<sup>th</sup> November, 2021 until the conclusion of the Thirty-Second Annual General Meeting of the Company, for the purpose of the audit of the Company’s Standalone and Consolidated Financial Statements for the Financial Year 2021-22.

**FURTHER RESOLVED that** Messrs. Mukund M. Chitale & Co., shall act as the Joint Statutory Auditors of the Company along with Messrs. Deloitte Haskins & Sells, proposed to be appointed as the other Joint Statutory Auditors of the Company for the purpose of the audit of the Company’s Standalone and Consolidated Financial Statements, at a remuneration of Rs. 92.50 Lakhs for the Financial Year 2021-22, to be allocated between both the Joint Statutory Auditors, depending upon their respective scope of work and additionally out of pocket expenses, outlays and taxes, as applicable.

**FURTHER RESOLVED that** the Board, including the Audit Committee of the Board or any other person(s) authorised by the Board or Audit Committee in this regard, be and is hereby authorised on behalf of the Company, to do all such acts, deeds, matters and things as it may, in its absolute discretion deem necessary or desirable for such purpose and with the power to the Board to settle all questions, difficulties or doubts that may arise in the regard to the implementation of the Resolution, including but not limited to determination of roles and responsibilities/scope of work of the respective Joint Statutory Auditors, negotiating, finalising, amending, signing, delivering, executing the terms of appointment, including any contract or document in this regard and to alter and vary the terms and conditions of remuneration arising out of increase in scope of work, amendments to Accounting Standards or Regulations and such other requirements resulting in the change in scope of work, etc., without being required to seek any further consent or approval of the Members of the Company.”

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

**Arnavaz M. Pardiwalla  
Company Secretary**

**Registered Office:**

Gateway Building, Apollo Bunder, Mumbai - 400 001.  
CIN: L65921MH1991PLC059642  
Tel: +91 22 66526000/6156  
Fax: +91 22 24984170  
E-mail: investorhelpline\_mmfs@mahindra.com  
Website: [www.mahindrafinance.com](http://www.mahindrafinance.com)

Place : Mumbai

Date : 28<sup>th</sup> September, 2021

**NOTES:**

1. The Explanatory Statement pursuant to the provisions of Sections 102 and 110 of the Companies Act, 2013 (**“the Act”**) stating material facts and reasons for the proposed Resolutions is annexed hereto.
2. The Postal Ballot Notice is being sent to the Members whose names appear on the Register of Members/ List of Beneficial Owners as received from National Securities Depository Limited (“NSDL”) and Central Depository Services (India) Limited (“CDSL”) as on **Monday, 4<sup>th</sup> October, 2021 (“cut-off date”)** and is being sent only in electronic mode to those Members whose e-mail addresses are registered with the Company or KFinTech or the Depository Participant(s). The Company will not be dispatching physical copies of Notice of Postal Ballot to any Member.

Members who have not registered their e-mail addresses are requested to register/update their email addresses, in respect of electronic holdings with the Depository through the concerned Depository Participants and in respect of physical holdings with KFinTech by following the due procedure.

A copy of this Postal Ballot Notice is available on the website of the Company at <https://mahindrafinance.com/investor-zone/corporate-governance>, website of the Stock Exchanges where the shares of the Company are listed i.e. BSE Limited and National Stock Exchange of India Limited at [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com) respectively, and on the website of KFinTech at <https://evoting.kfintech.com>.

