

MAHINDRA & MAHINDRA LIMITED

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

CIN: L65990MH1945PLC004558

website: www.mahindra.com • e-mail: investors@mahindra.com • Tel: +91 22 22895500 • Fax: +91 22 22875485

POSTAL BALLOT NOTICE

(Pursuant to section 110 of the Companies Act, 2013 and applicable Rules made thereunder)

To,

The Members of Mahindra & Mahindra Limited

Notice is hereby given pursuant to the provisions of section 110 and other applicable provisions, if any, of the Companies Act, 2013 ("the Act"), read with Rule 20 and 22 of the Companies (Management and Administration) Rules, 2014 ("the Rules"), Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") including any statutory modification(s) or re-enactment(s) thereof for the time being in force, Ministry of Corporate Affairs ("MCA") General Circulars No.14, 17 & 22/2020 dated 8th April, 2020, 13th April, 2020 and 15th June, 2020 respectively ("MCA Circulars") and subject to other applicable laws and regulations, that the Special Resolution appended below is proposed to be passed by the Members by way of Postal Ballot only through remote e-voting.

In view of the massive outbreak of COVID-19 pandemic requiring social distancing, MCA has in terms of the above MCA Circulars advised 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, by way of postal ballot through remote e-voting mechanism in accordance with the provisions of the Act and Rules made thereunder, without holding a general meeting that requires physical presence of Members at a common venue. MCA has clarified that the requirements provided in Rule 20 of the Rules as well as the framework provided in the MCA Circulars will be applicable mutatis mutandis for companies that are required to provide e-voting facility under the Act while they are transacting any business(es) only by postal ballot upto 30th September, 2020.

The Company will send Postal Ballot Notice by email to all its Members who have registered their email addresses with the Company/KFin Technologies Private Limited, Registrar & Transfer Agent of the Company, (earlier known as Karvy Fintech Private Limited) ("KFin" or "KFintech") or the Depository Participants. Hard copy of Postal Ballot Notice along with Postal Ballot Form and pre-paid business reply envelope will not be sent to the Members for this Postal Ballot and Members are required to communicate their assent or dissent only through the remote e-voting system. This Postal Ballot is accordingly being initiated in compliance with the MCA Circulars.

The Explanatory Statement pursuant to sections 102 and 110 of the Act pertaining to the Special Resolution setting out the material facts concerning the same and the reasons thereof are annexed hereto for your consideration.

The Board of Directors of the Company ("Board"), at its Meeting held on 7th August, 2020, has appointed Mr. Sachin Bhagwat, Practising Company Secretary (ICSI Membership No. ACS 10189) and failing him Mr. Prashant Vaishampayan, Practising Company Secretary (ICSI Membership No. FCS 4251), as the Scrutiniser for conducting the Postal Ballot through remote e-voting process in a fair and transparent manner.

Members are requested to peruse the proposed Resolution along with Explanatory Statement and thereafter record their assent or dissent by means of remote e-voting facility provided by the Company not later than 5:00 p.m. IST on Saturday, 12th September, 2020, failing which it will be strictly considered that no reply has been received from the Members. Members desiring to exercise their votes are requested to carefully read the instructions in the Notes under the section "Voting through Remote E-voting".

The Scrutiniser will submit his report to the Chairman or any other person of the Company authorised by him, after completion of scrutiny of the votes. The results of voting by means of Postal Ballot through Remote E-voting shall be declared on or before Sunday, 13th September, 2020 by 11.00 p.m. IST and will be displayed alongwith the Scrutiniser's Report at the Registered as well as Corporate Office of the Company, communicated to the Stock Exchanges and would also be uploaded on the Company's website: www.mahindra.com and on the website of KFin: <https://evoting.karvy.com/>.

