

August 26, 2023

BSE Limited
Phiroze Jeejeebhoy Towers
Dalal Street
Mumbai – 400 021

National Stock Exchange of India Limited
Exchange Plaza, Bandra Kurla Complex,
Bandra (East)
Mumbai – 400 051

Scrip Code: 500271**Scrip Code: MFSL**

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 on the following matters as set out in Notice of Postal Ballot by way of remote e-voting:

1. Approval for variance of terms and conditions of the arrangements with Axis Bank and its subsidiaries with respect to Max Life Insurance Company Limited (Special Resolution); and
2. Approval for material related party transactions between Max Life Insurance Company Limited (“Max Life”), a material subsidiary of the Company and its related party, viz., Axis Bank Limited for subscription of equity shares of Max Life by Axis Bank Limited, on a preferential allotment basis aggregating to INR 1611,99,99,943/- (Rupees One Thousand Six Hundred and Eleven Crores Ninety Nine Lakhs Ninety Nine Thousand Nine Hundred and Forty Three) (Ordinary Resolution). 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	25.08.2023
2.	Last Date of Completion of dispatch of Postal Ballot notice	28-08-2023
3.	Voting period Start Date	29-08-2023
4.	Voting period End Date	27-09-2023
5.	Date of Submission of Scrutinizer's Report	28-09-2023
6.	Date of Announcement of Results of Postal Ballot	28-09-2023

You are requested to take the aforesaid on record.

Thanking you,

Yours faithfully

for **Max Financial Services Limited**

Piyush Soni
Company Secretary & Compliance Officer

Encl: As above

MAX FINANCIAL SERVICES LIMITED

CIN: L24223PB1988PLC008031

Corporate Office: L20M, Max Towers, Plot No. C-001/A/1, Sector 16B, Noida 201301 | P 0120 4696000 | www.maxfinancialservices.com
Regd. Office: 419, 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: investorhelpline@maxindia.com

NOTICE OF POSTAL BALLOT

(Pursuant to Section 108 and 110 of the Companies Act, 2013 read with Rule 20 and 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 108, 110 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**”), Regulation 44 and other applicable provisions, if any, of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI LODR Regulations”), Secretarial Standard – 2 on General Meetings issued by the Institute of Company Secretaries of India (“SS-2”), various applicable circulars issued by Securities and Exchange Board of India, from time to time, and subject to other applicable laws, rules and regulations, if any including any statutory modifications, clarification(s), 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 by way of Special/ Ordinary Resolution for the matters as considered in the resolutions appended below through postal ballot only by means of remote e-voting (“**Postal Ballot**”).

The Members of the Company 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. 10/21 dated June 23, 2021, No. 20/21 dated December 08, 2021, No. 03/2022 dated May 5, 2022, No. 11/22 dated December 28, 2022 and other applicable circulars (the “**MCA Circulars**”) have 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 matters as considered in the Resolutions appended below. The Explanatory Statement pursuant to Section 102 of the Act pertaining to the said Resolutions, setting out material facts and the reasons for the Resolutions, are also annexed. You are requested to peruse the proposed Resolutions, 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 Circulars, SS-2 and applicable provisions of the Act and SEBI LODR 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 in compliance with the MCA Circulars.

Special Business

Item No 1:

To consider and if thought fit, to pass, the following Resolution as a Special Resolution for variance of terms and conditions of the arrangements with Axis Bank and its subsidiaries with respect to Max Life Insurance Company Limited:

“RESOLVED THAT, in furtherance to the special resolution passed by the shareholders of the Company through postal ballot process on June 16, 2020, and applicable provisions, if any, of the Companies Act, 2013 read with the rules made thereunder (including any amendments, statutory modification(s) and/or re-enactment thereof for the time being in force) (hereinafter referred to as the ‘**Act**’), applicable provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time (‘SEBI LODR Regulations’), and any other rules, regulations, guidelines, notifications, circulars and clarifications issued by the Government of India and subject to such approvals, permissions, sanctions and consents as may be necessary, including approvals from the Insurance Regulatory and Development Authority of India, Pension Fund Regulatory and Development Authority of India and the Competition Commission of India and on such terms and conditions (including any alterations, modifications, corrections, changes and variations, if any, that may be stipulated while granting such approvals, permissions, sanctions and consents as the case may be) imposed by any regulatory authorities, which may be accepted by the Board of Directors of the Company (hereinafter referred to as ‘**Board**’ which term shall be deemed to include any duly constituted/ to be constituted Committee of Directors thereof to exercise its powers including powers conferred under this resolution), the consent, authority and approval of the members of the Company be and is hereby granted to the Board to take all requisite steps as it may deem expedient to enable Axis Bank Limited (‘**Axis Bank**’) and/or its affiliates to acquire upto 7% (Seven percent) of the equity share capital of Max Life Insurance Company Limited (‘**Max Life**’), a material subsidiary of the Company through a combination of (i) subscription to up to 14,25,79,161 (Fourteen Crore Twenty Five Lakhs Seventy Nine Thousand One Hundred Sixty One Only) equity shares of Rs. 10/- (Rupees Ten) each of Max Life on a preferential allotment basis for an investment amount aggregating to INR 16,11,99,99,943/- (Rupees One Thousand Six Hundred and Eleven Crores Ninety Nine Lakhs Ninety Nine Thousand Nine Hundred and Forty Three), and (ii) secondary acquisition of upto 2,02,53,366 (Two Crores Two Lakhs Fifty Three Thousand Three Hundred Sixty Six) equity shares of Max Life, directly or indirectly, through one or more tranches, constituting 0.98% (point Nine Eight percent) equity share capital (post issuance of 6.02% shares) of Max Life from the Company within 42 (Forty Two) months from the Closing Date, i.e., April 6, 2021, to the end and intent that Axis Bank and/or its affiliates own upto 20% (Twenty percent) of the paid up equity share capital of Max Life as further captured in the explanatory statement and on

such terms and conditions as mutually agreed amongst all the parties including Axis Bank and/or its affiliates, the Company and Max Life including the following:

- (a) 5 (Five) nominee directors of Axis Bank and 3 (Three) nominee directors of the Company on the Board of Max Life;
- (b) Quorum rights for Axis Bank with participation of 2 (Two) directors nominated by Axis Bank and 1 (One) director nominated by the Company in terms of the definitive agreements executed amongst the parties;
- (c) Affirmative voting items (AVIs) for Axis Bank and the Company ('MFSL AVI Matter'). In relation to the MFSL AVI Matters, the Company has the right to conduct discussions with Axis Bank on any MFSL AVI matter on which it disagrees. In case of continued disagreement after two rounds of discussions, Axis Bank will have the right to proceed with the matter, in accordance with the terms of the definitive agreements executed amongst the parties;
- (d) Axis Bank will have the right to appoint the Chairman of the Board of Max Life; and
- (e) The shares held by the Axis Bank, Axis Securities Limited and Axis Capital Limited in Max Life will be subject to regulatory lock-ins and with transferability restrictions to certain identified persons.

“RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board be and is hereby authorised on behalf of the Company to agree, accept and negotiate/finalize all such terms, condition(s), modification(s) and alteration(s) of Share Purchase Agreement, Share Shareholders' Agreement and/ or any other transaction documents, to finalize and execute all such agreements, deeds, documents and writings, to file application(s) and seek requisite approvals from the relevant authorities, including governmental authorities, etc. and to do all such acts, deeds, matters and things as the Board may, in its absolute discretion, deem necessary or desirable for such purpose, take necessary steps as the Board may in its absolute discretion deem necessary, desirable or expedient to give effect to this resolution, and to settle any question that may arise in this regard and incidental thereto, without being required to seek any further consent or approval of the Company or otherwise to the end and intent that the Company shall be deemed to have given their approval thereto expressly by the authority of this resolution.