3. The voting rights of the Members shall be in proportion to the paid-up value of their shares in the Equity Share capital of the Company as on the cut-off date, i.e. **Monday, 4<sup>th</sup> October, 2021**. A person who is not a Member as on the cut-off date is requested to treat this Notice for information purposes only.
4. Members cannot exercise votes by proxy on Postal Ballot.
5. A Member need not use all his/her/its votes nor does he/she/it need to cast all his/her/its votes in the same way.
6. All relevant documents referred to in this Notice and the Explanatory Statement pursuant to Sections 102 and 110 of the Act, will be posted on the Company's website at the web-link: <https://mahindrafinance.com/investor-zone/corporate-governance>, to facilitate online inspection of relevant documents until the last date of E-voting of this Postal Ballot i.e. **7<sup>th</sup> November, 2021**.
7. **Voting through Remote E-voting:** In compliance with the provisions of Sections 108, 110 and other applicable provisions of the Act, read with Rule 20 and Rule 22 of the Companies (Management and Administration) Rules, 2014, as amended, the MCA Circulars and Regulation 44 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Circular dated 9<sup>th</sup> December, 2021 issued by SEBI on E-voting facility provided by Listed Entities, Secretarial Standard on General Meetings (SS-2) issued by the Institute of Company Secretaries of India and any amendments thereto, Members are provided with the facility to cast their votes electronically, through the E-voting services provided by Kfintech on the Resolutions set forth in this Notice of Postal Ballot, through Remote E-voting.

Members are requested to note that the Company is providing facility for Remote E-voting and the business is to be transacted through electronic voting system only.

**I. Information relating to Remote E-voting:**

- i. Day, date and time of commencement of voting through electronic means: **Saturday, 9<sup>th</sup> October, 2021 at 9:00 a.m. (IST)**.
- ii. Day, date and time of end of voting through electronic means beyond which voting will not be allowed: **Sunday, 7<sup>th</sup> November, 2021 till 5:00 p.m. (IST)**.
- iii. Details of Website: <https://evoting.kfintech.com>.
- iv. Details of person to be contacted for issues relating to e-voting: **Mr. Suresh Babu D.**, Manager - RIS, KFin Technologies Private Limited, Unit: Mahindra & Mahindra Financial Services Limited, Selenium, Tower B, Plot No. 31-32, Gachibowli, Financial District, Nanakramguda, Serilingampally Mandal, Hyderabad, Telangana – 500 032. **Tel. No.:** 040-6716 2222; **Toll Free No.:** 1800-309-4001; **Fax No.:** +91 40 2300 1153; **E-mail:** [suresh.d@kfintech.com](mailto:suresh.d@kfintech.com) or [evoting@kfintech.com](mailto:evoting@kfintech.com).
- v. **Details of Scrutinizer:** Mr. S. N. Viswanathan (ICSI Membership No. ACS 61955) or failing him, Ms. Malati Kumar (ICSI Membership No. ACS 15508), Partners, M/s. S. N. Ananthasubramanian & Co., Company Secretaries.

**II. Instructions relating to Remote E-voting:**

The manner of voting by (i) Individual Shareholders holding shares of the Company in Demat mode, (ii) Shareholders other than Individuals holding shares of the Company in Demat mode, and (iii) Shareholders holding shares of the Company in Physical mode, is explained in the instructions given hereinbelow:

**A. Individual Shareholders holding Shares of the Company in Demat mode:**

In terms of SEBI Circular No. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 9<sup>th</sup> December, 2020 on "e-voting facility provided by Listed Entities", Individual Shareholders holding shares of the Company in demat mode can cast their vote, by way of a single login credential, through their demat accounts/websites of Depositories and Depository Participants (DPs), in order to increase the efficiency of the voting process.

Individual demat account holders would be able to cast their vote without having to register again with the e-voting service provider (ESP) thereby not only facilitating seamless authentication but also ease and convenience of participating in the e-voting process. Shareholders are advised to update their mobile number and e-mail address with their DPs to access e-voting facility.

The procedure to login and access remote e-voting, as devised by the Depositories/ Depository Participant(s), is given below:

❖ **Login Method for Individual Shareholders holding Shares of the Company in Demat mode through National Securities Depository Limited (“NSDL”) and Central Depository Services (India) Limited (“CDSL”):**

