

February 18, 2022

To,

Listing Department,  
National Stock Exchange of India Limited,  
Exchange Plaza, Plot no. C/1, G Block,  
Bandra-Kurla Complex Bandra (E),  
**Mumbai – 400051**

Department of Corporate Services,  
BSE Limited,  
Phiroze Jeejeebhoy Towers, Dalal Street,  
**Mumbai – 400001**

**NSE Scrip Symbol: MFSL****BSE Scrip Code: 500271**

Dear Sir/Madam,

**Sub. Submission of Notice of Postal Ballot**

We herewith attach the Notice of Postal Ballot (including instructions for e-voting), being sent to the shareholders of the Company, to obtain their consent and approval for the matter as set out in Notice of Postal Ballot by way of remote e-voting.

The details of the calendar of events for the Postal Ballot are as follows:

Sl. No.	Event	Date
1.	Voting rights reckoning date/ Cut-off date	February 11, 2022
2.	Last Date of Completion of dispatch of Postal Ballot notice	February 18, 2022
3.	Voting period Start Date	February 19, 2022
4.	Voting period End Date	March 20, 2022
5.	Date of Submission of Scrutinizer's Report	March 22, 2022
6.	Date of Announcement of Results of Postal Ballot	March 22, 2022

You are requested to take the aforesaid on record.

Thanking you,

Yours faithfully,  
For **Max Financial Services Limited**



**V. Krishnan**  
Company Secretary

**Encl: as above****MAX FINANCIAL SERVICES LIMITED**

CIN: L24223PB1988PLC008031

Corporate Office: L20M(21), Max Towers, Plot No. C-001/A/1, Sector-16B, Noida- 201301 | P: + 91 120 4696000 | [www.maxfinancialservices.com](http://www.maxfinancialservices.com)  
Regd. Office: Bhai Mohan Singh Nagar, Village Railmajra, Tehsil Balachaur, Dist. Nawanshahr, Punjab - 144 533, India

**MAX FINANCIAL SERVICES LIMITED**  
(CIN: L24223PB1988PLC008031)  
Registered Office: Bhai Mohan Singh Nagar  
Railmajra, Tehsil Balachaur  
District Nawanshahr, Punjab – 144 533  
Tel: 01881-462000,462001 Fax: 01881-273607  
www.maxfinancialservices.com  
E-mail: [vkrishnan@maxindia.com](mailto:vkrishnan@maxindia.com)

### **NOTICE OF POSTAL BALLOT**

**(Pursuant to Section 108 and 110 of the Companies Act, 2013 read with Rule 22 of the Companies (Management and Administration) Rules, 2014 and the MCA Circulars (as defined below))**

To  
The Members,

Notice is hereby given pursuant to the provisions of Section 110 read with Section 108 and all other applicable provisions of the Companies Act, 2013 (the “**Act**”), read with Rule 20 and 22 of the Companies (Management and Administration) Rules, 2014 (the “**Rules**”) and Regulation 44 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the “**Listing Regulations**”), Secretarial Standard – 2 on General Meetings issued by the Institute of Company Secretaries of India and subject to other applicable laws, rules and regulations, if any including any statutory modifications, amendments or re-enactments thereof for the time being in force and other applicable laws and regulations, if any, for seeking approval of the members for the matters as considered in the resolution appended below through postal ballot only by means of remote e-voting (“**Postal Ballot**”).

The Members may note that the Ministry of Corporate Affairs (the “**MCA**”) vide its General Circular No. 14/2020 dated April 8, 2020 read with General Circular No.17/2020 dated April 13, 2020, No. 22/2020 dated June 15, 2020, No. 33/2020 dated September 28, 2020, No. 39/2020 dated December 31, 2020, No. 10/2021 dated June 23, 2021, No. 20/2021 dated December 08, 2021 and other applicable circulars (the “**MCA Circulars**”) in view of the current extraordinary circumstances due to outbreak of COVID-19 pandemic requiring social distancing, has allowed the companies to take all decisions requiring Members approval, other than items of ordinary business or business where any person has a right to be heard, through the mechanism of postal ballot / e-voting in accordance with the provisions of the Act and the Rules, without holding a general meeting that requires physical presence of members at a common venue.

The Board of Directors of the Company proposes to obtain the consent of the members by way of Postal Ballot for the matter as considered in the Resolution appended below. The Explanatory Statement pursuant to Section 102 of the Act pertaining to the appended below Resolution, setting out material facts and the reasons for the Resolution, is also annexed. You are requested to peruse the proposed Resolution, along with the Explanatory Statement, and thereafter record your assent or dissent by means of remote e-voting facility provided by the Company.