“RESOLVED FURTHER THAT the Board be and is hereby authorised to delegate all or any of its powers conferred upon it by this resolution to any officer(s) or authorized signatory(ies) to give effect to this resolution including execution of any documents on behalf of the Company and to represent the Company before any governmental or regulatory authorities and to appoint any professional advisors, bankers, consultants, advocates and advisors to give effect to this resolution and further to take all other steps which may be incidental, consequential, relevant or ancillary in this regard.”

Item No 2:

To consider and if thought fit, to pass, the following Resolution as an Ordinary Resolution regarding the material related party transactions between Max Life Insurance Company Limited (“Max Life”), a material subsidiary of the Company and its related party, viz., Axis Bank Limited for subscription of equity shares of Max Life by Axis Bank Limited, on a preferential allotment basis aggregating to INR 1611,99,99,943/- (Rupees One Thousand Six Hundred and Eleven Crores Ninety Nine Lakhs Ninety Nine Thousand Nine Hundred and Forty Three)

“RESOLVED THAT pursuant to Regulation 23 and other applicable regulations of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the applicable provisions of the Companies Act, 2013 read with the relevant rules made thereunder and any other applicable laws (including any statutory amendment(s), modification(s), variation(s) or re-enactment(s) thereto, for the time being in force), as may be applicable from time to time, and pursuant to the recommendation of the Audit Committee and of the Board of Directors of the Company, approval of the members of the Company be and is hereby accorded to Max Life Insurance Company Limited (‘Max Life’), a material subsidiary of the Company, for issuance of upto 14,25,79,161 (Fourteen Crore Twenty Five Lakhs Seventy Nine Thousand One Hundred Sixty One Only) equity shares of Rs. 10/- (Rupees Ten) each of Max Life, on a preferential allotment basis for an investment amount aggregating to INR 1611,99,99,943/- (Rupees One Thousand Six Hundred and Eleven Crores Ninety Nine Lakhs Ninety Nine Thousand Nine Hundred and Forty Three) to Axis Bank Limited, a related party and promoter of Max Life in accordance with the Companies Act, 2013 and the rules and regulations prescribed by the Insurance Regulatory and Development Authority of India, as detailed in the explanatory statement annexed to this notice, notwithstanding the fact that the aggregate value of such transactions, either individually or taken together with previous transactions during the financial year 2023-24 and up to the date of next annual general meeting of the Company to be held in the year 2024 may exceed Rs. 10,00,00,00,000 (One Thousand Crore) or 10% (Ten percent) of the annual consolidated turnover of the Company as per the last audited financial statements of the Company, whichever is lower or such other threshold, as may be prescribed from time to time, provided however, that the said contracts/ arrangements/ transactions shall be carried out on an arm’s length basis and in the ordinary course of business by Max Life and Axis Bank Limited.”

“RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to take all such actions as it may deem expedient in this regard and to settle all questions, difficulties or doubts that may arise in this regard, as it may in its sole and absolute discretion deem fit and to do all such acts, deeds, matters and things as may be considered necessary and appropriate and to delegate all or any of its powers herein conferred to any Committee(s)/ Director(s)/ Officer(s) of the Company, to give effect to this resolution.”

By Order of the Board
For **Max Financial Services Limited**
-Sd-
Piyush Soni
Company Secretary
Membership No. ACS - 39924

Place: Noida, U.P.
Date: August 25, 2023

Regd. Office: Bhai Mohan Singh Nagar,
Railmajra, Tehsil Balachaur, Dist. Nawanshahr
Punjab – 144 533

NOTES

1. A Statement pursuant to Section 102(1) and 110 of the Act read with rules, SS-2 and the applicable provisions of the SEBI LODR Regulations setting out material facts and reasons for the proposed matter 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 Friday, August 25, 2023 ("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 on 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 specified in this Notice. As per the MCA Circulars, 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 e-voting only.