	<b>NSDL</b>		<b>CDSL</b>
<b>1.</b>	Users already registered for IDeAS e-Services facility of NSDL may follow the following procedure:	<b>1.</b>	Users already registered for Easi / Easiest facility of CDSL may follow the following procedure:
<b>i.</b>	Visit URL: <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a> .	<b>i.</b>	Visit URL: <a href="https://web.cdslindia.com/myeasi/home/login">https://web.cdslindia.com/myeasi/home/login</a> or URL: <a href="http://www.cdslindia.com">www.cdslindia.com</a> .
<b>ii.</b>	Click on the “Beneficial Owner” icon under “Login” under “IDeAS” section.	<b>ii.</b>	Click on “New System Myeasi” icon/ Login to Myeasi option under Quick Login.
<b>iii.</b>	On the new page, enter your User ID and Password. Post successful authentication, click on “Access to e-voting”.	<b>iii.</b>	Login with your Registered User ID and Password.
<b>iv.</b>	You will see Company Name: “Mahindra & Mahindra Financial Services Limited” on the next screen. Click on the e-voting link available against “Mahindra & Mahindra Financial Services Limited” or select e-voting service provider “KFintech” and you will be re-directed to the e-voting page of KFintech to cast your vote without any further authentication, during the remote e-voting period.	<b>iv.</b>	You will see Company Name: “Mahindra & Mahindra Financial Services Limited” on the next screen. Click on the e-voting link available against “Mahindra & Mahindra Financial Services Limited” or select e-voting service provider “KFintech” and you will be re-directed to the e-voting page of KFintech to cast your vote without any further authentication, during the remote e-voting period.
<b>2.</b>	<b>Users not registered for IDeAS e-Services facility of NSDL:</b>	<b>2.</b>	<b>Users not registered for Easi/Easiest facility of CDSL:</b>
<b>i.</b>	To register click on the link: <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a>	<b>i.</b>	Option to register is available at: <a href="https://web.cdslindia.com/myeasi/Registration/EasiRegistration">https://web.cdslindia.com/myeasi/Registration/EasiRegistration</a> .
<b>ii.</b>	Select “Register Online for IDeAS” or click on the link: <a href="https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</a>	<b>ii.</b>	Proceed with completing the required fields.
<b>iii.</b>	Proceed with completing the required fields.	<b>iii.</b>	After successful registration, please follow steps given in Point No. 1 above to cast your vote.
<b>iv.</b>	After successful registration, please follow steps given in Point No. 1 above to cast your vote.		
<b>3.</b>	<b>Users may directly access the e-voting module of NSDL as per the following procedure:</b>	<b>3.</b>	<b>Users may directly access the e-voting module of CDSL as per the following procedure:</b>
<b>i.</b>	Visit URL: <a href="https://www.evoting.nsdl.com">https://www.evoting.nsdl.com</a> .	<b>i.</b>	Visit URL: <a href="http://www.cdslindia.com">www.cdslindia.com</a> .
<b>ii.</b>	Click on the “Login” icon which is available under “Shareholder/Member” section.	<b>ii.</b>	Provide your Demat Account Number and PAN.
<b>iii.</b>	On the Login page, enter User ID (that is, your 16-character demat account number held with NSDL, starting with IN), Login Type, that is, through typing Password (in case you are registered on NSDL’s e-voting platform)/through generation of OTP (in case your mobile/e-mail address is registered in your demat account) and Verification Code as shown on the screen.	<b>iii.</b>	System will authenticate user by sending OTP on registered Mobile & Email as recorded in the Demat Account.

iv.	On successful authentication, you will enter the e-voting module of NSDL. Click on <b>“Active E-voting Cycles / VC or OAVMs”</b> option under E-voting. You will see Company Name: <b>“Mahindra &amp; Mahindra Financial Services Limited”</b> on the next screen. Click on the e-voting link available against <b>Mahindra &amp; Mahindra Financial Services Limited</b> or select e-voting service provider <b>“KFinTech”</b> and you will be re-directed to the e-voting page of KFinTech to cast your vote without any further authentication.	iv.	On successful authentication, you will enter the e-voting module of CDSL. Click on the e-voting link available against <b>“Mahindra &amp; Mahindra Financial Services Limited”</b> or select E-Voting Service Provider <b>“KFinTech”</b> and you will be re-directed to the e-voting page of KFinTech to cast your vote without any further authentication.
-----	--	-----	---