In accordance with the said MCA and SEBI Circulars and applicable provisions of the Act and Listing Regulations, this Postal Ballot Notice is being sent in electronic mode to members whose e-mail address is registered with the Company or the Depository Participant(s) and the communication of assent / dissent of the members will only take place through the remote e-voting facility being offered by the Company. This Notice is accordingly being issued to the members through e-mails only whose

email addresses are registered with the Company or with the depository (ies) / depository participants as on the cut-off date in compliance with the MCA and SEBI Circulars.

### **Special Business**

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

**“RESOLVED THAT**, in supersession of the earlier special resolution passed by the shareholders in the Annual General Meeting of the Company held on September 24, 2013 and pursuant to the provisions of Section 180(1)(a) read with Section 110 and other applicable provisions of the Companies Act, 2013 and the Companies (Management and Administration) Rules, 2014 (including statutory modification(s) or re-enactment(s) thereof, for the time being in force), the provisions of Memorandum and Articles of Association of the Company, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, approval of the shareholders of the Company be and is hereby accorded for sale of company’s property at N-31, 1<sup>st</sup> Floor, Panchshila Park, New Delhi – 110 017 (‘the Property’) to Mr. Rahul Khosla, former Managing Director of the Company for a negotiated and mutually agreed consideration of Rs. 20 Crores which is less than the cost of acquisition of the Property.

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorized to do all such acts, matters, deeds and things necessary or desirable in connection with or incidental to give effect to the above resolution including without limitation, to settle any questions, difficulties or doubts that may arise in regard to sale the Property as it may in its absolute discretion deem fit, including finalizing, settling and executing of such documents / writings / deeds / papers / agreements as may be necessary or incidental thereto, including assignment / conveyance / transfer documents, contracts, agreements and to seek their registration thereof with the concerned authorities, filing intimations with and/or obtaining approvals/consents from the concerned regulatory/statutory authorities as may be required and to do all such acts, deeds and things as may be required in this regard”.

By Order of the Board  
For **Max Financial Services Limited**

Place: Noida  
Date: February 11, 2022

Sd/-

**V. Krishnan**  
**Company Secretary**  
**Membership No. FCS- 6527**  
**Address: Max Towers, L-21, C-001/A/1**  
**Sector 16-B, Noida - 201301**

### **NOTES**

1. A statement pursuant to Section 102 (1) and 110 of the Act read with the rules and the Secretarial Standard – 2 on General Meetings setting out material facts relating to the Special Business to be transacted is annexed hereto and forms part of the Notice,

2. As per Section 108, 110 and other applicable provisions of the Act read with Rule 20 & 22 of the Rules, cut-off date for the purpose of reckoning the voting rights and sending the Notice is the Friday, February 11, 2022 ("Cut-off date"). A person who is not a member as on the Cut-off date should treat the Notice for information purpose only.
3. In line with the MCA Circulars, the Notice is being electronically sent to all the Members of the Company, whose name appear in the Register of Members/List of Beneficial Owners) and whose email addresses are registered with the Company or with the depository(ies) / depository participants as on the cut-off date. It is however, clarified that all members of the Company as on the closure of cut-off date (including those members who may not have received this Notice due to non-registration of their email IDs with the Company or the Depositories) shall be entitled to vote in relation to the resolution specified in this Notice. As per the MCA Circulars and in view of limited postal / courier services and on account of threat posed by COVID-19 pandemic situation, physical copy of the Notice, Postal Ballot Form and pre-paid business reply envelope are not being sent to the members for this Postal Ballot. Company is providing facility for voting by electronic means (e-voting) and the business may be transacted through such voting only.

The Notice shall also be uploaded on the website of the Company ([www.maxfinancialservices.com](http://www.maxfinancialservices.com)), on the website of National Securities Depository Limited ("NSDL"), at [www.evoting.nsdl.com](http://www.evoting.nsdl.com) and on the websites of National Stock Exchange of India Limited ([www.nseindia.com](http://www.nseindia.com)) and BSE Limited ([www.bseindia.com](http://www.bseindia.com)).

