



## MUTHOOT CAPITAL SERVICES LIMITED

(CIN: L67120KL1994PLC007726)

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### NOTICE TO SHAREHOLDERS

NOTICE is hereby given that the 23<sup>rd</sup> Annual General Meeting (AGM) of the Members of “**Muthoot Capital Services Limited**” will be held on Tuesday 6<sup>th</sup> day of June, 2017, at 10:30 a.m. at The International Hotel, Veekshanam Road, Kochi - 682 035, to transact the following businesses:

#### **ORDINARY BUSINESS:**

1. To consider and adopt the Audited Statement of Profit and Loss for the financial year ended 31<sup>st</sup> March, 2017, the Audited Balance Sheet as at that date, together with the Cash Flow Statements, the Report of the Board of Directors and Independent Auditors thereon.
2. To appoint a Director in place of Mr. Thomas John Muthoot (DIN: 00011618) who retires by rotation in terms of Section 152 (6) of the Companies Act, 2013 and Article 97 of the Articles of Association and being eligible, offers himself for re-appointment.
3. To consider and if thought fit, to pass with or without modification(s) the following resolution as an **Ordinary Resolution**:

“**RESOLVED THAT** pursuant to the provisions of Sections 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 (including any amendment thereto or re-enactment thereof for the time being in force) M/s. Varma & Varma, Chartered Accountants, Sreeraghavam, Kerala Varma Tower, Bldg. No. 53/2600 B, C, D & E, Off. Kunjanbava Road, Vyttila, P.O., Kochi - 682 019 (FRN-004532S) be and is hereby appointed as Statutory Auditors of the Company and to hold office from the conclusion of this 23<sup>rd</sup> Annual General Meeting until the conclusion of the 28<sup>th</sup> Annual General Meeting of the Company, subject to ratification by the Members at every Annual General Meeting, at a remuneration to be decided by the Board of Directors in consultation with the Auditors from time to time.

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorized for and on behalf of the Company to take all necessary steps and to do all such acts, deeds, matters and things which may deem necessary in this behalf.”

#### **SPECIAL BUSINESS:**

##### **4. Issue of Bonus Shares**

To consider and if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution**:

**“RESOLVED THAT** pursuant to the provisions of Section 63 and other applicable provisions, if any, of the Companies Act, 2013 (the ‘Act’), read with the Companies (Share Capital and Debentures) Rules, 2014, Articles 123 of the Articles of Association of the Company, provisions of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009, the SEBI (Listing Obligations and Disclosure Requirements) (LODR) Regulations, 2015, and subject to the provisions of other applicable laws, regulations, rules, directions, guidelines including those issued by Reserve Bank of India and such other regulatory authority(ies) concerned, from time to time (including any amendment thereto or re-enactment thereof for the time being in force), the consent of the Members of the Company be and is hereby accorded for a sum not exceeding in aggregate of Rs. 1,24,72,580/- (Rupees One Crore Twenty Four Lakhs Seventy Two Thousand Five Hundred and Eighty Only) out of the Free Reserves of the Company, as appropriate, for the financial year ended 31<sup>st</sup> March, 2017, be capitalized and accordingly the Board of Directors of the Company (hereinafter referred to as “the Board” which term shall be deemed to include any Committee or authorized person(s) which the Board has constituted or appointed to exercise its powers, as the case may be, including the powers, conferred by this Resolution) be and is hereby authorized to appropriate the said sum for distribution to and amongst the Members of the Company, whose names appear in the Register of Members maintained by the Company and the list of Beneficial Owners as received from the Depositories on such date (“Record Date”) as may be fixed in this regard by the Board in accordance with the law and to apply the said sum in paying up in full a maximum of 12,47,258 Equity Shares (“the Bonus Shares”) of the Company of Rs. 10/- each (Rupee Ten Only) at par, to be allotted, distributed and credited as fully paid-up to and amongst the members in the proportion of 1 (one) such new equity share for every 10 (ten) existing fully paid up equity shares held by them respectively as on the Record Date and that the Bonus Shares so distributed, for all purposes, be treated as an increase in the paid-up share capital of the Company held by each members, and not as income or in lieu of dividend.

**RESOLVED FURTHER THAT** the issue and allotment of the said bonus shares to Non-Resident Indians (NRIs), Persons of Indian Origin/Overseas Corporate Bodies, Foreign Institutional Investors (FII) and other foreign investors, will be subject to the approval of the Reserve Bank of India and any other regulatory authority, as the case may be.

