



MUTHOOT CAPITAL SERVICES LIMITED

(CIN: L67120KL1994PLC007726)

Regd. Office: 3rd Floor, Muthoot Towers, M.G. Road, Kochi – 682 035

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

Web: www.muthootcap.com, Email: mail@muthootcap.com

NOTICE TO SHAREHOLDERS

NOTICE is hereby given that the 21st Annual General Meeting (AGM) of the Members of “**Muthoot Capital Services Limited**” will be held on Friday, the 21st day of August, 2015 at 10.00 a.m. at the International Hotel, Veekshanam Road, Kochi - 682 035 to transact the following business:

ORDINARY BUSINESS:

1. To consider and adopt the Audited Statement of Profit and Loss for the financial year ended 31st March, 2015, the Audited Balance Sheet as at that date, the Report of the Board of Directors and Auditors thereon.
2. To declare dividend on equity shares for the financial year 2014 - 2015.
3. To appoint a Director in the place of Mr. Thomas John Muthoot (DIN: 00011618) who retires by rotation and, being eligible, offers himself for re-appointment.
4. To consider and if thought fit to pass with or without modification(s), the following resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to Section 139, 142 and other applicable provisions if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, as amended from time to time, the Company hereby ratifies the appointment of M/s K. Venkatachalam Aiyer & Co., Chartered Accountants, (Firm Reg. No. 004610S) Building No. 41/3647 B, 1st Floor, Blue Bird Towers, Providence Road, Kochi - 682 018 as the Auditors of the Company to hold office from the conclusion of this AGM till the conclusion of the 22nd AGM of the Company to be held in the year 2016 and the Board of Directors be and is hereby authorized to fix the remuneration payable to them for the financial year ending 31st March, 2016 as may be determined in consultation with the Auditors.”

SPECIAL BUSINESS:

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

“RESOLVED THAT in supersession of the earlier special resolution passed on 03rd September, 2014 and pursuant to Section 180 (1) (c) of the Companies Act, 2013, consent of the Company be and is hereby accorded to the Board of Directors of the Company to borrow from time to time any sum or sums of monies in any manner as may be required for the purpose of business of the Company, with or without security and upon such terms and conditions as they may think fit, notwithstanding that the monies to be borrowed together with monies already borrowed by the Company (apart from temporary loans obtained or to be obtained from the Company's Bankers in the ordinary course of business) may exceed the aggregate of the paid-up capital of the Company and its free reserves, that is to say, reserves not set apart for any specific purpose, provided that the total amount so borrowed by the Company and outstanding at any time shall not exceed the sum of Rs. 2000 Crores (Rupees two thousand crores only).”

6. To consider and if thought fit, to pass with or without modification(s), the following resolution as 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 (Meetings of the Board and its Powers) Rules, 2014 and read with Clause 49 (VII) (E) of the Listing Agreement entered into with Stock Exchange and subject to such approvals, consents, sanctions and permission as may be necessary, consent of the Members be accorded to the Board of Directors of the Company to enter into contracts and/or arrangements with Related Parties as defined under the Act, with respect to sale, purchase or supply of any goods or materials, selling or otherwise disposing of or buying, leasing of property of any kind, availing or rendering of any services or any other transactions of whatever nature with the following Related Parties for a period of 5 years, subject to the annual limits as set out below with effect from 26th May, 2015.

Sl. No	Name of the Related party	Nature of transactions	Transaction limit per annum (Rs. in Lakhs)
1.	Muthoot Fincorp Limited (Micro Finance Division)	Commission for procurement of new business and collection of repayment.	750
2.	Muthoot Fincorp Limited (Muthoot Travelonline)	Payment towards airline and train ticketing (domestic and international)	25

“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,

Sd/-

SYAM KUMAR R.

