



The Power of Distribution

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MAS FINANCIAL SERVICES LIMITED

Our Company was incorporated as 'MAS Financial Services Limited', a public limited company under the Companies Act, 1956, with a certificate of incorporation issued by the Assistant Registrar of Companies, Gujarat (Dadra & Nagar Haveli) on May 25, 1995 at Ahmedabad. Our Company received a certificate for commencement of business on May 29, 1995 from the Assistant Registrar of Companies, Gujarat (Dadra & Nagar Haveli).

Registered and Corporate Office: 6, Narayan Chambers, Ground Floor, Behind Patang Hotel, Ashram Road, Ahmedabad 380 009, Gujarat, India; **Telephone:** +91 79 3001 6500; **Facsimile:** +91 79 3001 6597; **Contact Person:** Nirav Prakashchandra Patel, Company Secretary and Compliance Officer; **Telephone:** +91 79 3001 6638; **Facsimile:** +91 79 3001 6561; **E-mail:** secretarial@mas.co.in; **Website:** www.mas.co.in; **Corporate Identity Number:** U65910GJ1995PLC026064

PROMOTERS OF OUR COMPANY: KAMLESH CHIMANLAL GANDHI, MUKESH CHIMANLAL GANDHI, SHWETA KAMLESH GANDHI AND PRARTHNA MARKETING PRIVATE LIMITED

INITIAL PUBLIC OFFERING OF UP TO [•] EQUITY SHARES OF FACE VALUE OF ₹ 10 EACH ("EQUITY SHARES") OF MAS FINANCIAL SERVICES LIMITED (OUR "COMPANY" OR THE "ISSUER") FOR CASH AT A PRICE OF ₹ [•] PER EQUITY SHARE INCLUDING A SHARE PREMIUM OF ₹ [•] PER EQUITY SHARE (THE "OFFER PRICE"), AGGREGATING UP TO ₹ 4,600.42 MILLION (THE "OFFER") COMPRISING OF A FRESH ISSUE OF UP TO [•] EQUITY SHARES BY OUR COMPANY AGGREGATING UP TO ₹ 2,330 MILLION (THE "FRESH ISSUE") AND AN OFFER FOR SALE OF UP TO [•] EQUITY SHARES AGGREGATING UP TO ₹ 2,270.42 MILLION BY THE SELLING SHAREHOLDERS, COMPRISING AN OFFER FOR SALE OF UP TO [•] EQUITY SHARES AGGREGATING UP TO ₹ 1,126.63 MILLION BY DEG – DEUTSCHE INVESTITIONS – UND ENTWICKLUNGSGESELLSCHAFT MBH ("DEG"), AN OFFER FOR SALE OF UP TO [•] EQUITY SHARES AGGREGATING UP TO ₹ 793.38 MILLION BY NEDERLANDSE FINANCIERINGS – MAATSCHAPPIJ VOOR ONTWIKKELINGSLANDEN N. V. ("FMO") AND AN OFFER FOR SALE OF UP TO [•] EQUITY SHARES AGGREGATING UP TO ₹ 350.41 MILLION BY SARVA CAPITAL LLC ("SARVA CAPITAL", AND TOGETHER WITH DEG AND FMO, THE "SELLING SHAREHOLDERS") ("OFFER FOR SALE"). THE OFFER INCLUDES A RESERVATION OF UP TO [•] EQUITY SHARES AGGREGATING UP TO ₹ 70 MILLION FOR ELIGIBLE EMPLOYEES (THE "EMPLOYEE RESERVATION PORTION"). THE OFFER LESS THE EMPLOYEE RESERVATION PORTION IS REFERRED TO AS THE "NET OFFER". THE OFFER AND THE NET OFFER SHALL CONSTITUTE [•] % AND [•] % OF THE POST-OFFER PAID UP EQUITY SHARE CAPITAL OF OUR COMPANY, RESPECTIVELY.