SPECIAL BUSINESS

Transfer/Dilution of Stake in SsangYong Motor Company, a Material Subsidiary of the Company ("SYMC") and/or cessation of control of the Company over SYMC

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

"RESOLVED THAT pursuant to Regulation 24(5) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time, and applicable provisions of the Companies Act 2013, if any, and rules and regulations made thereunder (including any statutory modifications, amendments, or re-enactments of any of them for the time being in force), the Memorandum and Articles of Association of the Company, and subject to such other approvals, consents, sanctions and permissions, to the extent applicable and necessary, approval of the Members of the Company be accorded to the Board of Directors of the Company (hereinafter referred to as "Board", which term shall include a Committee authorised by the Board to exercise the powers conferred on the Board by this Resolution) for reduction of shareholding of the Company in SsangYong Motor Company, a material subsidiary of the Company ("SYMC"), to less than fifty percent and/or for change/modification/dilution/reduction/alteration/extinguishment/cessation of control of the Company over SYMC, in full or in part, at one time or over time through any means, including through/ as a result of:

- Transfer, in any form, of the shares held by the Company in SYMC, in part/full, and/or
- Dilution of stake/control of the Company in SYMC in part/full, and/or
- Issuance of further shares by SYMC to an existing and/or prospective investor(s), and/or
- Conversion of loans/borrowings/liabilities of SYMC into equity, and/or

e. Any restructuring plan/scheme/action, including through a Court process, undertaken voluntarily by SYMC or otherwise,

for such consideration in cash and/or kind or otherwise and on such terms and conditions as may be agreed by the Board to be in the best interest of the Company.

RESOLVED FURTHER THAT for the purpose of giving effect to the resolution, the Board or any person(s) authorised by the Board in this regard, be authorised to do all such acts, deeds, matters and things including but not limited to filing of necessary forms/documents with the appropriate authorities and to execute all such deeds, documents, instruments and writings as it may in its sole and absolute discretion deem necessary or expedient and to settle any question, difficulty or doubt that may arise in regard thereto, on an ongoing basis, for the purpose of giving effect to the resolution.”

NOTES:

1. The relevant Explanatory Statement pursuant to the provisions of sections 102 and 110 of the Companies Act, 2013 in respect of the aforesaid item set out in the Notice of Postal Ballot is annexed hereto.
2. The Postal Ballot Notice is being sent to the Members whose names appear on the Register of Members/List of Beneficial Owners as received from National Securities Depository Limited (“NSDL”) and Central Depository Services (India) Limited (“CDSL”) as on Friday, 7th August, 2020 (“cut-off date”) and is being sent only in electronic mode to those Members whose e-mail addresses are registered with the Company or KFinTech or the Depository Participant(s). The Company will not be dispatching physical copies of Notice of Postal Ballot to any Member.

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

A copy of this Postal Ballot Notice is available on the website of the Company at www.mahindra.com, website of the Stock Exchanges where the shares of the Company are listed i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively and on the website of KFin at <https://evoting.karvy.com>.

3. Members whose names appear on the Register of Members/List of Beneficial Owners as on cut-off date will be considered for the purpose of voting in proportion to their share in the paid-up Equity Share capital of the Company as on the cut-off date. Resolution passed by the Members by way of Postal Ballot through remote e-voting is deemed to have been passed as if the same has been passed at a General Meeting of the Members, and shall be deemed to have been passed on the last date of remote e-voting, i.e., Saturday, 12th September, 2020.
4. Members cannot exercise votes by proxy on Postal Ballot.
5. A Member need not use all his/her/its votes nor does he/she/it need to cast all his/her/its votes in the same way.
6. The Board has appointed Mr. Sachin Bhagwat, Practicing Company Secretary (ICSI Membership No. ACS 10189) and failing him Mr. Prashant Vaishampayan, Practicing Company Secretary (ICSI Membership No. FCS 4251), as Scrutiniser to scrutinise votes cast electronically in a fair and transparent manner. The results declared alongwith the Report of the Scrutiniser shall be placed on the website of the Company viz.

www.mahindra.com and on the website of KFinTech viz. <https://evoting.karvy.com> on or before Sunday, 13th September, 2020, by 11:00 p.m. (IST) and shall be communicated to BSE Limited and National Stock Exchange of India Limited, where the Equity Shares of the Company are listed and shall be displayed at the Registered Office as well as at the Corporate Office of the Company.

