



**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: [vkrisnna@maxindia.com](mailto:vkrisnna@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 resolutions 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**”) 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 matters as considered in the Resolutions appended below. The Explanatory Statement pursuant to Section 102 of the Act pertaining to the appended Resolutions, setting out material facts and the reasons for the Resolutions, is 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 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 Businesses**

1. **To consider and if thought fit, to pass the following resolution as a special resolution for implementation of 'Max Financial Employee Stock Option Plan 2022' ('ESOP Plan-2022') and for grant of options to the eligible employees of the Company:**

**"RESOLVED THAT** pursuant to applicable provisions of the Companies Act, 2013 ('the Act'), and the rules thereunder, the Memorandum and Articles of Association of Max Financial Services Limited ("Company"), the provisions of the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 (hereinafter referred to as 'SEBI Regulations'), including any statutory modification(s) or re-enactment(s) of the Act, the rules or the SEBI Regulations, for the time being in force and subject to such other approvals, permissions and sanctions, as may be necessary and subject to such conditions and modifications as may be prescribed or imposed while granting such approvals, permissions and sanctions which may be agreed to by the Board of Directors of the Company in its sole discretion (hereinafter referred to as the 'Board', which expression shall also include Nomination and Remuneration Committee constituted by the Board), read with the Explanatory Statement attached to this postal ballot notice, consent of the members of the Company be and is hereby accorded to the Board to adopt and implement Max Financial Employee Stock Option Plan 2022' ( 'ESOP Plan-2022') and to grant options and transfer shares on exercise of such options not exceeding 5% of the paid up equity capital of the Company as at March 31, 2022, i.e., 1,72,55,738 stock options convertible into 1,72,55,738 equity shares of the face value of INR 2/- (Rupees Two each fully paid-up), from time to time, in one or more tranches, to employees who are the employees or directors of the Company, permissible under the SEBI Regulations whether working in India or out of India and to such other persons as may be decided by the Board/ Committee and/or permitted under applicable laws (hereinafter referred to as 'Eligible Employees') but does not include an employee who is a promoter or a person belonging to the promoter group, independent director and/or a director(s) who either himself or through his relative or through any body-corporate, directly or indirectly, holds more than 10% of the outstanding equity shares of the Company, on such terms and conditions, as may be determined by the Board in accordance with the provisions of ESOP Plan-2022 and in due compliance with the SEBI Regulations and other applicable laws, rules and regulations and as may be decided by the Board under ESOP Plan-2022, and on such terms and conditions including the price as the Board of the Company may decide, from time to time, in accordance with the SEBI Regulations or other provisions of the law as may be prevailing at the relevant time."

**“RESOLVED FURTHER THAT** in case of any corporate action(s) such as rights issue, bonus issue, change in capital structure, merger, sale of division/undertaking or other re-organization, such other event, the Board is hereby authorised to do all such acts, deeds and things as may be necessary and which are within the provisions of the applicable laws & regulations, so as to ensure that fair and equitable benefits under the ESOP Plan-2022 are passed on to the Eligible Employees.”

**“RESOLVED FURTHER THAT** in case the equity shares of the Company are either sub-divided or consolidated, the number of equity shares to be transferred and the price of acquisition payable by the Eligible Employees under the ESOP Plan-2022 shall automatically stand augmented or reduced, as the case may be, in the same proportion as the present face value of INR 2/- (Rupee Two ) per equity share, bears to the revised face value of the equity shares of the Company after such sub-division or consolidation, without affecting any other rights or obligations of the said Eligible Employees.”

**“RESOLVED FURTHER THAT** the Board be and is hereby authorised on behalf of the Company to evolve, decide upon and bring into effect the ESOP Plan-2022 and make any modifications, changes, variations, alterations or revisions in the ESOP Plan-2022, from time to time, or to suspend, withdraw or revive the ESOP Plan-2022 from time to time as may be required in case of any change in applicable laws or as may be specified by any statutory authority and/or to give effect to any laws, rules, regulations, amendment(s) thereto and to do all other acts, deeds, matters and things as are necessary to give effect to the above resolution and with power on behalf of the Company to settle any questions or difficulties that may arise with regard to the creation, offer, issue, grant of stock options and/or transfer of equity shares arising therefrom without requiring the Board to secure any further consent or approval of the members of the Company in this respect, as long as its actions are not detrimental to the interests of the Eligible Employees.”