❖ **Login Method for Individual Members holding Shares of the Company in Demat mode through their Depository Participants:**

i.	You can also login using the login credentials of your Demat account through your Depository Participant registered with NSDL/ CDSL for e-voting facility.
ii.	An option for <b>“e-voting”</b> will be available once you have successfully logged-in through your respective logins. Click on the option “e-voting” and you will be redirected to e-voting modules of NSDL/CDSL (as may be applicable).
iii.	Click on options available against the Company’s Name: <b>Mahindra &amp; Mahindra Financial Services Limited</b> or E-Voting Service Provider – <b>KFinTech</b> .
iv.	You will be redirected to e-voting website of KFinTech for casting your vote during the remote e-voting period without any further authentication.

**Important Note:**

Members who are unable to retrieve User ID / Password are advised to use Forgot User ID and Forgot Password option available at the NSDL and CDSL websites.

**Helpdesk for Individual Shareholders holding Shares of the Company in Demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL:**

Login type	Helpdesk details
Securities held with NSDL	Please contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at Toll free nos.: 1800 1020 990 and 1800 22 44 30.
Securities held with CDSL	Please contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at 022- 23058738 or 022-23058542-43.

**B. Login method for e-voting for Shareholders other than Individual Shareholders holding Shares of the Company in Demat mode and Shareholders holding Shares in Physical mode**

a.	Members whose email IDs are registered with the Company/ Depository Participants, will receive an email from KFinTech which includes details of E-Voting Event Number (EVEN), USER ID and password:
i.	Launch internet browser by typing the URL: <a href="https://evoting.kfintech.com/">https://evoting.kfintech.com/</a>
ii.	Enter the login credentials (i.e. User ID and password). In case of physical folio, User ID will be EVEN (E-Voting Event Number), 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 KFinTech for e-voting, you can use your existing User ID and password for casting your vote.
iii.	After entering these details appropriately, click on <b>“LOGIN”</b> .
iv.	You will now reach password change Menu wherein you are required to mandatorily change your password. The new password shall comprise of minimum 8 characters with at least one upper case (A- Z), one lower case (a-z), one numeric value (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.

	<b>v.</b>	You need to login again with the new credentials.
	<b>vi.</b>	On successful login, the system will prompt you to select the E-Voting Event Number for <b>Mahindra &amp; Mahindra Financial Services Limited</b> .
	<b>vii.</b>	On the voting page, enter the number of shares (which represents the number of votes) as on the cut-off date i.e. 4 <sup>th</sup> October, 2021 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.  Pursuant to <b>Clause 16.5.3(e)</b> of Secretarial Standard on General Meetings (SS-2) issued by the Institute of Company Secretaries of India, in case a Member abstains from voting on a Resolution i.e., the Member neither assents nor dissents to the Resolution, then his/her/its vote will be treated as an invalid vote with respect to that Resolution.
	<b>viii.</b>	Voting has to be done for each item of the Notice separately. In case you do not desire to cast your vote on any specific item, it will be treated as abstained.
	<b>ix.</b>	Members holding multiple folios/demat accounts shall vote separately for each folio/demat account.
	<b>x.</b>	You may then cast your vote by selecting an appropriate option and click on "Submit".
	<b>xi.</b>	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).
	<b>xii.</b>	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: <b>scrutinizer@snaco.net</b> with a copy to <b>evoting@kfintech.com</b> and to the Company at <b>investorhelpline_mmfs@mahindra.com</b> . 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 "MMFSL - Postal Ballot".  It should reach the Scrutinizer and the Company by email not later than <b>Sunday, 7<sup>th</sup> November, 2021 (5:00 p.m. IST)</b> .
<b>b.</b>	<b>In case of Members who have not registered their email addresses with the Company/ Depository Participant(s):</b>	
	<b>i.</b>	Members holding shares in Demat form can get their email ID registered by contacting their respective Depository Participant.
	<b>ii.</b>	Members holding shares in physical form may register their email address and mobile number with KFintech by sending an email request at the email ID <b>einward.ris@kfintech.com</b> with a copy to <b>investorhelpline_mmfs@mahindra.com</b> alongwith the copy of the signed request letter mentioning the Name, Address, Folio No., Email address and Mobile number of the Member, self-attested scanned copy of the PAN Card and self-attested scanned copy of any document (such as Driving License, Election Identity Card, Passport, etc.) in support of the address of the Member, for registering their email address and receiving the Notice of Postal Ballot and the e-voting instructions.
<b>c.</b>	Those Members who have already registered their email addresses are requested to keep their email addresses validated with their Depository Participants/the Company's Registrar & Transfer Agent, KFintech to enable servicing of notices/ documents/Annual Reports electronically to their email address.	