Our Company has, in consultation with the BRLM, undertaken a private placement of 3,990,422 Equity Shares for cash consideration aggregating to ₹ 1,350.00 million ("Pre-IPO Placement"). The size of the Fresh Issue, as disclosed in the Draft Red Herring Prospectus, has been reduced accordingly. See "Capital Structure" on page 76 of the RHP for details of the Pre-IPO Placement.

*A discount of ₹ 45 is being offered by our Company and the Selling Shareholders, in consultation with the BRLM to Eligible Employees Bidding in the Employee Reservation Portion ("Employee Discount").

Price Band: ₹ 456 to ₹ 459 per Equity Share of face value of ₹ 10 each.

Discount to Eligible Employees: ₹ 45 per Equity Share on Offer Price

The Floor Price is 45.6 times the face value and the Cap Price is 45.9 times the face value.

Bids can be made for a minimum of 32 Equity Shares and in multiples of 32 Equity Shares thereafter.

Risks to Investors:

- The BRLM associated with the Offer has handled 10 public issues in the past three years out of which 3 issues closed below the issue price on listing date.
- Average cost of acquisition of Equity Shares for Promoters namely Kamlesh Chimanal Gandhi, Mukesh Chimanal Gandhi, Shweta Kamlesh Gandhi, Prarthna Marketing Private Limited is ₹1.06, ₹1.38, ₹1.09, ₹2.38 respectively and for the Selling Shareholders namely DEG, FMO and Sarva Capital is ₹ 263.04, ₹ 124.93 and ₹ 322.71 and Offer Price at upper end of the Price Band is ₹459.
- Price Earning (P/E) Ratio based on the Diluted EPS for the year ended March 31, 2017 on a standalone basis is 30.24x at the lower end of the Price Band and 30.44x at the higher end of the Price Band.
- Our Company has allotted an aggregate 3,990,422 Equity Shares, through the Pre-IPO Placement to (i) Motilal Oswal Financial Services Limited ("MOFSL") and Motilal Oswal Securities Limited ("MOSL") at a price of ₹338.31 per Equity Share. However, the price at the lower end of the price band is ₹456.

BASIS FOR OFFER PRICE

The Offer Price will be determined by our Company and the Selling Shareholders, in consultation with the BRLM on the basis of assessment of market demand for the Equity Shares through the Book Building Process and on the basis of the following qualitative and quantitative factors. The face value of the Equity Shares is ₹10 each and the Offer Price is 45.6 times the face value at the lower end of the Price Band and 45.9 times the face value at the higher end of the Price Band.

Investors should also refer to the sections "Our Business", "Risk Factors", "Financial Statements" and "Management Discussion and Analysis" on pages 129, 17, 202 and 355 respectively, of the RHP to have an informed view before making an investment decision.

Qualitative Factors

We believe the following are our competitive strengths:

- Track record of consistent growth with quality loan portfolio;
- Diversified product offerings presenting significant growth opportunities;
- Access to diversified sources of capital and cost-effective funding;
- Deep market knowledge through extensive sourcing channels;
- Robust credit assessment and risk management framework;
- Experienced management team with reputed investors.

For further details, please see "Our Business" and "Risk Factors" on pages 129 and 17 of the RHP, respectively.

Quantitative Factors

Some of the information presented in this section relating to our Company is derived from the Restated Financial Statements prepared in accordance with the Indian GAAP and restated as per the SEBI ICDR Regulations. Some of the quantitative factors, which form the basis for computing the Offer Price, are as follows:

1. Basic Earnings Per Share excluding exceptional items (Basic EPS) & Diluted Earnings Per Share excluding exceptional items (Diluted EPS)

On a standalone basis:

Financial Period	Basic EPS (₹) (1)	Diluted EPS (₹) (1)	Weightage
Financial Year ended March 31, 2017	15.86	15.08	3
Financial Year ended March 31, 2016	11.63	11.63	2
Financial Year ended March 31, 2015	8.83	8.83	1
Weighted Average (1)	13.28	12.89	
Three-month period ended June 30, 2017**	5.04	4.75	

* Not annualized.