4. Members who have not registered their e-mail addresses with either the Company or the Depositories are requested to register the same with the Company or the Depositories in accordance with the process specified herein below at point no 8(B).
5. Voting rights shall be reckoned in proportion to their share in the paid-up equity share capital of the Company as on the Cut-off date.
6. Dispatch of the Notice shall be deemed to be completed on Friday, February 18, 2022, i.e., the day on which NSDL sends out the communication for the postal ballot process by e mail to the members of the Company.

In accordance with the provisions of Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Section 108 and 110 of the Act read with Rule 20 & 22 of the Companies (Management and Administration) Rules, 2014 and the Circulars issued by the Ministry of Corporate Affairs, the Company has extended remote e-voting facility for its Members to enable them to cast their votes electronically on the resolution set forth in this Notice.

7. The e-voting shall commence on Saturday, February 19, 2022 at 9.00 A.M. (IST) and ends on Sunday, March 20, 2022 at 05.00 P.M. (IST). The e-voting module shall be disabled by NSDL for voting thereafter. During this period, the members of the Company (including those members who may not have received the Notice due to non-registration of their email address with the Company or the Depositories) holding shares in physical form or dematerialized form as on the Cut-off date, may cast their vote by electronic means in the manner as set out here in Note No. 8(B) below. Once the member cast vote on a resolution, the member shall not be allowed to change it subsequently.

8. **The instructions and other information relating to e-voting are as under**

**Steps for vote electronically using NSDL e-Voting system**

The way to vote electronically on NSDL e-Voting system consists of “Two Steps” which are mentioned below:

**Step 1: Access to NSDL e-Voting system**





**A) Login method for e-Voting for Individual shareholders holding securities in demat mode**

In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Login method for Individual shareholders holding securities in demat mode is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	<ol style="list-style-type: none"> <li>1. If you are already registered for <b>NSDL IDeAS facility</b>, please visit the e-Services website of NSDL. Open web browser by typing the following URL: <a href="https://eservices.nsd.com/">https://eservices.nsd.com/</a> either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the “<b>Beneficial Owner</b>” icon under “Login” which is available under “<b>IDeAS</b>” section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on “Access to e-Voting” under e-Voting services and you will be able to see e-Voting page. Click on options available against company name or <b>e-Voting service provider - NSDL</b> and you will be redirected to NSDL e-Voting website for casting your vote during the remote e-Voting period.</li> <li>2. If the user is not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsd.com">https://eservices.nsd.com</a>. Select “<b>Register Online for IDeAS</b>” Portal or click at <a href="https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp</a></li> <li>3. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsd.com/">https://www.evoting.nsd.com/</a> either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number held with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on options available against company name or <b>e-Voting service provider - NSDL</b> and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period.</li> <li>4. Shareholders/Members can also download NSDL Mobile App “NSDL Speede” facility by scanning the QR code mentioned below for seamless voting experience.</li> </ol>



	<p><b>NSDL Mobile App is available on</b></p> <p>  App Store              Google Play       </p> <div style="display: flex; justify-content: space-around;">   </div>
<p>Individual Shareholders holding securities in demat mode with CDSL</p>	<ol style="list-style-type: none"> <li>Existing users who have opted for Easi / Easiest, they can login through their user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are <a href="https://web.cdslindia.com/myeasi/home/login">https://web.cdslindia.com/myeasi/home/login</a> or <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on New System Myeasi.</li> <li>After successful login of Easi/Easiest the user will be also able to see the E Voting Menu. The Menu will have links of <b>e-Voting service provider i.e. NSDL</b>. Click on <b>NSDL</b> to cast your vote.</li> <li>If the user is not registered for Easi/Easiest, option to register is available at <a href="https://web.cdslindia.com/myeasi/Registration/EasiRegistration">https://web.cdslindia.com/myeasi/Registration/EasiRegistration</a></li> <li>Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN No. from a link in <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page. The system will authenticate the user by sending OTP on registered Mobile &amp; Email as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP i.e. <b>NSDL</b> where the e-Voting is in progress.</li> </ol>
<p>Individual Shareholders (holding securities in demat mode) login through their depository participants</p>	<p>You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. Once login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on options available against company name or <b>e-Voting service provider-NSDL</b> and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</p>

**Important note:** Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

**Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL.**

Login type	Helpdesk details
<p>Individual Shareholders holding securities in demat mode with NSDL</p>	<p>Members facing any technical issue in login can 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 no.: 1800 1020 990 and 1800 22 44 30</p>

Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can 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
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**B) Login Method for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.**  
**How to Log-in to NSDL e-Voting website?**

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section.
3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.  
*Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.*
4. Your User ID details are given below:

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****.
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the Company. For example, if folio number is 001*** and EVEN is 101456 then user ID is 101456001***.