Company Secretary & Head - Governance

Kochi - 35
25th May, 2015

Notes:

1. The explanatory statement pursuant to Section 102 (1) of the Companies Act, 2013, in respect of the special business set out above is annexed hereto.
2. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE AGM IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF 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. Members holding more than 10% of the total share capital of the Company may appoint single person as proxy who shall not act as a proxy for any other Member. Instrument of Proxy, in order to be effective, must be duly filled and signed and received at the Company's Registered Office not less than 48 hours before the meeting. Proxies submitted on behalf of Limited Companies, Societies, Partnership Firms etc. must be supported by appropriate resolution/authority, as applicable, issued on behalf of the nominating organization. A proxy form (Form No. MGT - 11) is annexed to this report.
3. The Register of Members and Share Transfer Books of the Company will be closed from 15th August, 2015 to 21st August, 2015, both days inclusive, for determining the names of Members eligible for dividend.
4. If the dividend recommended by the Board of Directors is approved, payment of such dividend will be made on or before 18th September, 2015 to those Members whose names appear on the Company's Register of Members as on 14th August, 2015. In respect of shares held in electronic form, dividend will be payable on the basis of beneficial ownership, as per details furnished by NSDL/CDSL, for this purpose.
5. Shareholders holding shares in electronic form are hereby informed that bank particulars registered against their respective depository accounts will be used by the Company for payment of dividend. 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.

6. 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 Numbers/Client ID/DPI ID, in all their correspondence with the Company/Depository Participant.

7. Transfer of Unclaimed / Unpaid dividends to the Investor Education and Protection Fund (IEPF):

Pursuant to Section 205 A (5), 205 C and other applicable provisions, if any, of the Companies Act, 1956, any money transferred to Unpaid Dividend Account of the Company which remains unpaid or unclaimed for a period of seven years from the date of such transfer to the Unpaid Dividend Account shall be transferred by the Company to the IEPF established by the Central Government and the shareholders shall not be able to claim any Unpaid Dividend from the said fund or from the Company thereafter. Members who have not yet encashed their dividend warrant(s) for the financial years 2007 - 2008 onwards are requested to make their claims to the Company.

8. Members/Proxies are requested to bring the attendance slip (annexed to this report) duly filled in for attending the meeting.
9. As a measure of economy, copies of the Annual Report will not be distributed at the AGM. Members are requested to bring their copies of the Annual Report to the meeting.
10. Members are requested to furnish their bank account details for printing the same on the dividend warrants, to prevent fraudulent encashment of dividend warrants.
11. 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.
12. a. Pursuant to Section 108 of the Companies Act, 2013, read Companies (Management and Administration) Rules, 2014, and Clause 35 B of the Listing Agreement, 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 14th August, 2015 i.e., the date prior to the book closure date are entitled to vote on the resolutions set forth in the Notice.

b. Members who have acquired shares after the dispatch of Annual Report and before book closure may approach the Company for issuance of User ID and Password for exercising their votes by electronic means.

c. The e-voting period will commence Tuesday, at 10.00 a.m on 18th August, 2015 and will end on Thursday, 5.00 p.m on 20th August, 2015. The Company has appointed Mr. P. Sivakumar, Managing Partner, M/s SVJS & Associates, Company Secretaries, Kochi - 682 016, to act as scrutinizer for conducting scrutiny of the votes cast.

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.

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

SHAREHOLDER INSTRUCTIONS FOR E-VOTING

The instructions for shareholders voting electronically are as under:

- (i) The voting period commences on Tuesday, 18th August, 2015 (10.00 a.m.) and ends on Thursday, 20th August, 2015 (5.00 p.m). During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form as on the cut-off date 14th August, 2015, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

- (ii) The shareholders should log on to the e-voting website www.evotingindia.com.
- (iii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue
- (iv) Click on Shareholders.
- (v) 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.
- (vi) Next enter the Image Verification as displayed and Click on Login.
- (vii) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- (viii) If you are a first time user follow the steps given below:

For Members holding shares in Demat Form and Physical Form	
PAN	<p>Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department *(Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> • 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. • 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.
Dividend Bank Details/ Date of Birth (DOB)	<p>Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the Company records in order to login.</p> <ul style="list-style-type: none"> • If 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 (v).

- (ix) After entering these details appropriately, click on “SUBMIT” tab.
- (x) 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.
- (xi) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xii) Click on the EVSN for the relevant (MUTHOOT CAPITAL) on which you choose to vote.
- (xiii) 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.