**“RESOLVED FURTHER THAT** the Company shall conform to the accounting policies prescribed from time to time under SEBI Regulations and any other applicable laws, Act, rules and regulations to the extent relevant and applicable to ESOP Plan-2022.”

**“RESOLVED FURTHER THAT** during any one year, no Employee shall be granted Options under the ESOP Plan-2022 equal to or exceeding 1% of the issued capital excluding outstanding warrants and conversions (as understood under SEBI Regulations) of the Company at the time of Grant of Options.”

**“RESOLVED FURTHER THAT** subject to applicable provisions of the Act and other applicable laws, the Board be and is hereby authorised to delegate all or any powers conferred herein, to the Nomination and Remuneration Committee of the Company with a power to further delegate to any executives or officer of the Company to do all such acts, deeds, matters and things as also to execute such documents, writings etc. as may be necessary in this regard including the authority to appoint advisors, consultants or representatives, for effective implementation

and administration of the ESOP Plan-2022 and to do all such acts, deeds, matters and things as they may in their absolute discretion deem fit for such purpose and also to settle issues, questions, difficulties or doubts that may arise in this regard without being required to seek any further consent or approval of the members and to execute all such documents, writings and to give such directions and/or instructions as may be necessary or expedient to give effect to aforesaid resolution.”

2. **To consider, and if thought fit, to pass, the following resolution as a special resolution for grant of options to the eligible employees of subsidiaries (present and future) of the Company:**

**“RESOLVED THAT** pursuant to applicable provisions of the Companies Act, 2013 (‘the Act’), and the rules thereunder, the Memorandum and Articles of Association of Max Financial Services Limited (‘Company’), the provisions of the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 (hereinafter referred to as ‘SEBI Regulations’), including any statutory modification(s) or re-enactment(s) of the Act, the rules or the SEBI Regulations, for the time being in force and subject to such other approvals, permissions and sanctions, as may be necessary and subject to such conditions and modifications as may be prescribed or imposed while granting such approvals, permissions and sanctions which may be agreed to by the Board of Directors of the Company in its sole discretion (hereinafter referred to as the ‘Board’, which expression shall also include Nomination and Remuneration Committee constituted by the Board), read with the Explanatory Statement attached to this postal ballot notice, consent of the Members of the Company be and is hereby accorded to extend the benefits of Max Financial Employee Stock option Plan 2022’ ( ‘ESOP Plan-2022’), referred to in resolution no. 1 of this Notice and to grant options and transfer shares on exercise of such options within the overall limit of 5% of the paid up equity capital of the Company as at March 31, 2022, i.e., 1,72,55,738 stock options convertible into 1,72,55,738 equity shares of the face value of INR 2/- (Rupees Two each fully paid-up), from time to time, in one or more tranches, to the person(s), who are the employees or Directors of the subsidiaries of the Company (present and future) as may be permissible under the SEBI Regulations (hereinafter also referred to as ‘Eligible Employees’), but does not include an employee who is a promoter or a person belonging to the promoter group, independent director and/or a director(s) who either himself or through his relative or through any body-corporate, directly or indirectly, holds more than 10% of the outstanding equity shares of the Company, on such terms and conditions, as may be determined by the Board in accordance with the provisions of the ESOP Plan-2022 and as may be decided by the Board under, in such manner, during such period, in one or more tranches and on such terms and conditions including the price as the Nomination and Remuneration Committee of the Company may decide in accordance with the SEBI Regulations or other provisions of the law as may be prevailing at the relevant time.”

3. **To consider, and if thought fit, to pass the following resolution as a special resolution for acquisition of equity shares from secondary market for the implementation of ESOP Plan-2022 to the eligible employees of the Company and its subsidiary companies (both present and future):**

**“RESOLVED THAT** pursuant to applicable provisions of the Companies Act, 2013 (‘the Act’), and the Rules thereunder, the Memorandum and Articles of Association of the Company, the provisions of the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 (hereinafter referred to as ‘SEBI Regulations’), including any statutory modification(s) or re-enactment(s) of the Act, the Rules or the SEBI Regulations, for the time being in force and subject to such other approvals, permissions and sanctions, as may be necessary and subject to such conditions and modifications as may be prescribed or imposed while granting such approvals, permissions and sanctions which may be agreed to by the Board of Directors of the Company in its sole discretion (hereinafter referred to as the ‘Board’, which expression shall also include any committee thereof), consent of the members of Company be and is hereby accorded to the Board to set up an irrevocable employee welfare trust, under the name and style of Max Financial Employees Welfare Trust or such other name as the Board of the Company may deem expedient (hereinafter referred to as ‘Trust’) and delegate the administration of the ESOP Plan- 2022 to the Trust and allow it to acquire the equity shares of the Company from the secondary market to be held by the Trust which may be transferred to Eligible Employees of the Company and its subsidiary companies, present and future, on exercise of options in any permissible manner in terms of SEBI Regulations and that the Trust shall, subject to applicable laws, have the authority to avail loans/financial assistance from the Company and/or subsidiary companies, present and future, including availing loans from other lenders, from time to time and on such terms conditions as it may deem expedient to enable the Trust to purchase the equity shares of the Company from secondary market from time to time.”