The Notice shall also be uploaded on the website of the Company (www.maxfinancialservices.com), on the website of National Securities Depository Limited ("NSDL"), at www.evoting.nsdl.com and on the websites of National Stock Exchange of India Limited (www.nseindia.com) and BSE Limited (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 9(b).
5. Voting rights will be reckoned on the paid-up value of shares registered in the name of the member as on Cut-off date (i.e. Friday, August 25, 2023). Only those members whose names are recorded in the Register of Members of the Company or in the list of Beneficial Owners maintained by the Depositories as on that date will be entitled to cast their votes by e-voting. Voting rights in the e-voting cannot be exercised by a proxy.
6. The dispatch of the Notice shall be deemed to be completed on August 28, 2023, 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.

7. The e-voting shall commence on Tuesday, August 29, 2023 at 9.00 A.M. (IST) and end on Wednesday, September 27, 2023 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 (i.e. August 25, 2023), may cast their vote by electronic means in the manner as set out here in Note No. 9 below. Once the vote is cast on the resolutions by the member, the member shall not be allowed to change the same subsequently.
8. The documents referred to in accompanying notice and explanatory statement, if any, shall be open for inspection at the Registered Office and Corporate Office of the Company without any fee on all working days (i.e. excluding, Saturdays, Sundays and public holidays) between 1100 hours (IST) to 1300 hours (IST) from the date of dispatch of notice upto the date of declaration of results of postal ballot. The documents shall be available for inspection through electronic mode, only on the requests sent by the members on Company's e-mail id: investorhelpline@maxindia.com
9. **Procedure for remote e-voting**

In compliance with provisions of Section 108 of the Act, Rule 20 of the Rules and Regulation 44 of the SEBI LODR Regulations and SS-2, the Company is pleased to provide its members the facility to exercise their right to vote through Postal Ballot by electronic means ('remote e-voting'). For this purpose, the Company has availed e-Voting Services provided by National Securities Depository Limited ('NSDL').

1. **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.	1. If you are already registered for NSDL IDeAS facility , please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsd.com/ either on a Personal Computer or on a mobile. Once the home page of

	<p>e-Services is launched, click on the “Beneficial Owner” icon under “Login” which is available under “IDeAS” 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 e-Voting service provider - NSDL and you will be re-directed to NSDL e-Voting website for casting your vote during the remote e-Voting period.</p> <ol style="list-style-type: none"> If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select “Register Online for IDeAS” Portal or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp 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. 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 e-Voting service provider - NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period. Shareholders/Members can also download NSDL Mobile App “NSDL Speede” facility by scanning the QR code mentioned below for seamless voting experience. <p>NSDL Mobile App is available on</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"> 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 https://web.cdslindia.com/myeasi/home/login or www.cdslindia.com and click on New System Myeasi. After successful login of Easi/Easiest the user will be also able

	<p>to see the E Voting Menu. The Menu will have links of e-Voting service provider i.e. NSDL. Click on NSDL to cast your vote.</p> <p>3. If the user is not registered for Easi/Easiest, option to register is available at: https://web.cdslindia.com/myeasi/Registration/EasiRegistration</p> <p>4. Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN No. from a link in www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP i.e. NSDL where the e-Voting is in progress.</p>
Individual Shareholders (holding securities in demat mode) login through their depository participants	<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 e-Voting service provider-NSDL 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 & 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
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30
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: helpdesk.evoting@cdslindia.com or contact at 022- 23058738 or 022-23058542-43

**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.
 - b) **Physical User Reset Password?**” (If you are holding shares in physical mode) option available on 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 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 resolutions, 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 with a copy marked to 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 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 or call on toll free no.: 1800 1020 990 and 1800 22 44 30 or send a request to at 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 resolutions 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 investor@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 investor@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 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.