- 8. Any Member who has forgotten the User ID and Password, may obtain / generate / retrieve the same from KFinTech in the manner as mentioned below:**
- i.** 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 **9212993399**.
    - 1. Example for NSDL:**  
MYEPWD <SPACE>IN12345612345678
    - 2. Example for CDSL:**  
MYEPWD <SPACE> 1402345612345678
    - 3. Example for Physical:**  
MYEPWD <SPACE> XXXX1234567890
  - ii.** If **e-mail address and mobile number** of the Member is **registered** against Folio No./DP ID Client ID, then on the home page of <https://evoting.kfintech.com/> the Member may click "**Forgot Password**" and enter Folio No. or DP ID Client ID and PAN to generate a password.
  - iii.** Member may call on KFinTech's toll-free numbers **1800-309-4001** [from 9:00 a.m. (IST) to 6:00 p.m. (IST) on all working days].
  - iv.** Member may send an e-mail request to [evoting@kfintech.com](mailto:evoting@kfintech.com). After due verification of the request, User ID and password will be sent to the Member.
  - v.** If the Member is already registered with KFinTech's e-voting platform, then he/she/it can use his/her/its existing password for logging-in.
- 9.** In case of any query, clarification(s) and/or grievance(s), in respect of voting by electronic means, please refer the Help & Frequently Asked Questions (FAQs) section and E-voting user manual available at the download Section of KFinTech's website <https://evoting.kfintech.com> or send an email at [investorhelpline\\_mmfs@mahindra.com](mailto:investorhelpline_mmfs@mahindra.com) or contact Mr. Suresh Babu D., Manager - RIS, KFin Technologies Private Limited, Unit: Mahindra & Mahindra Financial Services Limited, Selenium, Tower B, Plot No. 31-32, Gachibowli, Financial District, Nanakramguda, Serilingampally Mandal, Hyderabad, Telangana – 500 032 or at the email ID [evoting@kfintech.com](mailto:evoting@kfintech.com) or on Phone No. 040-6716 2222 or call KFinTech's Toll free No. 1800-309-4001, for any further clarifications.
- 10.** The Remote E-voting period **commences** on **Saturday, 9<sup>th</sup> October, 2021 at 9:00 a.m. (IST)** and **ends** on **Sunday, 7<sup>th</sup> November, 2021 at 5:00 p.m. (IST)**. During this period, Members of the Company, holding shares either in physical form or in dematerialised form, as on the cut-off date **i.e. Monday, 4<sup>th</sup> October, 2021** may cast their votes electronically by way of Remote E-voting only. The Remote E-voting module shall be disabled for voting thereafter. Once the vote on the Resolution(s) is cast by the Member, the Member shall not be allowed to change it subsequently.
- 11.** Resolutions passed by the Members through Postal Ballot are deemed to have been passed as if the same have been passed at a General Meeting of the Members, and shall be deemed to have been passed on the last date of voting, i.e., **Sunday, 7<sup>th</sup> November, 2021**, subject to receipt of the requisite number of votes in favour of the Resolutions.