**“RESOLVED FURTHER THAT** the total number of equity shares under secondary acquisition to be acquired by the Trust for the Eligible Employees of the Company, its subsidiaries (present and future), shall not exceed, at any time, 1,72,55,738 Equity Shares of the Company of INR Rs. 2/- (Rupees Two Each), being 5% of the paid-up equity capital of the Company as at March 31, 2022.”

**“RESOLVED FURTHER THAT** the number of equity shares of the Company that can be acquired by the Trust from the secondary market in any financial year shall not exceed 2% of the paid-up equity capital of the Company as at the end of the previous financial year.”

**“RESOLVED FURTHER THAT** if due to any corporate action(s) such as rights issue, bonus issue, merger and sale of division, change in capital structure and others, if any, additional stock options of the Company are issued to the Eligible Employees pursuant to the ESOP Plan-2022 for the purpose of making a fair and reasonable adjustment to the stock options issued to them, the above ceiling of 5% of the paid-up equity capital shall be deemed to be increased or decreased in

proportion to the expanded or reduced capital of the Company that results from the aforesaid corporate action(s).”

**“RESOLVED FURTHER THAT** in case the equity shares of the Company are either sub-divided or consolidated, the above ceiling of 5% of the paid-up equity capital shall automatically stand increased or reduced, as the case may be, in the same proportion as the present face value of INR 2/- (Rupees Two) per equity share bears to the revised face value of the equity shares of the Company after such sub-division or consolidation.”

**“RESOLVED FURTHER THAT** the Board be and is hereby authorised on behalf of the Company to do all the acts, deeds, matters and things as are necessary and settle any questions or difficulties that may arise to give effect to the above resolution without requiring any further consent or approval of the members of the Company in this regard.”

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

Place: Noida  
Date: April 6, 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 Companies Act, 2013 (‘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 Wednesday, April 6, 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 resolutions 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 Saturday, April 9, 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 resolutions set forth in this Notice.

7. The e-voting shall commence on Sunday, April 10, 2022 at 9.00 A.M. (IST) and ends on Monday, May 9, 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 resolutions, 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 re-directed 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.**

<b>Login type</b>	<b>Helpdesk details</b>
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 <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
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

**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:

<b>Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical</b>	<b>Your User ID is:</b>
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 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 Resolutions/ 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 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 [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 samewithintime 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 Resolutions by postal ballot and Remote e-voting will be declared by the Chairman of the Company or the authorized person in writing on Tuesday, May 10, 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 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 and shall be deemed to have been passed on the last date specified by the Company for remote e-voting, i.e., Monday, May 9, 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 [vkishnan@maxindia.com](mailto:vkishnan@maxindia.com) requesting supply of relevant documents referred in the Explanatory Statement.

**EXPLANATORY STATEMENT TO ITEM NO. 1 TO 3 OF THE POSTAL BALLOT NOTICE PURSUANT TO SECTION 102 READ WITH SECTION 110 OF THE COMPANIES ACT, 2013 ('the Act')**

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 resolutions given in the accompanying Notice.

Stock Options have long been recognised internationally as an effective instrument to align the interest of employees with those of the company and its shareholders, providing an opportunity to employees to share the growth of the company and to create long- term wealth in the hands of the employees. It creates a sense of ownership between a company and its employees, paving the way for a unified approach to the common objective of enhancing overall shareholders value.