10. 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 two working days from the end of the remote e voting period 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 Resolutions passed by postal ballot and Remote e-voting will be declared by the Chairman of the Company or the authorized person in writing on Thursday, September 28, 2023 at the registered and/ or corporate office of the Company. After declaration of result by the Chairman of the Company or the authorized person in writing but within two working days from the end of remote e-voting, the aforesaid result along with the scrutinizer's report will be communicated to the Stock Exchanges 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 and on the NSDL's website: www.evoting.nsdl.com. The resolutions, 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. The resolutions, if approved by the requisite majority of members by means of Postal Ballot (i.e. remote e-voting), shall be deemed to have been passed on the last date specified by the Company for remote e-voting, i.e., September 27, 2023.
- (d) In case of any query in relation to the resolutions proposed to be passed by Postal Ballot may be addressed to the Company Secretary at the e-mail id. psoni@maxindia.com. In case of any queries on e-voting, you may refer the Frequently Asked Questions (FAQs) for *members* and e-Voting user manual for *members* available at the "downloads" section of <https://www.evoting.nsdl.com> or contact NSDL by email at evoting@nsdl.co.in or call on: 1800 222 990.

EXPLANATORY STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013 READ WITH RULE 22 OF THE COMPANIES (MANAGEMENT AND ADMINISTRATION) RULES, 2014

In terms of Section 102(1) read with Section 110 of the Companies Act, 2013 read with rules, SS-2 and the applicable provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI LODR, 2015'), the following Explanatory Statement sets out all the material facts relating to the resolutions given in the accompanying Notice dated August 25, 2023.

Item No. 1

On February 20, 2020, the Company and Axis Bank Limited ('Axis Bank') entered into a confidentiality and exclusivity arrangement to explore a long-term strategic partnership. The Board of Directors of the Company in its meeting held on April 27, 2020 approved entering into definitive agreements with Axis Bank for the sale of upto 29% (Twenty-Nine percent) of the equity share capital of Max Life Insurance Company Limited ('Max Life'), a material subsidiary of the Company, to Axis Bank, subject to receipt of shareholders' approval and other requisite regulatory approvals. In furtherance of the same, the parties entered into definitive agreements. The shareholders of the Company approved the transaction on June 16, 2020.

Application for approval of Insurance Regulatory and Development Authority of India ('IRDAI') was submitted on May 20, 2020. Based on correspondence with RBI and IRDAI, the Company, Max Life, and Axis Bank made certain changes to the agreements, subject to regulatory approvals and as maybe permitted under applicable laws. On October 30, 2020, the Company, Max Life, Axis Bank, and Axis Bank's subsidiaries, i.e., Axis Capital Limited and Axis Securities Limited (collectively, "**Axis Entities**") executed revised agreements whereby Axis Bank proposed to acquire 19.002% (Nineteen point zero zero two percent) (including the right to acquire additional 7% (Seven percent) equity share capital of Max Life) of the equity share capital of Max Life ("Revised Agreements") and submitted fresh proposal with the sectoral regulators. Further, in response to Axis Bank's application for directly acquiring 17.002% (Seventeen point zero zero two percent) of the equity share capital of Max Life, the Reserve Bank of India advised Axis Bank to be guided by Para 5(b) of Master Direction - Reserve Bank of India (Financial Services provided by Banks) Directions, 2016 dated May 26, 2016 as updated from time to time. The Revised Agreements superseded the previous agreements entered between the parties.

In this regard, Max Life had received approval from IRDAI vide its letter dated February 24, 2021 granting approval for transfer of 12.002% (Twelve point zero zero two percent) equity shares of Max Life held by the Company to Axis Entities, as promoters. Pursuant to receipt of all the approvals, the Company has transferred 3,83,76,257 (Three Crores Eighty Three Lakhs Seventy Six Thousand Two Hundred and Fifty Seven) equity shares of Rs. 10 (Rupees Ten) each of Max Life to Axis Capital Limited and 1,91,88,128 (One Crore Ninety One Lakhs Eighty Eight Thousand One Hundred and Twenty Eight) equity shares of Rs. 10 (Rupees Ten) each of Max Life to Axis Securities Limited on March 26, 2021, fully paid up at a price of INR 31.51 (Rupees Thirty One and Fifty One paise) per share for consideration aggregating to INR 181,38,53,771 (Rupees One Hundred and Eight One Crores Thirty Eight Lakhs Fifty Three Thousand Seven Hundred Seventy One only). On April 6, 2021, the Company transferred 17,27,31,531 (Seventeen Crores Twenty Seven Lakhs Thirty One Thousand Five Hundred and Thirty One) equity shares of Rs. 10 (Rupees Ten) each of Max Life to Axis Bank, fully paid up at