- (xiv) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- (xv) 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.
- (xvi) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (xvii) You can also take out print of the voting done by you by clicking on “Click here to print” option on the Voting page.
- (xviii) If Demat account holder has forgotten the changed password then enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xix) 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 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.
 - 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 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.
- (xx) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com. CDSL toll free No: 1800 200 5533.

By Order of the Board of Directors

Sd/-

SYAM KUMAR R

Company Secretary & Head - Governance

Kochi - 35
25th May, 2015

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

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

Item No. 5

The Company had at the 18th AGM held on 31st July, 2012 taken approval of the shareholders by way of ordinary resolution pursuant to Section 293 (1) (d) of the Companies Act, 1956, whereby the Board of Directors of the Company was authorized to borrow moneys apart from temporary loans obtained from Company's Bankers in the ordinary course of business, in excess of the aggregate of paid-up capital and free reserves that is to say reserves not set apart for any specific purpose, provided that the total amount so borrowed by the Board of Directors and outstanding at any time shall not exceed the sum of Rs. 1000 crores (Rupees one thousand crores only).

With the introduction of the Companies Act, 2013, with effect from 1st April, 2014, the Company was required to confirm the above resolution. Hence, at the 20th Annual General Meeting held on 03rd September, 2014, approval of the shareholders was obtained by way of Special Resolution pursuant to Section 180 (1) (c) of the Companies Act, 2013, confirming the above borrowing limits.

With the increase in operations of the Company and the projections for the next three years, it is proposed to increase the borrowing limits to Rs. 2000 crores (Rupees two thousand crores only). Pursuant to Section 180 (1) (c) of the Companies Act, 2013, the proposed increase in borrowing powers require the approval of the shareholders by way of Special Resolution. Hence the Company propose the Special Resolution in Item No. 5 under Section 180 (1) (c) of the Companies Act, 2013. Copy of documents relating to previous resolution passed by the shareholders is available for inspection without any fee by the members at the Registered Office of the Company during normal business hours on any working day. Directors recommend the Special Resolution set out in Item No. 5 of the Notice for approval.

None of the Directors and Key Managerial Personnel (KMPs) of the Company and their relatives is concerned or interested, financially or otherwise, in the resolution set out in Item No. 5 of the Notice.

Item No. 6

The Company started availing sourcing of two wheeler loans from and do collection of the repayment of the loans through the Micro Finance Division of Muthoot Fincorp Limited (MFL - MFD) for which, the Company had entered into an agreement with Muthoot Fincorp Limited on 26th May, 2015. Pursuant to Section 188 (3) of the Companies Act, 2013, the contract needs to be approved by the shareholders within three months from the date of the contract.

The Company also intends to utilize the services of the travel services division of Muthoot Fincorp Limited (Muthoot Travelonline) for the ticketing and allied services of the Company's Directors, Officers and Staff.

All terms are subject to the conditions that the prescribed price/charges payable under the contracts shall be competitive, shall be based on prevailing market price, shall not be prejudicial to the interest of either parties.

The details of the related party transaction(s) are furnished below:

Muthoot Fincorp Limited

Name of Related Party	Muthoot Fincorp Limited-Micro Finance Division	
Name of the Director / KMP who is related, if any	Thomas John Muthoot - Chairman Thomas George Muthoot - Managing Director Thomas Muthoot - Director A.P Kurian - Independent Director R.K Nair - Independent Director	
Nature of Relationship	Interested as Director / Shareholder	
Nature, material terms, monetary value and particulars of the contract or arrangement:	Nature of Transaction	Transaction limit per annum (Rs.in Lakhs)
	Commission for procurement of new business and collection of repayment	750*
Tenure of Contract	5 Years	
Any other information relevant or important for the members to take a decision on the proposed resolution	The Company had entered into the contract on 26 th May, 2015 for a period of 5 Years.	

* The amount is over and above the limits sanctioned by shareholders resolution dated 03rd September, 2014.