Refer to Note 32.2 of "Annexure 32 - Restated Standalone Summary Statement of Earning Per Share" of the Restated Standalone financial statements for calculation of Basic EPS and Diluted EPS for the three month period ended June 30, 2017. (1) Basic EPS and Diluted EPS calculations are in accordance with Accounting Standard 20 (AS-20) 'Earnings per Share', notified under Section 133 of Companies Act, 2013 read together along with paragraph 7 of the Companies (Accounts) Rules, 2014. (1) Weighted average = Aggregate of year-wise weighted EPS divided by the aggregate of weights i.e. [(EPS x Weight) for each year] / [Total of weights]

On a consolidated basis:

Financial Period	Basic EPS (₹) (1)	Diluted EPS (₹) (1)	Weightage
Financial Year ended March 31, 2017	16.14	15.33	3
Financial Year ended March 31, 2016	11.82	11.82	2
Financial Year ended March 31, 2015	9.12	9.12	1
Weighted Average (1)	13.53	13.13	
Six-month period ended June 30, 2017*	5.04	4.75	

* Not annualized.

Refer to Note 32.2 of "Annexure 32 - Restated Standalone Summary Statement of Earning Per Share" of the Restated Standalone financial statements for calculation of Basic EPS and Diluted EPS for the three month period ended June 30, 2017. (1) Basic EPS and Diluted EPS calculations are in accordance with Accounting Standard 20 (AS-20) 'Earnings per Share', notified under Section 133 of Companies Act, 2013 read together along with paragraph 7 of the Companies (Accounts) Rules, 2014. (1) Weighted average = Aggregate of year-wise weighted EPS divided by the aggregate of weights i.e. [(EPS x Weight) for each year] / [Total of weights]

2. Price Earning (P/E) Ratio in relation to the Price Band of ₹ 456 to ₹ 459 per Equity Share of ₹ 10 each.

Particulars	P/E ratio at the lower end of the Price Band (no. of times)	P/E ratio at the higher end of the Price Band (no. of times)
Basic EPS for the year ended March 31, 2017 on a standalone basis	28.75	28.94
Basic EPS – for the year ended March 31, 2017 on a consolidated basis	28.25	28.44
Diluted EPS – for the year ended March 31, 2017 on a standalone basis	30.24	30.44
Diluted EPS – for the year ended March 31, 2017 on a consolidated basis	29.75	29.94

Industry P/E ratio

Financial Period	P/E (x)*
Highest	56.59
Lowest	23.75
Average	41.51

* The industry high and low has been considered from the industry peer set provided hereinafter. The industry composite has been calculated as the arithmetic average P/E of the industry peer set disclosed hereinafter.

For further details, please see the section titled "Basis for Offer Price" on page 102 of the RHP.

BID/ OFFER PROGRAMME*

BID/ OFFER OPENS ON: FRIDAY, OCTOBER 06, 2017* | BID/ OFFER CLOSES ON: TUESDAY, OCTOBER 10, 2017

* Our Company and the Selling Shareholders may, in consultation with the Book Running Lead Manager, consider participation by Anchor Investors. The Anchor Investors shall Bid during the Anchor Investor Bidding Date, i.e., one Working Day prior to the Bid/Offer Opening Date.

ASBA* Simple, Safe, Smart way of application

*Applications Supported by Blocked Amount (ASBA) is a better way of applying to issues by simply blocking the fund in the bank account, investors can avail the same. For details, check section on ASBA below.

Mandatory in public issues from January 01, 2016. No cheque will be accepted.

In case of any revision in the Price Band, the Bid/ Offer Period shall be extended for at least three Working Days after such revision of the Price Band, subject to the total Bid/Offer Period not exceeding 10 Working Days. Any revision in the Price Band, and the revised Bid/ Offer Period, if applicable, shall be widely disseminated by notification to the Stock Exchanges by issuing a press release and also by indicating the change on the websites of the Book Running Lead Manager and at the terminals of the Syndicate Member.