a price of INR 32.12 (Rupees Thirty Two and Twelve paise) per share for consideration aggregating to INR554,81,36,775.72 (Rupees Five Hundred and Fifty Four Crores Eighty One Lakhs Thirty Six Thousand Seven Hundred Seventy Five and Seventy Two paise only). The transaction price of INR 31.51 (Rupees Thirty One and Fifty One paise) and INR 32.12 (Rupees Thirty Two and Twelve paise) per share, for the aforesaid transfer of shares effected on March 26, 2021 and April 6, 2021 respectively were computed based on the valuation of Max Life conducted as per Rule 11 UA read with Rule 11 UAA of the Income-tax Rules, 1962 (herein referred to as 'Transaction Price'). The methodology of computation of transaction price was approved by 99.90% (Ninety Nine point Nine Zero) shareholders through postal ballot and also stated in the definitive agreements entered with Axis Entities. Based on the above transactions, Axis Entities collectively hold 12.99% (Twelve point Nine Nine) equity stake in Max Life as of date.

Consequent to the guidance received by Max Life from IRDAI, on January 9, 2023 the Company executed revised agreements with the parties in terms of which the Axis Entities have the right to acquire the balance 7% (Seven percent) equity stake of Max Life from the Company at Fair Market Value using Discounted Cash Flows (DCF) instead of valuation as per Rule 11UA of the Income tax Rules, 1962.

The Board of Directors of the Company in its meeting held on August 9, 2023, *inter alia*, considered and approved the following:

Took note of the proposal of Max Life to raise further capital by way of a preferential issue of equity shares to Axis Bank. The new equity shares of Max Life for an aggregate investment value of INR 1611,99,99,943/- (Rupees One Thousand Six Hundred and Eleven Crores Ninety Nine Lakhs Ninety Nine Thousand Nine Hundred and Forty Three) are proposed to be issued to Axis Bank, a promoter of Max Life, at fair market value determined basis DCF methodology. The proposed infusion of capital by Axis Bank in Max Life will help Max Life to support its future growth ambitions, to augment its capital position and to improve solvency margins. The proposed infusion of capital further highlights Axis Bank's commitment towards building a stronger franchise. In this regard, the Company and Axis Bank have agreed to revise the right of Axis Entities to acquire 7% (Seven percent) of the share capital of Max Life as follows: (i) subscription to up to 14,25,79,161 (Fourteen Crore Twenty Five Lakhs Seventy Nine Thousand One Hundred Sixty One) equity shares of Rs. 10/- (Rupees Ten) each of Max Life by Axis Bank on a preferential allotment basis for an investment amount aggregating to INR 1611,99,99,943/- (Rupees One Thousand Six Hundred and Eleven Crores Ninety Nine Lakhs Ninety Nine Thousand Nine Hundred and Forty Three) and (ii) secondary acquisition of upto 2,02,53,366 (Two Crores Two Lakhs Fifty Three Thousand Three Hundred Sixty Six) equity shares of Max Life, directly or indirectly, through one or more tranches, constituting 0.98% (Zero point Nine Eight percent) equity share capital (post issuance of 6.02% shares) of Max Life by the Axis Entities from the Company within 42 (forty two) months from the Closing Date, i.e., April 6, 2021, as elaborately captured on resolution no. 1 above. In consideration of Axis Bank agreeing to invest an amount of upto INR 1611,99,99,943/- (Rupees One Thousand Six Hundred and Eleven Crores Ninety Nine Lakhs Ninety Nine Thousand Nine Hundred and Forty Three) in Max Life, parties have also agreed to, *inter alia*, (i) modify certain governance rights matters concerning Max Life and (ii) the ability of Axis Entities to transfer their shares as detailed in the resolution above. The resolution approved by the shareholders on June 16, 2020 is partially modified to the extent mentioned in the aforementioned resolutions and this explanatory statement.