7. The Scrutiniser’s decision on the validity of the Postal Ballot shall be final.
8. **Voting through Remote E-voting:**

In compliance with the provisions of sections 108 and 110 of the Act read with Rule 20 and 22 of the Rules, as amended and the provisions of Regulation 44 of the Listing Regulations, Members are provided with the facility to cast their votes electronically, through the e-voting services provided by KFinTech on the resolution set forth in this Notice of Postal Ballot, through remote e-voting.

Members are requested to note that the Company is providing facility for remote e-voting and the business is to be transacted through electronic voting system only. A Member may avail of the facility at his/her/its discretion, as per the instructions provided herein:

Instructions:

- a) Member will receive an e-mail from KFin [for Members whose e-mail IDs are registered with the Company/Depository Participant(s)] which includes details of E-Voting Event Number (“EVEN”), USER ID and password:
 - (i) Launch internet browser by typing the URL: <https://evoting.karvy.com>
 - (ii) Enter the login credentials (i.e. User ID and password). In case of physical folio, User ID will be EVEN followed by folio number. In case of Demat account, User ID will be your DP ID and Client ID. However, if you are already registered with KFin for e-voting, you can login by using your existing User ID and password for casting your vote.
 - (iii) After entering these details appropriately, click on “LOGIN”.
 - (iv) You will now reach password change Menu wherein you are required to mandatorily change your password. The new password shall comprise of minimum 8 characters with at least one upper case (A-Z), one lower case (a-z), one numeric value (0-9) and a special character (@, #, \$, etc.). The system will prompt you to change your password and update your contact details like mobile number, email ID etc. on first login. You may also enter a secret question and answer of your choice to retrieve your password in case you forget it. It is strongly recommended that you do not share your password with any other person and that you take utmost care to keep your password confidential.
 - (v) You need to login again with the new credentials.
 - (vi) On successful login, the system will prompt you to select the “EVENT” i.e. Mahindra & Mahindra Limited.
 - (vii) On the voting page, enter the number of shares (which represents the number of votes) as on the cut-off date under “FOR/AGAINST” or alternatively, you may partially enter any number in “FOR” and partially

"AGAINST" but the total number in "FOR/AGAINST" taken together shall not exceed your total shareholding as on the cut-off date. You may also choose the option ABSTAIN. If the Member does not indicate either "FOR" or "AGAINST" it will be treated as "ABSTAIN" and the shares held will not be counted under either head.

- (viii) Members holding multiple folios/demat accounts shall vote separately for each folio/demat account.
- (ix) You may then cast your vote by selecting an appropriate option and click on "Submit".
- (x) A confirmation box will be displayed. Click "OK" to confirm else "CANCEL" to modify. Once you have voted on the resolution, you will not be allowed to modify your vote.
- (xi) Corporate/Institutional Members (i.e. other than Individuals, HUF, NRI etc.) are required to send scanned certified true copy (PDF Format) of the Board Resolution/Authority Letter/Power of Attorney etc., duly authorising their authorized representative(s) to vote through remote e-voting to the Scrutiniser at his e-mail ID sbhagwatcs@yahoo.co.in with a copy marked to evoting@kfintech.com and to the Company at investors@mahindra.com.

It should reach the Scrutiniser & the Company by email not later than Saturday, 12th September, 2020 (5:00 p.m. IST).

- b) In case e-mail ID of a Member is not registered with the Company/KFin/Depository Participant(s), then such Member is requested to register/update the e-mail address with the Depository Participant (in case of Shares held in dematerialised form) and inform KFin at the email ID evoting@kfintech.com (in case of Shares held in physical form):
 - (i) Upon registration, Member will receive an e-mail from KFin which includes details of E-Voting Event Number (EVEN), USER ID and password.
 - (ii) Please follow all steps from Note. No. 8 (a) (i) to (xi) above to cast your vote by electronic means.