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

**Arnavaz M. Pardiwalla  
Company Secretary**

**Registered Office:**

Gateway Building, Apollo Bunder, Mumbai - 400 001.  
CIN: L65921MH1991PLC059642  
Tel: +91 22 66526000/6156  
Fax: +91 22 24984170  
E-mail: [investorhelpline\\_mmfs@mahindra.com](mailto:investorhelpline_mmfs@mahindra.com)  
Website: [www.mahindrafinance.com](http://www.mahindrafinance.com)

Place : Mumbai

Date : 28<sup>th</sup> September, 2021



## Explanatory Statement pursuant to Sections 102(1) and 110 of the Companies Act, 2013

The following Explanatory Statement pursuant to Section 102(1) read with Section 110 of the Companies Act, 2013 (**"the Act"**), sets out all material facts relating to the business mentioned under Item Nos. 1 and 2 of the accompanying Notice dated 28<sup>th</sup> September, 2021.

### ITEM NOS. 1 & 2

The Reserve Bank of India (**"RBI"**) has vide its Circular No. RBI/2021-22/25 Ref. No. DoS.CO.ARG/SEC.01/08.91.001/2021-22 dated 27<sup>th</sup> April, 2021 issued Guidelines for Appointment of Statutory Central Auditors (SCAs)/Statutory Auditors (SAs) of Commercial Banks, Urban Co-operative Banks & NBFCs (including HFCs) [**"RBI Circular/Guidelines"**].

Further, as per the said RBI Guidelines read together with the Frequently Asked Questions (**"FAQs"**), the existing Statutory Auditors who have completed a tenure of 3 years cannot continue to hold office as Statutory Auditors.

Since the RBI Guidelines are being implemented for the first time for NBFCs from Financial Year 2021-22 and in order to ensure that there is no disruption, the RBI has given flexibility to NBFCs to appoint new Statutory Auditors in the second half of the Financial Year ending 31<sup>st</sup> March, 2022. The RBI Guidelines further provide for Statutory Audit to be conducted under joint audit of a minimum of two audit firms and number of maximum Joint Statutory Auditors depending on the asset size, minimum norms that need to be fulfilled by audit firms for appointment as Statutory Auditors of an NBFC, etc.

The Members of the Company at the Twenty-seventh Annual General Meeting held on 24<sup>th</sup> July, 2017 had *inter alia* approved the appointment of Messrs. B S R & Co. LLP, Chartered Accountants, (ICAI Firm Registration Number: 101248W/W-100022), [**"Messrs. B S R & Co. LLP"**] as the Statutory Auditors of the Company for a period of 5 (five) years commencing from the conclusion of Twenty-seventh Annual General Meeting until the conclusion of the Thirty-second Annual General Meeting of the Company to be held in the year 2022.

In view of the above, Messrs. B S R & Co. LLP, the existing Statutory Auditors of the Company are ineligible to continue as the Statutory Auditors of the Company as they have already completed the tenure of four financial years on the date of coming into effect of the RBI Guidelines. Therefore, considering the requirements under the said Guidelines, Messrs. B S R & Co. LLP have communicated their resignation as Statutory Auditors of the Company effective from 9<sup>th</sup> November, 2021.

Pursuant to Section 139 (8)(i) of the Act "any casual vacancy in the office of an auditor shall be filled by the Board of Directors within thirty days, but if such casual vacancy is as a result of the resignation of an auditor, such appointment shall also be approved by the company at a general meeting convened within three months of the recommendation of the Board and the auditor shall hold the office till the conclusion of the next annual general meeting."

As per the aforesaid RBI Guidelines, the Company is required to appoint new Joint Statutory Auditors in place of the current Statutory Auditors from the second half of the current Financial Year 2021-22. As per paragraph 4 of the RBI Guidelines, as the asset size of the Company as at 31<sup>st</sup> March, 2021 is Rs. 77,036.45 Crores, the statutory audit of the Company would need to be conducted under the joint audit, with a minimum of two Joint Statutory Auditors.

In accordance with the RBI Guidelines, the Company has framed a Board approved Policy on appointment of Statutory Auditors and has identified a set of criteria for evaluating the eligibility of the audit firms as also the Auditors' independence.

The Management had invited formal proposals from reputed firms and evaluated them on key parameters such as size and vintage of the Firm, number of partners, experience of the partners, exposure to NBFCs, adequacy of experienced resources, expertise in conducting audits relating to information technology, locational proximity, etc., and on the basis of meetings with such firms, the Management shortlisted suitable firms and presented them to the Audit Committee for appointment of the Joint Statutory Auditors of the Company.