Therefore, the approval of the shareholders of the Company is being sought for the aforesaid preferential issue of equity shares of Max Life to Axis Bank as the initial approval accorded by the shareholders of the Company was to set up Max Life as a JV between the Company and the Axis Entities by way of divestment of upto 20% (Twenty percent) of share capital of Max Life by the Company in favour of the Axis Entities. The aforesaid proposal is subject to receipt of all corporate and regulatory approvals including Insurance Regulatory Development Authority of India, the Pension Fund Regulatory Development Authority of India and the Competition Commission of India.

Accordingly, pursuant to applicable provisions of the Companies Act, 2013 and applicable provisions of SEBI LODR Regulations, members of the Company are requested to accord their consent for suitable modifications to the earlier approval accorded by the shareholders on June 16, 2020 to allow Max Life to issue further equity share capital to Axis Bank Limited by way of preferential issue of shares for an investment amount aggregating to INR 1611,99,99,943/- (Rupees One Thousand Six Hundred and Eleven Crores Ninety Nine Lakhs Ninety Nine Thousand Nine Hundred and Forty Three) and to modify existing arrangement with Axis Bank as stated in the resolution.

None of the directors or the key managerial personnel of the Company and their relatives, are either financially or otherwise concerned or interested in the special resolution set out in item no. 1 of the notice except to the extent of their direct/ indirect shareholding in the Company.

Item No. 2

As per Regulation 23 and other applicable regulations of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, ('SEBI LODR Regulations'), all Related Party transactions, if material, require prior approval of Members, even if such transactions were in ordinary course of business and at arms' length. Further, as per extant SEBI LODR Regulations, "related party transaction" for a listed company includes a transaction involving a transfer of resources, services or obligations between any of the subsidiaries of the listed entity on one hand and a related party of the subsidiaries on the other hand. Further, in terms of SEBI LODR Regulations, a transaction with a related party shall be considered material, if the transaction(s) to be entered into individually or taken together with previous transactions during a financial year, exceeds Rs 1,000 Crores or 10% (Ten percent) of the annual consolidated turnover of the listed entity as per the last audited financial statements of the listed entity, whichever is lower.

Arising from the above regulations, the proposal by Axis Bank Limited ('Axis Bank') to subscribe upto 14,25,79,161 (Fourteen Crore Twenty Five Lakhs Seventy Nine Thousand One Hundred Sixty One Only) equity shares of Rs. 10/- (Rupees Ten only) each being, ~6.9% (Six point Nine percent) (post issuance of 6.02% shares) equity share capital of Max Life Insurance Company Limited ('Max Life'), on a preferential allotment for an investment amount aggregating to INR 1611,99,99,943/- (Rupees One Thousand Six Hundred and Eleven Crores Ninety Nine Lakhs Ninety Nine Thousand Nine Hundred and Forty Three) shall be deemed to be a related party transaction between Axis Bank and Max Life in terms of SEBI LODR Regulations. Further, the Company would like to clarify that Axis Bank is not a related party vis-à-vis the Company. Therefore, for avoidance of any doubt and for procedural compliance, the Company places before the members, the said proposal at item no 2 of the Notice for their consideration and approval.

The Audit Committee and the Board of Directors have recommended the said proposal to the shareholders for their consideration and have noted that this transaction is in the ordinary course of business and at arm's length price in terms of applicable provisions of the Companies Act, 2013 and SEBI LODR Regulations. Accordingly, the approval of the members is sought for the same for which requisite details are furnished hereunder as per extant regulations for the perusal of the members.