**RESOLVED FURTHER THAT** in making the allotment of the Bonus Shares, the Directors shall not issue fractional share certificates but the total number of the Bonus Shares representing such fractions shall be allotted to person(s)/trustee(s) nominated by the Board for this purpose, who shall be deemed to be a trustee on behalf of the Members of the Company entitled for the fraction of equity shares and that such person(s)/trustee(s) shall sell such bonus shares and distribute the net sale proceeds, after deduction of expenses incurred, to the members respectively entitled to the same in proportion of their fractional entitlements.

**RESOLVED FURTHER THAT** the Bonus Shares so allotted shall always be subject to the terms and conditions contained in the Memorandum and Articles of Association of the Company and shall rank pari-passu in all respect with the existing fully paid up Equity Shares of the Company.

**RESOLVED FURTHER THAT** no letter of allotment shall be issued in respect of said Bonus Shares and in the case of Members who hold shares or opt to receive the shares in dematerialized form, the Bonus Shares shall be credited to the respective beneficiary accounts of the Members maintained with their respective Depository Participants and in case of members who hold shares in physical form, the share certificate(s) in respect of the Bonus Shares shall be dispatched within

such time frame as stipulated in the Companies Act, 2013 and/or SEBI (LODR) Regulations, 2015 or such extended time as may be allowed by the appropriate authorities.

**RESOLVED FURTHER THAT** the Board be and is hereby authorized to take necessary steps for listing of the Bonus Shares on the Stock Exchanges where the Equity Shares of the Company are listed, as per the provisions of the SEBI (LODR) Regulations, 2015 and other applicable rules and regulations.

**RESOLVED FURTHER THAT** the Board be and is hereby authorized to do all such acts, deeds, matters and things and to give such directions as may be necessary or expedient and to settle any question or difficulty that may arise in relation thereto, decide the exact number of Bonus Shares to be issued based on the paid up capital of the Company as obtaining on the Record Date and to delegate all such powers granted hereunder to a Committee of Directors and/or Company Secretary or any other officer(s) of the Company, as may deem fit or desirable and their decision shall be final and binding.”

## **5. Increase in the Authorised Share Capital of the Company**

To consider and if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution**:

“**RESOLVED THAT** pursuant to the provisions of Section 61, 64 and other applicable provisions, if any, of the Companies Act, 2013 (the ‘Act’) read with Companies (Share Capital and Debentures) Rules, 2014 (including any amendment thereto or re-enactment thereof for the time being in force) and in accordance with the provisions of Articles of Association of the Company, the consent of the members of the Company be and is hereby accorded to increase the authorised share capital of the Company from the existing Rs. 15,00,00,000/- (Rupees Fifteen Crores Only) divided into 1,50,00,000 (One Crore Fifty Lakhs) Equity Shares of Rs. 10/- (Rupees Ten Only) each to Rs. 25,00,00,000/- (Rupees Twenty Five Crores Only) divided into 2,50,00,000 (Two Crores Fifty Lakhs) Equity Shares of Rs. 10/- (Rupees Ten Only) each by creation of an additional capital of Rs. 10,00,00,000/- (Rupees Ten Crores Only) divided into 100,00,000 (One Crore) Equity Shares of Rs. 10 (Rupees Ten Only) each ranking pari-passu in all respect with the existing Equity Shares of the Company.

**RESOLVED FURTHER THAT** for the purpose of giving effect to this resolution, the Board be and is hereby authorized to do all such acts, deeds, matters and things and to give such directions as may be necessary or expedient and to settle any question, difficulty or doubt that may arise in this regard as the Board in its absolute discretion may deem necessary or desirable and its decision shall be final and binding.”

## **6. Alteration of Memorandum of Association of the Company**

To consider and if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution**:

“**RESOLVED THAT** pursuant to the provisions of Section 13, 61 and 64 and other applicable provisions, if any, of the Companies Act, 2013 (the ‘Act’) read with the rules made thereunder (including any amendment thereto or re-enactment thereof for the time being in force) the consent of the Members of the Company be and is hereby accorded to substitute the existing Clause V of the Memorandum of Association of the Company with the following new Clause V as under:

V. The authorised share capital of the Company is Rs. 25,00,00,000/- (Rupees Twenty Five Crores Only) divided into 2,50,00,000 (Two Crores Fifty Lakhs) Equity Shares of Rs. 10/- (Rupees Ten Only) each with the power to increase or reduce such capital from time to time.