The Company has structured this ESOP Plan-2022, primarily for Eligible Employees of the subsidiary companies, whose present and potential contributions are important to the success of Max Financial Services Limited and its subsidiary companies, by offering them an opportunity to participate in the Company's future and also acquire a proprietary interest in the Company by award of Options. Key objectives of this ESOP Plan-2022 are as under:

- a) Create a sense of ownership amongst Eligible Employees through equity-based compensation and provide them an opportunity to partner in the success of business
- b) Promote long-term financial interest of the Company
- c) Attract premium talent to join the Company
- d) Retain key talent within the Company
- e) Recognize contributions of the Employees who are crucial for the success of the Company in the long run.
- f) Provide an opportunity for wealth-sharing with Eligible Employees

These objectives/ purposes are sought to be achieved through the Grant of Options to Eligible Employees (as defined below) under this ESOP Plan -2022.

Based on the recommendation of the Nomination and Remuneration Committee ('Committee') and subject to the approval of members, the Board of Directors of the Company, at its meeting held on April 6, 2022 approved the ESOP Plan-2022' for the benefit of Eligible Employees.

**Disclosure/ main features of ESOP Plan-2022 pursuant to the SEBI Regulations and the Companies Act, 2013 are as under:**

Sl. No.	Particulars	Main features
1.	<b>Brief description of the ESOP Plan-2022:</b>	The ESOP Plan-2022 provides for grant of stock options to the employees and/or directors of the Max Financial Services Limited, its subsidiary companies (present and future), in India or outside India, if any, as may be permissible under the SEBI Regulations (hereinafter referred to as 'Employees'). Each stock option will be, upon Exercise, converted into one fully paid-up equity share of the Company of face value of INR 2/- (Rupees Two).
2.	<b>The total number of options to be granted</b>	Total stock options up to 1,72,55,738 convertible into 1,72,55,738 equity shares of the face value of INR 2/- (Rupees Two) each fully paid-up would be available for being granted under the ESOP Plan-2022. Each option when exercised would entitle Option holder to one equity share of INR 2/- (Rupees Two), fully paid-up. Vested options lapsed due to non-exercise and/or unvested options which get lapsed due to any reason as specified in the ESOP Plan-2022 or otherwise, would be available for being re-granted at a future date.

3.	<b>Identification of classes of employees entitled to participate and be beneficiaries in the ESOP Plan-2022</b>	<p>The class of Employees eligible for participating in the ESOP Plan-2022 is subject to such criteria as may be decided by the Nomination and Remuneration Committees of the respective companies at their own discretion, including, but not limited to the band of the Employee, criticality of the role, period of service with respective companies, future potential, or any other criteria, as the Committees determine. It is clarified that Employees working abroad (if any) will be entitled to participate in this ESOP Plan-2022' subject to compliance of Applicable Laws including applicable laws of the jurisdiction in which such Employee is working for the Company and /or its subsidiary companies (present and future).</p> <p>Based on the eligibility criteria as described above, the Nomination and Remuneration Committee will decide the Employees eligible for Grant of Options under this ESOP Plan-2022 and accordingly, the Company acting through the Nomination and Remuneration Committee would grant the Options to the identified Employees.</p> <p>Except as provided in ESOP Plan-2022, Options held by a Grantee are not transferable to any Person except the Beneficiary or Nominee as the case may be, and as specified in the Nomination Form in the event of death of the Grantee. The Options cannot be pledged, hypothecated, charged, mortgaged, assigned, alienated, or disposed of in any manner.</p>
4.	<b>Appraisal process for determining the eligibility of employees for the ESOP Plan-2022</b>	<p>The appraisal process for determining the eligibility of the employees will be in accordance with the ESOP Plan-2022' or as may be determined by the Nomination and Remuneration Committees of the respective companies, at its sole discretion.</p>
5.	<b>Requirements of vesting and period of vesting and maximum period within which the options shall be vested</b>	<p>Vesting Period shall mean a maximum period of 4 years, during which the vesting of Options granted under this ESOP Plan-2022 shall take place.</p>



