

## Postal Ballot Notice

(Pursuant to Section 192A of the Companies Act, 1956, read with the Companies (Passing of the Resolution by Postal Ballot) Rules, 2001)

Dear Member(s),

NOTICE is hereby given to the members, pursuant to Section 192A of the Companies Act, 1956, read with Companies (Passing of Resolution by Postal Ballot) Rules, 2001, seeking consent to the following special businesses by passing the same by Ordinary Resolution through Postal Ballot:

The proposed resolution and explanatory statement along with a Postal Ballot Form and the self addressed business envelope are enclosed for your consideration.

The Board of Directors have appointed Mr.Sivakumar P., M Com., FICWA, FCS, CMA, Managing Partner, SVJS & Associates, Company Secretaries, 39/3519 B, First Floor, Padmam Apartments, Ravipuram, Kochi-682016 as Scrutinizer for conducting the Postal Ballot process in a fair and transparent manner.

You are requested to carefully read the instructions printed on the Postal Ballot Form and return the Form (no other form or photocopy of form is permitted) duly completed and signed, indicating your assent (FOR) / dissent (AGAINST) the resolution in the attached Business Reply Envelope so as to reach the scrutinizer **on or before the close of working hours on Saturday, the 22nd October, 2011**. Please note that any Postal Ballot Form(s) received after the said date will be treated as not having been received.

The Scrutinizer will submit his report to Mr. Thomas George Muthoot, Managing Director, after completion of the scrutiny of the Postal Ballots and the results thereof will be announced by Mr. Thomas George Muthoot, Managing Director on 25th October, 2011, at 10.00 A.M. at the Registered Office of the Company at Muthoot Towers, M.G. Road, Kochi - 682035. Additionally, the results will also be put up on the Company's website [www.muthootcap.com](http://www.muthootcap.com) and also published in the newspapers.

Members may please note that a resolution will be deemed to have been passed as an ordinary resolution if the votes cast in favour are more than the votes cast against and would be deemed to have been passed at General Meeting.

### I. ORDINARY RESOLUTION

To consider and if thought fit, to pass the following resolution as an Ordinary Resolution:

#### Item No. 1

"RESOLVED THAT in supersession of the resolution passed by the Company under section 293 (1)(d) of the Companies Act, 1956, at the Annual General Meeting held on 31st July, 2010, the Board of Directors of the Company be and are hereby authorized to borrow for the purpose of the business of the company, such sum or sums of money as they may deem necessary either from the company's bankers and from other banks and financial institutions or any lending

institutions or persons on such terms and conditions as may be considered expedient, notwithstanding the fact that the monies borrowed and the monies to be borrowed (apart from temporary loans obtained in the ordinary course of business from banks) from time to time will exceed the aggregate of the paid up capital of the Company and its free reserves ie., reserves not set apart for any specific purpose, provided that the total outstanding amount of such borrowings shall not exceed Rs.500 Crores over and above the aggregate of the paid up capital of the Company and its free reserves at any time."

By order of the Board of Directors

Sd/-

Kochi  
05.09.2011

MALATHY N.  
Company Secretary

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## **Explanatory Statement Pursuant to Section 192A (2) and Section 173(2) of the Companies Act, 1956**

### **Item: 1**

#### **Enhancement of Borrowing Powers of the Company**

Section 293(1) (d) of the Companies Act, 1956, restricts the borrowing powers of the Board of Directors. It provides that Directors shall not, except with the consent of the Company in the General Meeting, borrow monies, when the monies to be borrowed together with the monies already borrowed by the Company (apart from temporary loans obtained in the ordinary course of business from banks) exceed the aggregate of the paid up capital of the Company and free reserves ie. reserves not set apart for any specific purpose.

The members of the Company in their Annual General Meeting held on 31st July, 2010, passed a resolution authorizing the Board of Directors of the Company to borrow upto a sum of Rs.150 Crores.

In view of the increase in the Company's business, it is necessary that a higher ceiling for borrowing be laid down by the members to enable the Board of Directors to augment the working funds as and when required for the purpose of business. It is therefore proposed to increase the borrowing powers of the Board of Directors to a sum not exceeding Rs.500 Crores over and above the aggregate of paid up capital of the company and its free reserves at any time.

Hence the Directors recommend the resolution at Item No.1 of the notice for approval of the members of the Company.

None of the Directors is concerned or interested in the said resolution.

By order of the Board of Directors

Sd/-

Kochi  
05.09.2011

MALATHY N.  
Company Secretary