After considering various aspects on credentials and past experience of the audit firms and based on the recommendation of the Audit Committee, the Board at its Meeting held on 28<sup>th</sup> September, 2021, *inter alia*, approved the appointment of Messrs. Deloitte Haskins & Sells, Chartered Accountants and Messrs. Mukund M. Chitale & Co., Chartered Accountants, as the Joint Statutory Auditors of the Company for a period of three consecutive years to audit the Financial Statements of the Company for F.Y. 2021-22, F.Y. 2022-23 and F.Y. 2023-24.

In accordance with Section 139 (8)(i) of the Act, Messrs. Deloitte Haskins & Sells, Chartered Accountants and Messrs. Mukund M. Chitale & Co., Chartered Accountants, the Joint Statutory Auditors of the Company, shall hold office commencing from 9<sup>th</sup> November, 2021 upto the conclusion of the Thirty-second Annual General Meeting to be held in the year 2022.

Pursuant to the recommendations of the Audit Committee, the Board of Directors at its aforesaid Meeting has also approved an overall annual remuneration/ fee of an amount of Rs. 92.50 Lakhs plus out of pocket expenses, outlays and taxes at the applicable rates, for Financial Year 2021-22, to Messrs. Deloitte Haskins & Sells, Chartered Accountants and Messrs. Mukund M. Chitale & Co., Chartered Accountants to be mutually agreed between the Company and both the Joint Statutory Auditors, depending on the scope of work undertaken by each of them, for the purpose of audit of the Company's Standalone and Consolidated Financial Statements, and subject to the approval of the Members.

**The Disclosure under Regulation 36 (5) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 is given hereunder:**

<p><b>Proposed statutory audit fees payable to the Joint Statutory Auditors for the Financial Year ending 31<sup>st</sup> March, 2022</b></p>	<p>Rs. 92.50 Lakhs plus out of pocket expenses, outlays and taxes.</p>
<p><b>Terms of Appointment</b></p>	<p>The term of appointment of Messrs. Deloitte Haskins &amp; Sells, Chartered Accountants having Firm Registration No. 117365W and Messrs. Mukund M. Chitale &amp; Co., Chartered Accountants, having Firm Registration No. 106655W, the joint Statutory Auditors shall be for a period of three consecutive Financial Years ending 31<sup>st</sup> March, 2022, 31<sup>st</sup> March, 2023 and 31<sup>st</sup> March, 2024.</p> <p>Pursuant to Section 139 (8)(i) of the Companies Act, 2013, Messrs. Deloitte Haskins &amp; Sells, Chartered Accountants and Messrs. Mukund M. Chitale &amp; Co., Chartered Accountants, the Joint Statutory Auditors of the Company, shall hold office commencing from 9<sup>th</sup> November, 2021 upto the conclusion of the Thirty-second Annual General Meeting to be held in the year 2022.</p> <p>At the Thirty-second Annual General Meeting to be held in the year 2022, the Joint Statutory Auditors would be further appointed for a period of two consecutive years subject to the approval by the Members, to hold office from the conclusion of the Thirty-second Annual General Meeting till the conclusion of the Thirty-fourth Annual General Meeting of the Company to be held in the year 2024.</p>
<p><b>Material change in fee payable to the new Joint Statutory Auditors</b></p>	<p>In F.Y. 2021, the audit fees paid to Messrs. B S R &amp; Co. LLP was Rs. 105 Lakhs (plus taxes).</p> <p>The total audit fees to be paid to the incoming Joint Statutory Auditors along with Messrs. B S R &amp; Co. LLP, the outgoing Statutory Auditors during F.Y. 2022 will be Rs.122.50 Lakhs, plus out of pocket expenses, outlays and taxes.</p> <p>The increase is due to a mid-year change and overlap of scope of work of the incoming Joint Statutory Auditors.</p>
<p><b>Basis of recommendation and Auditor credentials</b></p>	<p>The recommendations made by the Audit Committee and the Board of Directors of the Company are in compliance with the RBI Guidelines and in fulfilment of the eligibility criteria prescribed under the Companies Act, 2013 and Companies (Audit and Auditors) Rules, 2014 with regard to the full-time partners, statutory audit experience of NBFCs, capability, assessment of independence, etc.</p> <p><b>Brief Profile of Statutory Auditors</b></p> <p><b>(i) Messrs. Deloitte Haskins &amp; Sells</b></p> <p>Messrs. Deloitte Haskins &amp; Sells is a part of Deloitte Haskins &amp; Sells &amp; Affiliates being the Network of Firms registered with the Institute of Chartered Accountants of India with Registration No. 117365W. Messrs. Deloitte Haskins &amp; Sells and its affiliate firms in India (collectively referred to as "Deloitte India") leverage global tools, technology, and best practices of Deloitte.</p> <p>The Firm was formed in 1997 and has been engaged in statutory audits of financial statements of banks and other financial institutions (including private and foreign banks in India) for a number of years.</p> <p><b>(ii) Messrs. Mukund M. Chitale &amp; Co.</b></p> <p>Messrs. Mukund M. Chitale &amp; Co. is a Firm of Chartered Accountants with a professional standing of more than 48 years, established in the year 1973 by Mr. Mukund M. Chitale. The Firm is engaged in providing services namely: Auditing services, Tax Consultancy services and Management Consultancy services.</p> <p>The Firm serves large institutional clients like listed companies, public sector undertakings, banks, insurance companies, mutual funds, private equity funds, etc.</p> <p>The Firm services clients across India through its offices at Mumbai and Pune.</p>