5. Password details for shareholders other than Individual shareholders are given below:
  - (a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
  - (b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the ‘initial password’ which was communicated to you. Once you retrieve your ‘initial password’, you need to enter the ‘initial password’ and the system will force you to change your password.
  - (c) How to retrieve your ‘initial password’?
    - (i) If your email ID is registered in your demat account or with the company, your ‘initial password’ is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your ‘User ID’ and your ‘initial password’.
    - (ii) If your email ID is not registered, please follow steps mentioned below in **process for those shareholders whose email ids are not registered**

6. If you are unable to retrieve or have not received the “Initial password” or have forgotten your password:
  - a) Click on “**Forgot User Details/Password?**”(If you are holding shares in your demat account with NSDL or CDSL) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
  - b) **Physical User Reset Password?**” (If you are holding shares in physical mode) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
  - c) If you are still unable to get the password by aforesaid two options, you can send a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
  - d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
7. After entering your password, tick on Agree to “Terms and Conditions” by selecting on the check box.
8. Now, you will have to click on “Login” button.
9. After you click on the “Login” button, Home page of e-Voting will open.

## **Step 2: Cast your vote electronically on NSDL e-Voting system.**

### **How to cast your vote electronically on NSDL e-Voting system?**

1. After successful login at Step 1, you will be able to see all the companies “EVEN” in which you are holding shares and whose voting cycle.
2. Select “EVEN” of company for which you wish to cast your vote during the remote e-Voting period.
3. Now you are ready for e-Voting as the Voting page opens.
4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on “Submit” and also “Confirm” when prompted.
5. Upon confirmation, the message “Vote cast successfully” will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

## **General Guidelines for shareholders**

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to [rupesh@cacsindia.com](mailto:rupesh@cacsindia.com) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in).
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the “[Forgot User Details/Password?](#)” or “[Physical User Reset Password?](#)” option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call on toll free no.: 1800 1020 990 and 1800 22 44 30 or send a request to at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in)



**Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of e mail ids for e-voting for the resolution set out in this notice:**

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of any one share certificate (front and back), PAN (self -attested scanned copy of PAN card), AADHAR (self- attested scanned copy of Aadhar Card) by email to [info@masserv.com](mailto:info@masserv.com). with subject line "EMAIL ID REGISTRATION FOR FOLIO NUMBER (MENTION FOLIO NUMBER) OF MAX FINANCIAL SERVICES LIMITED.
2. In case shares are held in demat mode, please update your email id in your demat account. If you are an Individual shareholder holding securities in demat mode, you are requested to refer to the login method explained at **step 1 (A)** i.e. **Login method for e-Voting for Individual shareholders holding securities in demat mode**. If you are other than individual and not already registered with NSDL for e-voting please send copy of client master to [info@masserv.com](mailto:info@masserv.com) with subject line "REQUIRED PASSWORD FOR DPID-CLID (MENTION DPID-CLID) OF MAX FINANCIAL SERVICES LIMITED).
3. Alternatively, shareholder/members may send a request to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) for procuring user id and password for e-voting by providing above mentioned documents.
4. In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

**Other Information:**

- (a) The Board of Directors has appointed Mr. Rupesh Agarwal, Managing Partner (CP No. 5673) and failing him Mr. Shashikant Tiwari (CP No. 13050), Partner of M/s Chandrasekaran Associates, Company Secretaries having office at 11F, Pocket-IV, Mayur Vihar Phase-I, Delhi – 110091, as Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
- (b) The Scrutinizer after scrutinizing the votes cast through remote e-voting will make a consolidated Scrutiniser's Report of the votes cast in favour or against, if any, shall submit the same within time stipulated under extant regulations to the Chairman of the Company or any other person authorized by him in writing who shall countersign the same.
- (c) The result of the voting on Resolution by postal ballot and Remote e-voting will be declared by the Chairman of the Company or the authorized person in writing on Tuesday, March 22, 2022 at the registered and/ or corporate office of the Company. The result along with the scrutinizer's report will be communicated to the Stock Exchange(s) where the shares of the Company are listed and will also be displayed at the Registered office and/or corporate office of the Company and shall also be hosted on the Company's website: [www.maxfinancialservices.com](http://www.maxfinancialservices.com) and on the NSDL's website: [www.evoting.nsdl.com](http://www.evoting.nsdl.com). The resolution, if passed by the requisite majority, shall be deemed to have been passed as if the same has been passed at a general meeting of the members convened in that behalf and shall be deemed to have been passed on the last date specified by the Company for remote e-voting, i.e., Sunday, March 20, 2022.
- (d) All the documents referred to in this Notice and Explanatory Statement thereto and Reasons thereto would be made available for inspection at the Registered/ Corporate Office of the Company on all working days between 2.00 P.M. (IST) to 4.00 P.M. (IST) from the date of