The Offer is being made in terms of Rule 19(2)(b)(iii) of the SCRR, through the Book Building Process in accordance with Regulation 26(1) of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended (the "SEBI ICDR Regulations"), wherein not more than 50% of the Net Offer shall be available for allocation on a proportionate basis to Qualified Institutional Buyers ("QIBs"). Our Company and the Selling Shareholders in consultation with the BRLM may allocate up to 60% of the QIB Portion to Anchor Investors at the Anchor Investor Allocation Price, on a discretionary basis, out of which at least one-third will be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price. In the event of undersubscription or non-allocation in the Anchor Investor Portion, the balance Equity Shares shall be added to the Net QIB Portion. Such number of Equity Shares representing 5% of the Net QIB Portion (other than Anchor Investor Portion) shall be available for allocation on a proportionate basis to Mutual Funds only. The remainder of the Net QIB Portion shall be available for allocation on a proportionate basis to QIBs (other than Anchor Investors), including Mutual Funds, subject to valid Bids being received from them at or above the Offer Price. However, if the aggregate demand from Mutual Funds is less than 5% of the Net QIB Portion, the balance Equity Shares available for allocation in the Mutual Fund Portion will be added to the remaining Net QIB Portion for proportionate allocation to QIBs. Further not less than 15% of the Net Offer shall be available for allocation on a proportionate basis to Non Institutional Bidders and not less than 35% of the Net Offer shall be available for allocation to Retail Individual Bidders in accordance with the SEBI ICDR Regulations, subject to valid Bids being received from them at or above the Offer Price such that, subject to availability of Equity Shares, each Retail Individual Bidder shall be Allotted not less than the minimum Bid Lot, and the remaining Equity Shares, if available, shall be allotted to all Retail Individual Bidders on a proportionate basis. Further, up to [•] Equity Shares aggregating up to ₹ 70 million will be offered for allocation and Allotment on a proportionate basis to the Eligible Employees Bidding in the Employee Reservation Portion, conditional upon valid Bids being received from them at or above the Offer Price. All Bidders, other than Anchor Investors, shall participate in the Offer mandatorily through the Applications Supported by Blocked Amount ("ASBA") process by providing the details of their respective bank accounts in which the corresponding Bid Amount will be blocked by the SCSBs. Anchor Investors are not permitted to participate in the Offer through the ASBA process. For details, see "Offer Procedure" on page 431 of the RHP.

Bidders should ensure that DP ID, PAN and the Client ID are correctly filled in the ASBA Form. The DP ID, PAN and Client ID provided in the ASBA Form should match with the DP ID, PAN and Client ID available in the Depository database, otherwise, the ASBA Form is liable to be rejected. Bidders should ensure that the beneficiary account provided in the ASBA Form is active. Bidders should note that on the basis of the PAN, DP ID and Client ID as provided in the ASBA Form, the Bidder may be deemed to have authorized the Depositories to provide to the Registrar to the Offer, any requested Demographic Details of the Bidder as available on the records of the depositories. These Demographic Details may be used, among other things, for giving Allotment Advice or unblocking of ASBA Account or for other correspondence(s) related to the Offer. Bidders are advised to update any changes to their Demographic Details as available in the records of the Depository Participant to ensure accuracy of records. Any delay resulting from failure to update the Demographic Details would be at the Bidders sole risk.

CONTENTS OF THE MEMORANDUM OF ASSOCIATION OF OUR COMPANY AS REGARDS ITS OBJECTS: For information on the main objects and other objects of our Company, investors are requested to see "History and Certain Corporate Matters" on page 151 of the RHP and Clause III of the Memorandum of Association of our Company. The Memorandum of Association of our Company is a material document for inspection in relation to the Offer. For further details, see "Material Contracts and Documents for Inspection" on page 516 of the RHP.