**RESOLVED FURTHER THAT** for the purpose of giving effect to this resolution, the Board be and is hereby authorized to do all such acts, deeds, matters and things and to give such directions as may be necessary or expedient and to settle any question, difficulty or doubt that may arise in this regard as the Board in its absolute discretion may deem necessary or desirable and its decision shall be final and binding.”

#### **7. Alteration of Articles of Association of the Company**

To consider and if thought fit, to pass with or without modification(s), the following resolution as a **Special Resolution**:

“**RESOLVED THAT** pursuant to the provisions of Section 14 and other applicable provisions if any, of the Companies Act, 2013 (the ‘Act’) read with the rules made thereunder (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), the consent of the Members be and is hereby accorded to substitute existing Article 4 of the Articles of Association of the Company with the following:

4. The authorised share capital of the Company shall be as per Clause V of the Memorandum of Association of the Company, with the power to increase or reduce the capital of the Company and to divide the shares in the capital for the time being into several classes and to attach thereto respectively such preferential rights, privileges or conditions in such manner as may for the time being, be provided by the regulation of the Company. The rights of the Preference Shares shall be determined at the time of issue thereof.

**RESOLVED FURTHER THAT** for the purpose of giving effect to this resolution, the Board be and is hereby authorized to do all such acts, deeds, matters and things and to give such directions as may be necessary or expedient and to settle any question, difficulty or doubt that may arise in this regard as the Board in its absolute discretion may deem necessary or desirable and its decision shall be final and binding.”

#### **8. Issue of Non - Convertible Debentures (NCDs) on Private Placement basis**

To consider and if thought fit, to pass with or without modification(s), the following resolution as a **Special Resolution**:

“**RESOLVED THAT** pursuant to the provisions of Section 42, 71 of the Companies Act, 2013 (“the Act”), read with Rule 14 of Companies (Prospectus and Allotment of Securities) Rules, 2014 and other applicable provisions, if any, of the Act (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and in accordance with the provisions of SEBI (Issue and Listing of Debt Securities) Regulations, 2008 as amended and other applicable SEBI regulations and guidelines, the provisions of the Memorandum and Articles of Association of the Company, RBI Notification No. DNBR (PD) CC No. 021/03.10.001/2014-15 dated 20<sup>th</sup> February, 2015, such other terms/requirements laid down by the Reserve Bank of India in this regard, and/or any other concerned statutory/regulatory authority, as may be necessary, the consent of the Members of the Company be and is hereby accorded to the Board of Directors (hereinafter referred to as the ‘Board’ which term shall be deemed to include any Committee thereof) to create, offer,

issue and allot Redeemable Non-Convertible Debentures (the “NCDs”) in the aggregate amount of up to Rs. 200.00 crores (Rupees Two Hundred Crores Only), in one or more tranches on private placement basis during the FY 2017 - 2018 to the eligible investors (the “Issue”) (whether residents, non - residents, institutions, banks, incorporated bodies, mutual funds, venture capital funds, financial institutions, individuals, trustees, stabilizing agents or otherwise and whether or not such investors are Members of the Company) within the overall borrowing limits of the Company on such terms and conditions as the Board may from time to time determine proper and beneficial.

**RESOLVED FURTHER THAT** for the purpose of giving effect to any offer, invitation, issue or allotment through private placement of NCDs, the Board be and is hereby authorised on behalf of the Company to do all such acts, deeds, matters and things as it may, in absolute discretion, deem necessary or desirable for such purpose, including without limitation, the determination of the terms thereof, finalizing the form/placement documents/offer letter, timing of the issue(s), including the class of investors to whom the NCDs are to be allotted, number of NCDs to be allotted in each tranche, issue price, redemption, rate of interest, redemption period, allotment of NCDs, appointment of lead managers, arrangers, debenture trustees and other agencies, entering into arrangements for managing the issue, issue placement documents and to sign all deeds, documents and writings and to pay any fees, remuneration, expenses relating thereto and for other related matters and with power on behalf of the Company to settle all questions, difficulties or doubts that may arise in this regard to such offer(s) or issue(s) or allotment(s) as it may, in its absolute discretion, deem fit.

**RESOLVED FURTHER THAT** the Board be and is hereby authorised to further delegate all or any of the powers in aforesaid matters to the Committee/officials of the Company, in such manners as the Board may in its absolute discretion deem fit.”