circulation of this Notice up to the date of declaration of the result of Postal Ballot. Further, copies of the valuation reports mentioned in this postal ballot notice are accessible by the members as per PDF file attached as part of the e mail being sent by NSDL.

- (e) All documents referred to in the Notice and Explanatory Statement thereto will also be available electronically for inspection without any fee by the members from the date of circulation of the Notice upto the closure of the voting period. Members seeking to inspect such documents can send an email to the Company Secretary at [vkrishnan@maxindia.com](mailto:vkrishnan@maxindia.com) requesting supply of relevant documents referred in the Explanatory Statement.

### **EXPLANATORY STATEMENT PURSUANT TO SECTION 102 READ WITH SECTION 110 OF THE COMPANIES ACT, 2013**

In terms of Section 102(1) read with Section 110 of the Act, the following Explanatory Statement sets out all the material facts relating to the resolution given in the accompanying Notice.

#### **Item no. 1**

As part of the retention strategy, the shareholders of the Company in the annual general meeting held on September 24, 2013, had accorded an option to Mr. Rahul Khosla, the then Managing Director of the Company to purchase the property owned by the Company at N-31, Panchshila Park, New Delhi – 110 017 ('the Property') between August 2019 and August 2021, for an amount which is equal to the consideration paid by the Company for acquiring the Property.

The cost of acquisition of the Property was Rs. 27.31 Crores comprising of Rs 25.00 Crores of purchase consideration; Rs 2.09 Crores of registration charges/stamp papers/ stamp duties; and Rs. 0.22 Cr of building improvement and equipment.

As part of the full & final settlement, the Board of Directors of the Company in its meeting held on February 11, 2019 had permitted the leasing arrangements with Mr. Rahul Khosla and extended the option to him to acquire the Property at the cost of acquisition of the Property till March 31, 2022.

Mr. Rahul Khosla had evinced interest to acquire the said property for a negotiated price of Rs. 20 crores by March end, 2022 on completion of the current leasing arrangements with him. The Company will receive the sale consideration of Rs. 20 Crores from Mr. Khosla. In addition, Mr. Khosla shall bear the registration and stamp duty expenses for acquisition of the Property.

As the Property was acquired by the Company for the sole use of Mr. Rahul Khosla as a retention strategy and as the Company does not envisage any other use, it was proposed to sell the Property to Mr. Rahul Khosla. Further, Mr. Khosla had confirmed that he would bear the registration and stamp duty expenses for acquisition of the Property.

It may be noted that while property was acquired for a cost of Rs 27 Crore market value has reduced on account of prevailing market condition. Accordingly, the Company has recognised impairment loss of Rs. 6.72 Crore in FY20 due to decline in value of the building, as determined based on the valuation report obtained from external certified valuer. The book value of the property as on December 31, 2021 was Rs 17.34 Crore.

Further, the management had carried out valuations from two reputed independent valuers and the valuations received by them are furnished below:

- Colliers International (India) Property Services Pvt. Ltd.- Rs. 19.50 Crore; and
- Savills Property Services (India) Pvt. Ltd. - Rs. 19.90 Crore.

Copies of the said valuation reports are accessible by the members as per PDF file attached as part of the e mail being sent by NSDL.

As the Property was acquired by the Company for the sole use of Mr. Rahul Khosla as a retention strategy and as the Company does not envisage any other use, it is proposed to sell the Property to Mr. Rahul Khosla as stated above.

None of the other Directors, Key Managerial Personnel and their relatives are in any way, concerned or interested, financially or otherwise, in the resolution as set out at Item No. 1.

The Board of Directors accordingly recommends the Special Resolution set out at Item No. 1 of the Notice for the approval of the Members.

By Order of the Board  
For **Max Financial Services Limited**

Place: Noida  
Date : February 11, 2022

sd/-  
**V. Krishnan**  
**Company Secretary**  
**Membership No. FCS- 6527**  
**Address: Max Towers, L-21, C-001/A/1**  
**Sector 16-B, Noida – 201301**