LIABILITY OF THE MEMBERS OF OUR COMPANY: Limited by shares.

AMOUNT OF SHARE CAPITAL OF OUR COMPANY AND CAPITAL STRUCTURE: As on the date of the RHP, the authorised share capital of our Company is ₹1,120,000,000 divided into 108,000,400 Shares of ₹10 each consisting of 64,000,000 Equity Shares; 22,000,000 Series A CPSS 22,000,000 Series B CPSS 400 Series C CPSS. The issued, subscribed and paid-up share capital of our Company before the Offer is ₹495,692,140 divided into 49,569,214 Equity Shares of ₹10 each. For details of the Capital Structure, see "Capital Structure" on the page 76 of the RHP.

BOOK RUNNING LEAD MANAGER	REGISTRAR TO THE OFFER	COMPANY SECRETARY AND COMPLIANCE OFFICER
 Motilal Oswal Investment Advisors Limited Motilal Oswal Tower, Rahimtullah Sayani Road, Opposite Parel ST Depot, Prabhadevi, Mumbai 400 025, Maharashtra, India. Telephone: + 91 22 3980 4200; Facsimile: +91 22 3980 4315; E-mail: mas ipo@motilaloswal.com Investor grievance E-mail: moaipredressal@motilaloswal.com; Website: www.motilaloswalgroup.com Contact person: Subodh Maliya / Kristina Dias; SEBI Registration No.: INM000011005	LINK Intime Link Intime India Private Limited C-101, 1st Floor, 247 Park, Lal Bahadur Shastri Marg, Vikhroli (West), Mumbai 400 083, Maharashtra, India Telephone: +91 22 4918 6200; Facsimile: +91 22 4918 6195; E-mail: mas ipo@linkintime.co.in Investor Grievance E-mail: mas ipo@linkintime.co.in; Website: www.linkintime.co.in Contact Person: Shanti Gopalkrishnan; SEBI Registration No.: INR000004058	Mr. Nirav Prakashchandra Patel, MAS Financial Services Limited 5th Floor, Narayan Chambers, Behind Patang Hotel, Ashram Road, Ahmedabad 380 009 Gujarat, India. Telephone: +91 79 3001 6638; Facsimile: +91 79 3001 6597 E-mail: secretarial@mas.co.in; Website: www.mas.co.in Investors can contact our Company Secretary and Compliance Officer, the BRLM or the Registrar to the Offer in case of any pre-Offer or post-Offer related problems, such as non-receipt of letters of Allotment, non-credit of Allotted Equity Shares in the respective beneficiary account, non-receipt of refund orders and non-receipt of funds by electronic mode.

AVAILABILITY OF RHP: Investors are advised to refer to the RHP and the Risk Factors contained therein before applying in the Offer. A copy of the RHP is available on the website of the SEBI at www.sebi.gov.in, the website of the BRLM at www.motilaloswalgroup.com and the Stock Exchanges at www.bseindia.com and www.nseindia.com, respectively. AVAILABILITY OF ASBA FORM: ASBA form can be obtained from the Registered and Corporate Office of Company, MAS FINANCIAL SERVICES LIMITED, Telephone: +91 79 3001 6500; Facsimile: +91 79 3001 6597; BRLM: Motilal Oswal Investment Advisors Limited, Telephone: +91 22 3980 4200, Facsimile: +91 22 3980 4315; and Syndicate Member: Motilal Oswal Securities Limited, Telephone: +91 22 3027 8129, Facsimile: +91 22 3980 4315; at selected locations of Sub-Syndicate Members (as given below), Registered Brokers, Designated RTA Locations and Designated CDP Locations for participating in the Offer. ASBA Forms will also be available on the websites of the Stock Exchanges and all the Designated Branches of SCSBs, the list of which is available on the websites of the Stock Exchanges and SEBI.