## 9. Approval of Related Party Transactions

To consider and if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution**:

“**RESOLVED THAT** pursuant to the provisions of Section 188 and all other applicable provisions if any, of the Companies Act, 2013 (the ‘Act’) read with Companies (Meeting of the Board and its powers) Rules, 2014 and Regulation 23 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and subject to such approvals, consents, sanctions and permission as may be necessary, consent of the members of the Company be accorded to the Board of Directors of the Company to enter into contracts, arrangements and/or agreements with related parties as defined under the Act with respect to availing or rendering of any services or any other transactions of whatever nature with the following related party for a period of 5 years, subject to the annual limits as set out below:

Sl. No.	Name of the Related Party	Nature of transactions	Transaction limit per annum (Rs. in Lakhs)
1.	Muthoot Microfin Limited (MML)	Commission for procurement of new business and collection of repayment.	1000.00

**RESOLVED FURTHER THAT** for the purpose of giving effect to this resolution, the Board be and is hereby authorized to do all such acts, deeds, matters and things and to give such directions as may be necessary or expedient and to settle any question, difficulty or doubt that may arise in this regard as the Board in its absolute discretion may deem necessary or desirable and its decision shall be final and binding.”

**By Order of the Board of Directors**

**Kochi**  
**18<sup>th</sup> April, 2017**

**Sd/-**  
**Syam Kumar R.**  
**Company Secretary & Head - Governance**

**NOTES**

1. The statement pursuant to Section 102 (1) of the Companies Act, 2013, in respect of the special business as set out above is annexed hereto.
2. **A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL ONLY INSTEAD OF HIMSELF/HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.**

Pursuant to Section 105 of the Companies Act, 2013, a person can act as a proxy on behalf of not more than fifty members and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights. Members holding more than 10% of the total share capital of the Company carrying voting rights may appoint single person as proxy who shall not act as a proxy for any other person or shareholder. Instrument of proxy, in order to be effective, must be duly filled, signed, stamped and received at the Company’s Registered Office, not less than 48 hours before the meeting. Proxies submitted on behalf of Limited Companies, Societies, etc. must be supported by appropriate resolution/authority, as applicable, issued on behalf of the nominating organization. A proxy form (Form MGT - 11) is annexed to this notice.

3. Shareholders may note that the Company or its Registrars cannot act on any request received directly from the shareholders holding shares in electronic form for any change of bank particulars or bank mandates. Such changes are to be advised only to the Depository Participant of shareholders.
4. Shareholders holding shares in physical form are requested to inform the Company and those holding shares in demat form to inform the Depository Participant about any changes in their mailing address and also to quote Folio Number/Client ID/DP ID, in all their correspondence with the Company/Depository Participant.
5. Transfer of Unclaimed/Unpaid dividends to the Investor Education and Protection Fund(IEPF):

Members who have not yet encashed their dividend warrant(s) for the FY 2009 - 2010 onwards are requested to make their claims to the Company.

6. Pursuant to the provisions of Section 124 (6) of the Companies Act, 2013 read with IEPF (Accounting, Audit, Transfer and Refund) Rules, 2016 the equity shares of the Company, in respect of which the dividend(s) remained unpaid or unclaimed for a period of 7 consecutive years, are liable to be transferred to the DEMAT Account of IEPF Authority. The Company has

communicated to the concerned shareholders with a request to claim the unclaimed dividends and a newspaper advertisement to this effect was also published on 26<sup>th</sup> November, 2016. Shareholders falling in this category may please note that the last date for claiming such shares has been notified by MCA as 31<sup>st</sup> May, 2017. In case no response is received by the Company from such shareholders within the said date or any extension(s) thereof, the Company will proceed to transfer the said shares to the said account.

7. Members/Proxies are requested to bring the attendance slip (annexed to this notice) duly filled in for attending the meeting.
8. As a measure of economy, copies of the Annual Report will not be distributed at the venue of AGM. Members are requested to bring their copies of the Annual Report to the meeting.
9. Members seeking any information with regard to the accounts are requested to write to the Company at an early date, so as to enable the management to keep the information ready at the meeting.
10. The route map and prominent landmark of the venue of the meeting is provided in this Notice.
11.
  - a) Pursuant to Section 108 of the Companies Act, 2013, read with Rule 20 of the Companies (Management and Administration) Rules, 2014 and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is pleased to provide the facility to members to exercise the right to vote by electronic means. The Company has arranged this facility in the CDSL platform. The Members whose names appear in the Register of Members/List of Beneficiary Owners as on 30<sup>th</sup> May, 2017 (cut-off date) i.e., a date not earlier than seven days before the date of general meeting shall only be allowed to vote.
  - b) Members who have acquired shares after the dispatch of notice and before book closure may approach the Company for issuance of User ID and Password for exercising their votes by electronic means.
  - c) The remote e-voting period will commence at 9.00 a.m. on 03<sup>rd</sup> June, 2017 and will end on 5.00 p.m. on 05<sup>th</sup> June, 2017. At the end of the remote e-voting period, the said facility shall forthwith be blocked. The Company has appointed CS Nikhil George Pinto, Partner, M/s. CaesarPintoJohn & Associates LLP, Company Secretaries, 5, Puthussery House, Edanad, Chowara P.O., Aluva, Ernakulam - 683 571, to conduct the scrutiny of votes cast in the remote e-voting process and poll at the venue of the AGM of the Company.
  - d) Once the vote on a Resolution is cast by the shareholder, he shall not be allowed to change it subsequently.
  - e) The facility for voting through ballot paper shall be made available at the meeting and the members attending the meeting, who have not already cast their vote by remote e-voting shall be able to exercise their right at the meeting.
  - f) The members who have cast their vote by remote e-voting prior to the meeting may also attend the meeting, but shall not be entitled to vote again at the meeting.