Other instructions:

- a. In case of any query and/or grievance, in respect of voting by electronic means, Members may refer to the Help & Frequently Asked Questions (FAQs) and E-voting user manual available at the download section of <https://evoting.karvy.com> or contact at investors@mahindra.com or Mr. Sri Sai Karthik Tikiseti, Manager - Corporate Registry, KFin at Kfintech, Selenium, Tower B, Plot No. 31-32, Gachibowli, Financial District, Nanakramguda, Hyderabad, Telangana-500 032 or at the email ID evoting@kfintech.com or on phone No.: 040-6716 1500 or call KFin's toll free No.: 1800-3454-001 for any further clarifications.
- b. Members can also update their mobile number and e-mail ID in the user profile details of the folio which may be used for sending future communication(s).
- c. The remote e-voting period commences on Friday, 14th August, 2020 (9:00 a.m. IST) and ends on Saturday, 12th September, 2020 (5:00 p.m. IST).

During this period, Members of the Company, holding shares either in physical form or in dematerialised form, as on the cut-off date Friday, 7th August, 2020 may cast their votes

electronically by way of remote e-voting only. The remote e-voting module shall be disabled for voting thereafter. Once the vote on the resolution is cast by the Member, the Member shall not be allowed to change it subsequently.

9. Procedure for registering the email addresses and obtaining the Notice of Postal ballot and remote e-voting instructions by the Members whose email addresses are not registered with the depositories (in case of Members holding shares in demat form) or with KFin (in case of Members holding shares in physical form):

- I. Those Members who have not yet registered their email addresses are requested to get their email addresses registered by following the procedure given below:
 - a. Members holding shares in demat form can get their email ID registered by contacting their respective Depository Participant.
 - b. Members holding shares in physical form may register their email address and mobile number with KFin by sending an email request at the email ID einward.ris@kfintech.com along with scanned copy of the signed request letter providing the email address, mobile number, self-attested copy of the PAN card and copy of the Share Certificate for registering their email address and receiving the Notice of Postal Ballot and the e-voting instructions.
- II. To facilitate Members to receive this Notice electronically and cast their vote electronically, the Company has made special arrangements with KFin for registration of email addresses of the Members in terms of the MCA Circulars. The process for registration of email address with KFin for receiving the Notice of Postal Ballot and login ID and password for e-voting is as under:
 - i. Visit the link: <https://karisma.kfintech.com/emailreg>
 - ii. Select the Company name viz. Mahindra & Mahindra Limited.
 - iii. Enter the DP ID & Client ID/Physical Folio Number and PAN details. In the event the PAN details are not available on record for Physical Folio, Member shall enter one of the Share Certificate numbers.
 - iv. Upload a self-attested copy of the PAN card for authentication. If PAN details are not available in the system, the system will prompt the Member to upload a self-attested copy of the PAN card for updation.
 - v. Enter your email address and mobile number.
 - vi. The system will then confirm the email address for receiving this Notice of Postal Ballot.

The Members may also visit the website of the Company www.mahindra.com and click on the "email registration" and follow the registration process as guided thereafter.

Please note that in case of shareholding in dematerialised form, the updation of email address will be temporary only upto last date of Postal Ballot through remote e-voting.

- III. After successful submission of the email address, KFin will email a copy of this Notice along with the e-voting user ID and password. In case of any queries, Members are requested to write to KFin.

- IV. Those Members who have already registered their email addresses are requested to keep their email addresses validated/updated with their Depository Participant(s)/KFin to enable serving of notices/documents/Annual Reports and other communications electronically to their email address in future.

By Order of the Board

NARAYAN SHANKAR

Company Secretary

Registered Office:

Gateway Building, Apollo Bunder,
Mumbai-400 001.
CIN : L65990MH1945PLC004558
e-mail : investors@mahindra.com
Website : <https://www.mahindra.com>
Tel. : +91 22 22895500
Fax : +91 22 22875485
Mumbai, 7th August, 2020

Explanatory Statement in respect of the Special Business pursuant to sections 102 and 110 of the Companies Act, 2013

The Company acquired SsangYong Motor Company ("SYMC") in the year 2011 through a global bidding process administered by Court Receivers. The shares of SYMC are listed on Korea Stock Exchange. The Company currently holds 74.65% of the share capital of SYMC. SYMC is a South Korea based automobile manufacturing company and has four subsidiaries.