SUB-SYNDICATE MEMBERS: Almondz Global Securities Ltd.; Amit Jasani Financial Services Pvt Ltd.; Anand Rathi Share & Stock Brokers Ltd.; Ashika Stock Broking Ltd.; Axis Capital Ltd.; Centrum Broking Ltd.; Eureka Stock & Share Broking Services Ltd.; HDFC Securities Ltd.; Hitesh Shah; ICICI Securities Ltd.; IDBI Capital Markets & Securities Ltd.; India Infoline Ltd.; Indiabulls Ventures Ltd.; Intventure Growth Securities Ltd.; JM Financial Services Ltd.; Keynote Capitals Ltd.; KJMC Capital Market Services Ltd.; Kotak Securities Ltd.; Nirmal Bang Securities Pvt. Ltd.; Prabhudas Lilladher Pvt. Ltd.; Pravin Ratilal Share & Stock Brokers Ltd.; Relligare Securities Ltd.; RR Equity Brokers Pvt Ltd.; Sbiicap Securities Ltd.; Sharekhan Ltd.; SMC Global Securities Ltd.; Standard Chartered Securities (India) Ltd.; Tradebliss Securities (P) Ltd.

APPLICATIONS SUPPORTED BY BLOCKED AMOUNT (ASBA): Investors have to apply through the ASBA process. ASBA has to be availed by all the investors except Anchor Investors. For details on the ASBA process, please refer to the details given in the ASBA Form and Abridged Prospectus and also please refer to "Offer Procedure" on page 431 of the RHP. ASBA Forms can also be downloaded from the websites of the Stock Exchanges. ASBA Forms can be obtained from the list of banks that is available on the website of SEBI at www.sebi.gov.in. ASBA Form can be obtained from Syndicate Member, SCSBs, Registered Brokers, RTAs and CDPs, the list of which is available on the website of SEBI at http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFPI=yes&ntmlid=34.

ESCROW COLLECTION BANK AND PUBLIC OFFER ACCOUNT BANK AND REFUND BANK: Axis Bank Limited.

All capitalised terms used herein and not specifically defined shall have the same meaning as ascribed to them in the RHP.

Place: Ahmedabad

Date: September 27, 2017

For MAS FINANCIAL SERVICES LIMITED

On behalf of the Board of Directors

Sd/-

Company Secretary & Compliance Officer

MAS FINANCIAL SERVICES LIMITED is proposing, subject to applicable statutory and regulatory requirements, receipt of requisite approvals, market conditions and other considerations, to make an initial public issue of its Equity Shares and has filed a red herring prospectus dated September 25, 2017 ("RHP") with the RoC, Ahmedabad, Gujarat. The RHP is available on the website of the SEBI at www.sebi.gov.in, the website of the Book Running Lead Manager at www.motilaloswalgroup.com and the websites of the Stock Exchanges at www.bseindia.com and www.nseindia.com respectively. Any potential investor should note that investment in Equity Shares involves a high degree of risk, for details potential investors should see "Risk Factors" on page 17 of the RHP.

The Equity Shares have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the "Securities Act"), or any state securities laws in the United States and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. Persons (as defined in Regulation S under the Securities Act) except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and applicable state securities laws in the United States. Accordingly, the Equity Shares are only being offered and sold (i) to persons in the United States or to, or for the account or benefit of, U.S. Persons, in each case that are both "qualified institutional buyers" (as defined in Rule 144A under the Securities Act), and "qualified purchasers" (as defined under the U.S. Investment Company Act of 1940, as amended (the "Investment Company Act")) in transactions exempt from or not subject to the registration requirements of the Securities Act, and in reliance upon section 3(c)(7) of the Investment Company Act; or (ii) outside the United States to investors that are not U.S. Persons nor persons acquiring for the account or benefit of U.S. Persons in offshore transactions in reliance on Regulation S under the Securities Act and the applicable laws of the jurisdiction where those offers and sales occur.

CONCEPT

Size: 32.9x50cm