6.	<b>Exercise price or pricing formula</b>	The Exercise Price of the Vested Options shall be as determined by the Nomination and Remuneration Committee which shall be equivalent to the volume weighted average share price of the Company during any time period ranging upto 90 trading days immediately preceding three days prior to the date of Grant, on the stock exchange with the higher trading volume for the Company's Shares or such other equivalent price as may be decided by the Committee. The Exercise Price shall be provided in the Letter of Grant in pursuance of ESOP Plan-2022.
7.	<b>Exercise period and process of Exercise</b>	<p>"Exercise Period" means a period of 3 years commencing on the Vesting Date, as prescribed by the Committee in the Letter of Grant (for each tranche of Options, during which the Grantee /Beneficiary (as the case may be) must Exercise his right to apply for Shares against the Vested Option in pursuance of ESOP Plan-2022.</p> <p>A Vested Option shall be deemed to be validly exercised only when the Trust or any other person authorized by the Board and/or the Committee in this regard, receives written and signed notice of Exercise Application from the Grantee / Beneficiary and the full payment of the Exercise Price, taxes (wherever arising) and any other sums due, as referred to in ESOP Plan-2022 in respect of Exercise of the Option. Notwithstanding anything else contained in ESOP Plan-2022, if the Grantee / Nominee does not Exercise his/her Vested Options within the time period as specified by terms of ESOP Plan-2022', the Options shall automatically lapse at the end of the period specified in ESOP Plan-2022'. All such Vested Options that lapse shall revert to the Share Pool and may be granted at the discretion of the Committee to any Eligible Employee</p>
8.	<b>The Lock-in period, if any</b>	The Shares transferred pursuant to the Exercise of the Vested Options shall not be subject to a lock-in as is also specified under the ESOP Plan-2022

9.	<b>Maximum number of options to be issued per employee and in aggregate</b>	<p>The maximum Options per employee shall not exceed 1% of the issued capital of the Company.</p> <p>The maximum number of Options that may be granted to Eligible Employees shall not exceed 1,72,55,738 Options convertible into equivalent shares (i.e. 5 % of the paid-up equity share capital of the Company as on March 31, 2022)</p>
10.	<b>Maximum quantum of benefits to be provided per employee under the ESOP Plan-2022</b>	<p>The maximum quantum of benefits will be the difference between the fair value of shares on the date of exercise and Exercise Price paid by the Employee, subject to applicable taxes.</p>
11.	<b>Method which the Company shall use to value its options</b>	<p>The value is to be calculated in accordance with generally accepted accounting standards and valuation principles as may be applicable in India and shall be determined by the Board/Committee on the basis of the valuation report submitted by an independent external valuer of repute appointed by the Board/Committee if required.</p>
12.	<b>The conditions under which option vested in employees may lapse e.g. in case of termination of employment for misconduct</b>	<ol style="list-style-type: none"> <li>1. Upon non-exercise of Options within the Exercise Period or such other time period as stipulated under the ESOP Plan-2022.</li> <li>2. Termination of employment with cause</li> <li>3. Abandonment of office of employment</li> </ol>
13.	<b>The specified time period within which the employee shall Exercise the vested options in the event of a proposed termination of employment or resignation of employee</b>	<ol style="list-style-type: none"> <li>1. In case of death – Beneficiary of the deceased employee can exercise the options within 180 days from the date of death of the employee</li> <li>2. In case of permanent disability – within 90 days from such date</li> <li>3. On attainment of superannuation age - Within the Exercise Period as per the vesting schedule applicable post retirement</li> <li>4. Termination of employment with cause – All vested options shall be automatically forfeited on the termination date</li> <li>5. Termination of employment without cause – to be exercised by the last date of employment</li> </ol>

14.	<b>Statement to the effect that the company shall conform to the accounting policies specified in Regulation 15 of SEBI Regulations</b>	The Company conforms to the accounting policies specified in Regulation 15 of SEBI Regulations and the accounting standards prescribed by regulatory authorities from time to time.
15.	<b>Whether the ESOP Plan-2022 is to be implemented and administered directly by the Company or through a Trust</b>	The ESOP Plan-2022 is proposed to be implemented and administered through Max Financial Employees Welfare Trust (hereinafter referred to as 'Trust') or such other name as the Board of Directors of the Company may deem expedient.
16.	<b>Whether the ESOP Plan-2022 involves new issue of shares by the Company or secondary acquisition by the Trust or both</b>	The Trust shall acquire the Shares only by means of Secondary Acquisition through stock exchange mechanism.
17.	<b>The amount of loan to be provided for implementation of the ESOP Plan-2022 by the Company to the Trust, its tenure, utilisation, repayment terms, etc.</b>	Subject to the provisions of the applicable laws, the Company or the respective subsidiary companies may provide loan to the Trust to acquire the Shares, for and on behalf of respective Eligible Employees of the Company and/or subsidiary companies by means of Secondary Acquisition and such other terms and conditions as may be provided in the Loan Agreement to be entered into with the Trust, for the purpose of implementing the ESOP Plan-2022. For avoidance of doubt, it is clarified that in respect of grant of options to Eligible Employees of Max Life Insurance Company Limited ('Max Life'), the loan shall be either granted by Max Life or third-party loans to the Trust shall be arranged by Max Life on such other terms and conditions as may be provided in the Loan Agreement to be entered into with the Trust for this purpose.
18.	<b>Terms &amp; conditions for buy-back, if any of specified securities covered under SEBI Regulations</b>	The Company does not contemplate any buy back of any underlying shares acquired by the Optionees in terms of ESOP Plan-2022 under SEBI Regulations.