- g) The results of the remote e-voting and poll in the AGM shall be declared within 48 hours of conclusion of the AGM in the website of the Company and also will be intimated to the Stock Exchanges.
- h) Members who are not members as on the cut-off date shall treat this notice for information purposes only.
- i) Documents/Papers relating to the items contained in the Notice may be perused on any working day during business hours at the Registered Office of the Company and the copies shall also be made available for inspection at the Meeting.

The members desiring to vote through electronic mode may refer to the detailed procedure on remote e-voting as given below:

## 12. INSTRUCTIONS FOR REMOTE E-VOTING

**The instructions for shareholders to vote electronically are as under:**

- (i) The voting period commences on 9.00 a.m. on 03<sup>rd</sup> June, 2017 and will end on 5.00 p.m. on 05<sup>th</sup> June, 2017. During this period shareholders of the Company, holding shares either in physical form or in dematerialized form as on the cut-off date 30<sup>th</sup> May, 2017, may cast their vote electronically. The remote e-voting module shall be disabled by CDSL and the remote e-voting shall not be allowed beyond the said date and time.
- (ii) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
- (iii) Click on “Shareholders”.
- (iv) Now Enter your User ID
  - a) For CDSL: 16 digits beneficiary ID,
  - b) For NSDL: 8 character DP ID followed by 8 digits Client ID,
  - c) Members holding shares in physical form should enter folio number registered with the Company.
- (v) Next, enter the image verification as displayed and click on “Login”.
- (vi) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any Company, then your existing password is to be used.
- (vii) If you are a first time user follow the steps given below:

	<b>For Members holding shares in Demat Form and Physical Form</b>
PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none"> <li>• Members who have not updated their PAN with the Company/ Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field.</li> </ul>



	<ul style="list-style-type: none"> <li>In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.</li> </ul>
Dividend Bank Details or Date of Birth (DOB)	<p>Enter the dividend bank details or date of birth (in dd/mm/yy format) as recorded in your demat account or in the Company records in order to login.</p> <ul style="list-style-type: none"> <li>If both the details are not recorded with the Depository or Company, please enter the member id/folio number in the dividend bank details field as mentioned in instruction (iv)</li> </ul>

- (viii) After entering these details appropriately, click on “SUBMIT” tab.
- (ix) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach ‘Password Creation’ menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other Company on which they are eligible to vote, provided that Company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (x) For Members holding shares in physical form, the details can be used only for remote e-voting on the resolutions contained in this Notice.
- (xi) Click on the EVSN for the relevant <MUTHOOT CAPITAL SERVICES LIMITED> on which you choose to vote.
- (xii) On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/NO” for voting. Select the option “YES” or “NO” as desired. The option “YES” implies that you assent to the Resolution and option “NO” implies that you dissent to the Resolution.
- (xiii) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- (xiv) After selecting the Resolution you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
- (xv) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take out print of the voting done by you by clicking on “Click here to print” option on the Voting page.
- (xvii) If demat account holder has forgotten the changed password, then enter the User ID and the image verification code and click on “Forgot Password” and enter the details as prompted by the system.
- (xviii) Note for Non - Individual Shareholders and Custodians

- Non - Individual shareholders (i.e. other than Individuals, HUF, and NRI etc.) and Custodian are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves as Corporates.
  - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
  - After receiving the login details a “Compliance User” should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
  - The list of accounts should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
  - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- (xix) In case you have any queries or issues regarding remote e-voting, you may refer the Frequently Asked Questions (“FAQs”) and remote e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com), under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com). The official designated to address the grievances in this regard will be Mr. Rakesh Laxman Dalvi, Deputy Manager and can be contacted at 022-2272 8588 or mail to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).