The approval of Members of the Company is sought pursuant to the provisions of Sections 139, 141 and other applicable provisions, if any, of the Act and the relevant Rules thereunder and Guidelines issued by the RBI including any amendments, modifications, variations or re-enactments thereof, for the appointment of Messrs. Deloitte Haskins & Sells and Messrs. Mukund M. Chitale & Co., who have offered themselves for appointment and have confirmed their eligibility to be appointed as Statutory Auditors in terms of Section 141 of the Act and applicable Rules and the Guidelines issued by RBI dated 27<sup>th</sup> April, 2021, as the Joint Statutory Auditors of the Company, to hold office with effect from 9<sup>th</sup> November, 2021 till conclusion of the Thirty-second Annual General Meeting, with power to the Board (including the Audit Committee of the Board or any other person(s) authorised by the Board or Audit Committee in this regard), to do all such acts, deeds, matters and things as may be necessary or desirable in connection with or incidental for giving effect to the said appointment of the Joint Statutory Auditors, including but not limited to determination of roles and responsibilities/ scope of work of the respective Joint Statutory Auditors, negotiating, finalising, amending, signing, delivering, executing the terms of appointment, including any contracts or documents in this regard, alter and vary the terms and conditions of remuneration arising out of increase in scope of work, amendment in Accounting Standards or regulations and such other requirements resulting in the change in scope of work, without being required to seek any further consent or approval of the Members of the Company.

None of the Directors, Key Managerial Personnel of the Company and their relatives are, in any way, concerned or interested, financially or otherwise, in the Resolutions set out at Item Nos. 1 and 2 of the Notice.

The Board recommends the Ordinary Resolutions set out in the Notice under Item Nos. 1 and 2 in relation to the appointment of Messrs. Deloitte Haskins & Sells, Chartered Accountants and Messrs. Mukund M. Chitale & Co., Chartered Accountants as the Joint Statutory Auditors of the Company, for approval by the Members of the Company.

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

**Arnavaz M. Pardiwalla  
Company Secretary**

**Registered Office:**

Gateway Building, Apollo Bunder, Mumbai - 400 001.

CIN: L65921MH1991PLC059642

Tel: +91 22 66526000/6156

Fax: +91 22 24984170

E-mail: investorhelpline\_mmfsl@mahindra.com

Website: [www.mahindrafinance.com](http://www.mahindrafinance.com)

Place : Mumbai

Date : 28<sup>th</sup> September, 2021