19.	<b>Maximum percentage of secondary acquisition (subject to limits specified under the SEBI Regulations) that can be made by the Trust for the purposes of the ESOP Plan-2022:</b>	The Trust and the Company shall ensure that the Shares acquired through Secondary Acquisition are within the limits provided under the SEBI Regulations. The Trust can undertake secondary acquisition of equity shares of the Company so that the total number of shares under secondary acquisition held by the Trust shall not exceed, at any time, 5% of the paid-up equity capital of the Company as on March 31, 2022. Further, the number of equity shares of the Company that can be acquired by the Trust from the secondary market in any financial year shall not exceed 2% of the paid-up equity capital of the Company as at the end of the previous financial year
20.	<b>Particulars of the trustees or Employees in whose favour such shares are to be registered:</b>	The ESOP Plan-2022 is proposed to be administered through Trust. The Trust shall acquire equity shares of the Company from the secondary market. The equity shares acquired by the Trust through secondary market shall be transferred to the employees on Exercise of stock options. KP Corporate Solutions Limited (“ESOP Direct”) shall be the sole trustee to the Trust. Details of Trustee are provided as part of this explanatory statement.
21.	<b>Any interest of key managerial personnel, directors or promoters in such ESOP Plan-2022 or Trust and effect thereof:</b>	As per the SEBI Regulations, the promoters and independent directors of the Company are not entitled to any stock options. The key managerial personnel and non-independent directors of the Company may be deemed to be concerned or interested in the ESOP Plan-2022 or Trust to the extent of stock options that may be granted to them pursuant to the ESOP Plan-2022.
22.	<b>Detailed particulars of benefits which will accrue to the Employees from the implementation of the ESOP Plan-2022:</b>	The Employees will be entitled to Exercise the options granted to them at the Exercise Price during the Exercise Period as provided in the ESOP Plan-2022.
23.	<b>Details about who would Exercise and how the voting rights in respect of the shares to be purchased or subscribed under the ESOP Plan-2022 would be exercised:</b>	The voting rights in respect of the shares will be exercised by the Employees on transfer of shares by the Trust to them upon Exercise of the stock options. The trustee of the Trust shall not vote in respect of the shares held by the Trust.

**Particulars of Trust and name, address, occupation and nationality of sole trustee and its relationship with the promoters, directors or key managerial personnel, if any:**

Name of the Trust	Name of the Trustee	Address of the Trustee	Occupation of Trustee	Nationality of Trustee	Relationship with promoters, directors and key managerial personnel
Max Financial Employees Welfare Trust (Proposed to be incorporated)	KP Corporate Solutions Limited ("ESOP Direct")	Preetkamal, S.No. 256/254, Bungalow No.2, Green Park Society, Behind Anand Park, Baner, Pune-411007.	ESOP Management Consultant, Corporate Trustee and Corporate Compliance Services	Indian	Nil

Pursuant to applicable provisions of the Companies Act, 2013 and Regulation 6 of the SEBI Regulations, the ESOP Plan-2022 requires approval of the shareholders by special resolution including for grant of options to Eligible Employees of the Company which is proposed in item no. 1 of this Notice. Further, as per Regulation 6 of the SEBI Regulations, the grant of stock options to Employees of the subsidiary company(ies) and secondary acquisition of shares by ESOP Trust for the purpose of implementing the ESOP Plan-2022 Plan require separate approvals of the members by way of two separate resolutions, which are proposed in item no. 2 and 3 of this Notice respectively.

A copy of the ESOP Plan-2022 will be kept open for inspection by shareholders at the registered office and corporate office of the Company during business hours.

None of the Directors, key managerial personnel of the Company and their relatives are, concerned or interested, in these resolutions, except to the extent of their respective shareholding, if any, in the Company and number of options which may be granted to them, if any, pursuant to the ESOP Plan-2022.



The Board recommends the special resolutions set out in item no. 1 to 3 of the Notice for approval by shareholders.

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

Place: Noida  
Date : April 6, 2022

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