**By Order of the Board of Directors**

Sd/-

**Syam Kumar R.**

**Company Secretary & Head - Governance**

**Kochi**  
**18<sup>th</sup> April, 2017**

**STATEMENT PURSUANT TO SECTION 102 (1) OF THE COMPANIES ACT, 2013**

The following statement sets out all material facts relating to the Special Business mentioned in the accompanying Notice:

**Item No. 4:**

The equity shares of the Company are listed and actively traded on the BSE Limited (BSE) and National Stock Exchange of India Limited (NSE). The operations and performance of the Company has grown significantly over the past few years and has adequate reserves. The Board of Directors of the Company at their meeting held on 18<sup>th</sup> April, 2017, considered it desirable to reward its shareholders by capitalisation of its reserves and recommended issue of bonus shares in the ratio of 1:10 subject to approval of the shareholders and such other authorities as may be necessary.

The Record Date for determining the eligibility of the shareholders to receive the said bonus shares will be fixed by the Board/Committee of the Board.

The issue of bonus shares by capitalization of reserves is authorised by Article 123 of the Articles of Association of the Company and is in conformity with the Companies Act, 2013 and Rules made thereunder.

None of the Directors/Key Managerial Personnel or their relatives is concerned or interested in the resolution except to the extent of their shareholding in the Company, if any.

The Board recommends passing of the resolution set out at Item No. 4 as an Ordinary Resolution.

**Item No. 5 to 7:**

The present authorised share capital of the Company is Rs. 15,00,00,000/- (Rupees Fifteen Crores Only) divided into 1,50,00,000 (One Crore Fifty Lakhs) Equity Shares of Rs. 10/- (Rupees Ten Only). The Company is having aggressive growth plans in the coming years, which may require additional Equity Capital. Pursuant to the bonus issue as envisaged in Item No. 4 above, the authorised share capital of the Company gets almost exhausted and the Board of Directors desires that the authorised capital be raised to an appropriate level to facilitate planning of any equity infusion in future and hence intend to increase the authorised capital to Rs. 25,00,00,000/- (Rupees Twenty Five Crores Only) divided into 2,50,00,000 (Two Crores Fifty Lakhs) Equity Shares of Rs. 10/- (Rupees Ten Only) each.

The increase in authorised capital also requires the corresponding amendments to the Memorandum and Articles of Association of the Company which requires the approval of the Shareholders by way of Ordinary/Special resolution.

None of the Directors/Key Managerial Personnel or their relatives are concerned or interested in the resolution except to the extent of their shareholding in the Company, if any.

The Board recommends passing of the Ordinary/Special resolutions set out at Item No. 5 to 7.

**Item No. 8**

In order to provide necessary flexibility regarding borrowings of the Company in an optimal manner depending on the market conditions, the Company proposes to offer, issue and allot Redeemable Non-Convertible Debentures ('NCDs') upto an amount of Rs. 200 crores in such manner and on such terms and conditions as may be deemed appropriate by the Board of Directors of the Company (hereinafter referred to as the 'Board' which term shall be deemed to include any Committee thereof). The Board has, at its meeting held on 18<sup>th</sup> April, 2017, resolved to seek approval of Members to issue NCDs upto an amount of Rs. 200 crores on private placement basis, on such terms and conditions and at such price(s) as may be determined by the Board.

Section 42 of the Companies Act, 2013 read with Rule 14 of the Companies (Prospectus and Allotment of Securities) Rules, 2014, provides that a Company offering or making an invitation to subscribe NCDs on private placement basis shall obtain prior approval of the shareholders by way of a special resolution. The special resolution shall be valid for a period of one year for all the offers or invitations for such NCDs made during the year. The Company may offer or invite subscription for NCDs, in one or more series/tranches on private placement basis to persons who may or may not be shareholders of the Company. NCDs may be secured by mortgage/charge on the assets of the Company and may be listed on one or more stock exchanges. The proposed borrowings along with the existing borrowings of the Company (apart from temporary loans obtained from the Company's bankers in the ordinary course of business) would not exceed the borrowing limit approved by the shareholders from time to time. The Company shall further comply with the provisions of Notification No. DNBR (PD) CC No. 021/03.10.001/2014-15 dated 20 February 2015 issued by the Reserve Bank of India.