Sr. No.	Particulars	Details of transactions
1.	Name of the related party and relationship	The material related party transaction is between a subsidiary of the Company, viz., Max Life Insurance Company Limited ('Max Life') and its related party, Axis Bank Limited ('Axis Bank').
2.	Type and particulars of the proposed transaction	Subscription by Axis Bank to the equity shares of Max Life on a preferential issue basis.
3.	Value of the proposed transaction	Axis Bank will be infusing INR 1611,99,99,943/- (One Thousand Six Hundred and Eleven Crores Ninety Nine Lakhs Ninety Nine Thousand Nine Hundred and Forty Three) into the equity share capital of Max Life by subscribing to up to 14,25,79,161 (Fourteen Crore Twenty Five Lakhs Seventy Nine Thousand One Hundred Sixty One) fully paid-up equity shares of face value of Rs. 10 (Rupees Ten) each, at a fair market value of Rs. 113.06 per share (arrived at as per extant regulations and including a share premium of Rs. 103.06 (Rupees One Hundred and Three and zero six paise) per equity share).
4.	Material terms	The material terms of the subscription to the shares by Axis Bank are captured as part of resolution and explanatory statement to item no.1 of this postal ballot notice.
5.	Nature of concern or interest of the related party (financial/otherwise)	Financial
6.	Tenure of the proposed transaction	The proposed transaction is subject to requisite approvals from the regulatory authorities, such as the Insurance Regulatory and Development Authority of India, Pension Fund Regulatory and Development Authority of India and the Competition Commission of India which is

		expected to be concluded in next 4 to 6 months.
7.	Percentage of Company's annual consolidated turnover for immediately preceding financial year (Based on consolidated turnover of financial year ended March 31, 2023)	% of consolidated turnover of the Company: Estimated at ~5.1% (Five point One percent)
8.	If the transaction relates to any loans, inter-corporate deposits, advance or investments made or given by the listed entity or its subsidiary:	Not applicable as the capital infusion in Max Life is by Axis Bank Limited, a related party. There is no transaction in this regard between the Company with its subsidiary, Max Life.
	(i) details of the source of funds in connection with the proposed transaction	Not applicable
	(ii) Details of financial indebtedness is incurred	Not applicable
	(iii) Applicable terms, including covenants, tenure, interest rate and repayment schedule, whether secured or unsecured; if secured, the nature of security	Not applicable
	(iv) The purpose for which the funds will be utilized by the ultimate beneficiary of such funds pursuant to the related party transactions	Not applicable
9.	Justification as to why the related party transaction is in the interest of the listed entity	<p>Max Life has gross premium income of Rs. 25,342 crores and a Claims Paid Ratio of 99.51% in FY23. It currently has over 4.9 million policies in force. Max Life Insurance offers comprehensive long-term savings, protection and retirement solutions through its high-quality agency distribution and multi-channel distribution partners. The banca partnership leverages increased insurance awareness amongst the prospective customers along with better insurance penetration and sales.</p> <p>The strategic benefits of this banca partnership is</p>

		multi-pronged and will continue to unfold over a long period of time. The combined trust of Max Life and Axis Bank franchise will hold Max Life in good stead and therefore is in the best interest of the Company and its flagship subsidiary company, Max Life.
10.	Valuation or other external party report	The valuation reports of the equity shares of Max Life certified by 2 investment bankers and 2 registered valuers (under Companies Act, 2013) are attached.

Pursuant to Regulation 23 of the SEBI LODR Regulations, members may also note that no related party of the Company shall vote to approve the resolution no. 2 whether the entity is a related party to the particular transaction or not.

None of the directors or the key managerial personnel of the Company and their relatives, are either financially or otherwise concerned or interested in the special resolution set out in resolution no. 2 of the notice.

The Board recommends passing of this resolution as a special resolution, through Postal Ballot.

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

-Sd-

Piyush Soni
Company Secretary
Membership No. ACS - 39924

Place: Noida, U. P.
Date: August 25, 2023

Regd. Office: Bhai Mohan Singh Nagar,
Railmajra, Tehsil Balachaur, Dist. Nawanshahr
Punjab – 144 533