Name of Related Party		Muthoot Fincorp Limited - Muthoot Travelonline	
Name of the Director / KMP who is related, if any		Thomas John Muthoot - Chairman Thomas George Muthoot - Managing Director Thomas Muthoot - Director A.P Kurian - Independent Director R.K Nair - Independent Director	
Nature of Relationship		Interested as Director / Shareholder	
Nature, Material terms, monetary value and particulars of the contract or arrangement:		Nature of Transaction	Transaction limit per annum (Rs. in Lakhs)
		Payment towards airline and train ticketing (domestic and international)	25*
Tenure of Arrangement		5 Years	
Any other information relevant or important for the members to take a decision on the proposed resolution		NIL	

*The amount is over and above the limits sanctioned by shareholders resolution dated 03rd September, 2014.

The above transactions within the limits specified, will not be material transactions under the Listing Agreement.

The Board recommends the Ordinary Resolution as set out in item No. 6 of the Notice for the approval of the Members who are not related party(s). Directors, KMPs of the Company or their relatives as mentioned as Related Parties above, may be deemed to be interested or concerned in the Resolution.

By Order of the Board of Directors

Kochi - 35
25th May, 2015

Sd/-
SYAM KUMAR R.
Company Secretary & Head - Governance

INFORMATION REQUIRED TO BE FURNISHED UNDER CLAUSE 49 VIII (E) OF THE LISTING AGREEMENT

As required under Clause 49 VIII (E) of the Listing Agreement the particulars of Director who is proposed to be reappointed at this Meeting is given below:-

Name	Thomas John Muthoot		
Director Identification Number (DIN)	00011618		
Date of Birth	07 th June, 1962		
Nationality	Indian		
Date of appointment on the Board	18 th February, 1994		
Relationship with other Directors	Brother of Mr. Thomas George Muthoot & Mr. Thomas Muthoot		
Qualification	B.Com		
Expertise in specific functional areas	Mr. Thomas John Muthoot has rich experience of more than 30 years in the financial services sector. He is the Managing Director of Muthoot Fincorp Limited and is also current Chairman of CII - Trivandrum Zone, Member of the Chamber of Commerce, Trivandrum and Treasurer of the Trivandrum Agenda Task Force. He is also an Inner Circle Member of INK TALKS		
Number of shares held	2850995		
List of Directorships held in other Public Limited Companies	1. Muthoot Fincorp Limited 2. Muthoot APT Ceramics Limited 3. Muthoot Housing Finance Company Limited. 4. Muthoot Equities Limited. 5. Muthoot Pappachan Technologies Limited. Along with several Private Companies in the Muthoot Pappachan Group.		
Chairmanships/Memberships of Committees of other Public Limited Companies (Includes Audit Committee, Nomination and Remuneration Committee, Corporate Social Responsibility (CSR) Committee and Stakeholders Relationship Committee)	Name of the Public Limited Company	Name of the Committee	Chairman/ Member
	Muthoot Fincorp Limited	Nomination and Remuneration Committee	Member
		Stakeholders Relationship Committee	Member
	Muthoot Housing Finance Company Limited	Audit Committee	Member

MUTHOOT CAPITAL SERVICES LIMITED

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PROXY FORM

(Form No. 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 No. & Client ID No.

I/We, being the member(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 21st Annual General Meeting of the Company, to be held on Friday, the 21st day of August, 2015, at 10.00 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 financial statement for the year ended 31 st March, 2015		
2.	Declaration of Dividend		
3.	Re- appointment of retiring Director, Mr. Thomas John Muthoot		
4.	Ratification of the appointment of M/s K. Venkatachalam Aiyer & Co. Chartered Accountants as Auditors and fixation of remuneration thereof		
Special Business			
5.	Approval of increase in borrowing powers of the Company pursuant to Section 180 (1) (c) of the Companies Act, 2013		
6.	To consider and adopt Related Party Transaction(s) under Section 188 of the Companies Act, 2013		

Signed this day of 2015.

Affix One
Rupee
Revenue
Stamp

Note:

Signature of Shareholder

Signature of proxy holder(s)

- 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.**

* It is optional to put a '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.

ANNUAL REPORT SENT SEPARATELY