Approval of the shareholders is, therefore, sought for the proposed issue of NCDs and for authorising the Board to issue NCDs on such terms and conditions as may be deemed appropriate by the Board. The Board recommends the resolution for approval of the shareholders of the Company as a Special resolution.

None of the Directors or Key Managerial Personnel of the Company and their relatives are concerned or interested, financially or otherwise, in the Special Resolution.

#### Item No. 9

The shareholders had vide resolution dated 21<sup>st</sup> August, 2015, approved related party transactions with Muthoot Fincorp Limited (Microfinance Division) to the extent of Rs. 750.00 Lakhs per annum for a period of 5 years. The transactions are relating to commission for procurement of new business and collection of repayment amounts mainly from the micro finance customers of MFL. Now that the microfinance business is being carried out by Muthoot Microfin Limited (MML), another group Company, the Company intends to enter into agreement with MML for the same business and increase the limit of the transactions per annum to Rs. 1000.00 Lakhs. The transactions are in the ordinary course of business and at arm's length, and are not material but the Company, as a matter of abundant caution and prudent corporate practice, proposes to obtain approval of shareholders by way of ordinary resolution. The transactions have been approved by the Audit Committee and also by the Board of Directors subject to the approval of Members by way of an ordinary resolution. The prescribed price/charges payable under the contracts shall be competitive, shall be based on the prevailing market price, shall not be prejudicial to the interest of either parties and shall be at arm's length, on the basis of comparable uncontrolled price other than with associate enterprise.

Copy of the documents relating to the transaction would be available for inspection without any fee by the Members at the Registered Office of the Company during the normal business hours on any working day.

The details of the related party transaction is furnished below:

<b>Name of Related Party</b>	<b>Muthoot Microfin Limited</b>	
Name of the Director/KMP who is related, if any	Thomas John Muthoot, Chairman (DIN: 00011618) Thomas George Muthoot, Managing Director (DIN: 00011552) Thomas Muthoot, Director (DIN: 00082099)	
Nature of relationship	Interested as Shareholders	
Nature, Material terms, monetary value and particulars of the contract or arrangement:	<b>Nature of Transaction</b>	<b>Transaction limit per annum (Rs. in Lakhs)</b>
	Commission for procurement of new business and collection	1000.00
Tenure of contract	5 years	
Any other information relevant or important for the members to take a decision on the proposed resolution	All factors relevant to the contract have been considered and it is confirmed that the transactions are in the ordinary course of business and at arm's length.	

The Board recommends the Ordinary Resolution as set out in Item No.9 of the notice for the approval of the Members who are not related party(s). Directors, Key Managerial Personnel of the Company or

their relatives as mentioned as related parties above, may be deemed to be interested or concerned in the resolution.

**INFORMATION REQUIRED TO BE FURNISHED UNDER REGULATION 36 (3) OF THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015 AND SECRETARIAL STANDARDS 2 ON GENERAL MEETINGS**

As required under Regulation 36 (3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standards 2, the particulars of Directors who are proposed to be appointed/re-appointed at this Meeting are given below:-

Name	<b>Thomas John Muthoot</b>		
Director Identification Number (DIN)	00011618		
Age & Date of Birth	54 years; 07 <sup>th</sup> June, 1962		
Nationality	Indian		
Date of appointment on the Board	18 <sup>th</sup> February, 1994		
Relationship with other Directors	Brother of Mr. Thomas George Muthoot & Mr. Thomas Muthoot		
Qualification	B. Com, Alumni of the Harvard Business School		
Expertise in specific functional areas	He has rich experience of more than 33 years in all aspects of Retail Financial Services, more particularly in the Micro Retail Lending portfolio.		
Number of shares & % of holding	2850995, 22.86%		
List of Directorships held in other Public Limited Companies	<ol style="list-style-type: none"> <li>1. Muthoot Fincorp Limited</li> <li>2. Muthoot APT Ceramics Limited</li> <li>3. Muthoot Housing Finance Company Limited</li> <li>4. Muthoot Equities Limited</li> <li>5. Muthoot Pappachan Technologies Limited</li> </ol> Along with several Private Companies in the Muthoot Pappachan Group.		
Chairmanships/Memberships of Committees in other Public Limited Companies (Includes Audit Committee and Stakeholders Relationship Committee)	<b>Name of the Public Limited Company</b>	<b>Name of the Committee</b>	<b>Chairman/Member</b>
	Muthoot Housing Finance Company Limited	Audit Committee	Member
Number of Board meetings attended during FY 2016 - 2017	Held	5	
	Attended	5	