SYMC has been incurring operating losses since 2017 and the losses have further expanded significantly in 2019. Further, operating losses have continued in the first quarter of the current calendar year. The key financial information of SYMC (consolidated) is as under:

(Rs. in crores*)

Particulars	2017	2018	2019	2020 Q1
Revenue	20,901	23,274	22,329	4,013
Operating loss	(390)	(403)	(1,737)	(610)
Net Income/(Loss)	(394)	(388)	(2,103)	(1,196)

* Translation from South Korean Won (KRW) to Indian Rupees is as per rates assumed in the consolidated financial statements of SYMC.

Further details on SYMC including their financial statements, can be accessed at the web link: http://www.smotor.com/en/ir/fin_info/statements/index.html.

In the last 2 years, the performance of the Company has been impacted by increasing losses in some of the international subsidiaries including SYMC. The rampant spread of COVID-19 outbreak, across borders and geographies, has severely impacted almost the whole world and triggered significant downside risks to the overall global economic outlook. The lockdowns and restrictions imposed on various activities due to the pandemic have posed challenges to all the businesses of the Company and its subsidiaries.

The Company has undertaken a major exercise to cut costs and tighten capital allocation and is therefore reviewing all its loss-making businesses.

The Board of Directors of the Company at its meeting held on 3rd April, 2020, reviewed the investment of the Company in SYMC, which is a material subsidiary of the Company. The Board also decided that

the Company will not be able to inject any fresh equity into SYMC and urged SYMC to find alternate sources of funding. However, with a view to enable SYMC to have continuity of business operations, whilst they are exploring alternate sources of funding, the Board of Directors of the Company at the said Meeting, sanctioned a special one-time infusion of upto 40 billion KRW.

Further, the Board at its Meeting held on 7th August, 2020 has subject to approval of the shareholders as required under Regulation 24(5) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") have in principle approved various options for reduction of shareholding of the Company in SYMC, to less than fifty percent and/or for change/modification/dilution/reduction/alteration/extinguishment/cessation of control of the Company over SYMC, in full or in part, at one time or over time through any means, as specified in the Resolution, for such consideration in cash or kind or otherwise and on such terms and conditions as may be agreed by the Board to be in the best interest of the Company.

Post implementation of the option(s) as detailed in the Resolution, the Company would hold less than 50% of the shareholding of SYMC and/or would also cease to have control over SYMC, and consequently of its step-down subsidiaries.

Regulation 24(5) of the Listing Regulations, as amended from time to time, provides that a listed entity shall not dispose of shares in its material subsidiary resulting in reduction of its shareholding (either on its own or together with other subsidiaries) to less than fifty percent or cease the exercise of control over the subsidiary without passing a special resolution in its General Meeting except in cases where such divestment is made under a scheme of arrangement duly approved by a Court/Tribunal, or under a resolution plan duly approved under section 31 of the Insolvency Code and such an event is disclosed to the recognized stock exchanges within one day of the resolution plan being approved.

Accordingly, consent of the Members is sought for passing the Special Resolution as set out in this Notice.

All documents referred to in the Notice will also be available for electronic inspection without any fee by the Members from the date of despatch of this Notice up to 12th September, 2020. Members seeking to inspect such documents can send an email to agm.inspection@mahindra.com.

None of the Directors, Key Managerial Personnel of the Company and their relatives are, in any way, concerned or interested, financially or otherwise, in the Resolution set out in this Notice. Dr. Pawan Goenka, Managing Director and Chief Executive Officer of the Company is the Non-Executive Chairman of the Board of SYMC. None of the Promoters, Directors or Key Managerial Personnel of the Company hold any shares in the share capital of SYMC.

The Board recommends the Special Resolution set out in this Notice for approval of the Members.

By Order of the Board

NARAYAN SHANKAR

Company Secretary

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Mumbai, 7th August, 2020