**By Order of the Board of Directors**

Sd/-

**Syam Kumar R.**

**Company Secretary & Head - Governance**

**Kochi**

**18<sup>th</sup> April, 2017**

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**ANNUAL REPORT IS BEING SENT  
SEPARATELY**

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**MUTHOOT CAPITAL SERVICES LIMITED**

(CIN: L67120KL1994PLC007726)

Regd. Office: 3<sup>rd</sup> Floor, Muthoot Towers, M.G. Road, Kochi - 682 035

Tel: +91 - 484 - 6619600/6613450, Fax: +91 - 484 - 2381261

Web: [www.muthootcap.com](http://www.muthootcap.com), Email: [mail@muthootcap.com](mailto:mail@muthootcap.com)

**PROXY FORM**

(Form MGT - 11)

(Pursuant to Section 105 (6) of the Companies Act, 2013 and Rule 19 (3) of the Companies (Management and Administration) Rules, 2014)

Name of the member(s): \_\_\_\_\_ Registered address: \_\_\_\_\_  
 E-mail Id: \_\_\_\_\_ Folio. No/DP ID & Client ID: \_\_\_\_\_  
 I/We, being the holder(s) of ..... shares of the above named Company hereby appoint  
 1. Name: ..... 2. Name: ..... 3. Name: .....  
 Address: ..... Address: ..... Address: .....  
 Email Id: ..... Email Id: ..... Email Id: .....  
 Signature: ..... or failing him/her Signature: ..... or failing him/her Signature: .....

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 23<sup>rd</sup> Annual General Meeting of the Company, to be held on Tuesday, 06<sup>th</sup> day of June, 2017, at 10:30 a.m. at The International Hotel, Veekshanam Road, Kochi - 682 035 Kerala, India, and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution Numbers	Particulars of Business		
	Ordinary Business	For	Against
1.	Adoption of Audited Statement of Profit and Loss for the financial year ended 31 <sup>st</sup> March, 2017, the Audited Balance Sheet as at that date, together with the Cash Flow Statements, the Report of the Board of Directors and Independent Auditors thereon.		
2.	To appoint a Director in the place of Mr. Thomas John Muthoot (DIN: 00011618) who retires by rotation		
3.	Appointment of M/s. Varma & Varma, Chartered Accountants as the Statutory Auditors and fixation of remuneration thereof.		
<b>Special Business</b>			
4.	Issue of Bonus Shares		
5.	Increase in Authorised Share Capital		
6.	Alteration of Memorandum of Association of the Company		
7.	Alteration of Articles of Association of the Company		
8.	Issue of Non-Convertible Debentures on Private Placement basis		
9.	Approval of Related Party Transactions		

Signed this .....day of ..... 2017.

Affix One Rupee Revenue Stamp
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\_\_\_\_\_  
Signature of Shareholder

\_\_\_\_\_  
Signature of proxy holder (s)

**Note:**

- 1) This form of proxy in order to be effective, should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the meeting.
- 2) It is optional to put 'X' in the appropriate column against the Resolutions indicated in the Box. If you leave the 'for' or 'against' column blank against any or all Resolutions, your proxy will be entitled to vote in the manner as he/she thinks appropriate.

**MUTHOOT CAPITAL SERVICES LIMITED**

(CIN: L67120KL1994PLC007726)

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Tel: +91 484 - 6619600/6613450, Fax: +91 - 484 - 2381261

Web: [www.muthootcap.com](http://www.muthootcap.com), Email: [mail@muthootcap.com](mailto:mail@muthootcap.com)

**ATTENDANCE SLIP**

(Please complete this attendance slip and hand it over at the entrance of the Hall)

I hereby record my presence at the 23<sup>rd</sup> Annual General Meeting of the Company on Tuesday, 06<sup>th</sup> day of June, 2017, at 10:30 a.m. at The International Hotel, Veekshanam Road, Kochi - 682 035

Folio No/DP ID/Client ID.....

Full Name of the Shareholder in Block Letters: .....

No. of Shares held: .....

Name of Proxy (if any) in Block Letters: .....

Signature of the Shareholder/Proxy/Representative\*

\* Strike out whichever is not applicable.

**Note:**

Electronic copy of the Annual Report for the FY 2016 - 2017 and Notice of the 23<sup>rd</sup> AGM along with Attendance Slip and Proxy Form is being sent to all the Members whose email address is registered with the Company/Depository Participant unless any Member has requested for the hard copy of the same. Members receiving electronic copy and attending the AGM can print copy of this Attendance Slip.

**Route Map - Venue of AGM**

