



# MUTHOOT CAPITAL SERVICES LIMITED

(CIN: L67120KL1994PLC007726)

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

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

## NOTICE TO SHAREHOLDERS

**NOTICE** is hereby given that the 25<sup>th</sup> Annual General Meeting (AGM) of the Members of “**Muthoot Capital Services Limited**” will be held on Monday, 17<sup>th</sup> day of June 2019, at 10.30 a.m. at The International Hotel, Veekshanam Road, Kochi - 682 035, to transact the following businesses:

### ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Statement of Profit and Loss for the financial year ended March 31, 2019, the Audited Balance Sheet as at that date, together with the Cash Flow Statement, the Reports 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.

### SPECIAL BUSINESS:

3. **Revision in remuneration of Mr. Thomas George Muthoot (DIN: 00011552), Managing Director 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 197 read with Part I and Section I of Part II of Schedule V and other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification or re-enactment thereof), applicable clauses of the Articles of Association of the Company and recommendation of Nomination and Remuneration Committee and the Board, approval of the Company be and is hereby accorded for revision in the remuneration of Mr. Thomas George Muthoot (DIN: 00011552), Managing Director of the Company, on the terms and conditions including remuneration as mentioned below:

#### Salary & Perquisites:

1	Salary: ₹ 4,20,00,000/- per annum (Rupees Four Crores Twenty Lakhs only) w.e.f. April 01, 2019 till the expiry of his term i.e., July 11, 2021 (including perquisites).
2	<p><b>Perquisites:</b> Total perquisites shall be limited to ₹ 15,00,000/- per annum (Rupees Fifteen Lakhs only).</p> <p><b>Note:</b> Perquisites includes benefits and allowances like accommodation (furnished or otherwise) or house rent allowance in lieu thereof, reimbursement of expenditure or allowance in respect of maintenance, utilities such as gas, electricity, water, furnishings and house repairs, medical reimbursement for himself and his family, medical insurance for himself and his family, and leave on full pay, leave travel concession for himself and his family, personal accident insurance, club fees, etc. and such other allowances, perquisites and benefits in accordance with the rules of the Company or as may be allowed by the Board from time to time.</p> <p>Car, Telephone, Cell Phone, PC shall be provided and their maintenance and running expenses shall be met by the Company. The use of above at residence, for official purpose, shall not be treated as perquisites.</p> <p>He shall also be entitled to reimbursement of all entertainment and other expenses properly incurred for the business of the Company.</p> <p>For the purpose of above monetary limits, the following perquisites shall not be included:</p>

	<p>a) Contribution to Provident Fund, Superannuation Fund or Annuity Fund to the extent these either singly or put together are not taxable under the Income Tax Act, 1961.</p> <p>b) Gratuity payable in terms of the provisions of the Payment of Gratuity Act, 1972 and the Gratuity Scheme adopted by the Company.</p> <p>c) Encashment of leave at the end of the tenure as per the leave encashment policy adopted by the Company.</p>
3	<p><b>Remuneration in the event of loss or inadequacy of profits</b></p> <p>Where, in any financial year, the Company has no profits or its profits are inadequate, the Managing Director shall be paid minimum remuneration by way of salary and perquisites as per the provisions of proviso to Section IIA, Part II of Schedule V to the Companies Act, 2013.</p>

#### **Other Terms and Conditions:**

The terms and conditions of appointment of Managing Director may be altered and varied from time to time by the Board in such manner as may be mutually agreed, subject to such approvals as may be required and within applicable limits of the Companies Act, 2013.

No sitting fees shall be paid to the Managing Director for attending meeting of the Board of Directors or any Committee thereof.

Total remuneration of Mr. Thomas George Muthoot, in any financial year, shall not exceed 5% of the net profit of the Company during that year.

The appointment may be terminated by either party by giving three months' notice of such termination or salary in lieu thereof or by mutual consent.

**RESOLVED FURTHER THAT** any Director or the Company Secretary be and are hereby severally authorised to take such steps and to do all such acts, deeds, matters and things as may be required to give effect to the foregoing resolution."

#### **4. 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 and 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 2019 - 2020 to the eligible investors (the "Issue") (whether residents and/or non-residents and/or institutions/incorporated bodies and/or individuals and/or trustees and/or banks or otherwise, in domestic and/or one or more international markets) including Non-resident Indians, Foreign Institutional Investors (FIIs), Venture Capital Funds, Foreign Venture Capital Investors, State Industrial Development Corporations, Insurance Companies, Provident Funds, Pension Funds, Development Financial Institutions, Bodies Corporate, Companies, private or public or other entities, authorities and to such

other persons in one or more combinations (the “Issue”) 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.”

5. **Re-appointment of Mr. A.P. Kurian (DIN: 00008022) as an Independent Director 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 recommendation of the Nomination and Remuneration Committee and approval of the Board of Directors in their respective meetings held on April 24, 2019 and pursuant to the provisions of Sections 149, 150, 152 read with Schedule IV and any other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 and the applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred as “SEBI (LODR) Regulations, 2015”) (including any statutory modification(s) or re-enactment thereof for the time being in force), the approval of the Members of the Company be and is hereby accorded for re-appointment of Mr. A P Kurian (DIN: 00008022) as the Non-Executive Independent Director of the Company whose current period of office is expiring on September 02, 2019 and who has submitted a declaration confirming the criteria of Independence under Section 149 (6) of the Companies Act, 2013 read with the SEBI (LODR) Regulations, 2015, as amended from time to time and who is eligible for re-appointment for the second term under the provisions of the Companies Act, 2013, Rules made thereunder and SEBI (LODR) Regulations, 2015 and in respect of whom the Company has received a notice in writing from a Member proposing his candidature for the office of Director pursuant to Section 160 of the Companies Act, 2013, as a Non-Executive Independent Director of the Company, whose term shall not be subject to retirement by rotation, to hold office for five (5) consecutive years on the Board of the Company for a term w.e.f. September 03, 2019 upto September 02, 2024.

**RESOLVED FURTHER THAT** pursuant to the provisions of Regulation 17 (1A) SEBI (LODR) Regulations, 2015 as amended from time to time and other applicable provisions if any, of the Companies Act, 2013 and subject to such other approvals as may be necessary in this regard, the approval of the members be and is hereby accorded to Mr. A.P. Kurian (DIN: 00008022) to hold the directorship as the Non-Executive Independent Director of the Company, who has attained age above 75 years, from September 03, 2019 till the expiry of his second term i.e., September 02, 2024.

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and are hereby authorised to do and perform all such acts, deeds, matters or things as may be considered necessary, appropriate, expedient or desirable to give effect to the above resolution.”

**6. Re-appointment of Mrs. Radha Unni (DIN: 03242769) as an Independent Director 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 recommendation of the Nomination and Remuneration Committee and approval of the Board of Directors in their respective meetings held on April 24, 2019 and pursuant to the provisions of Sections 149, 150, 152 read with Schedule IV and any other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 and the applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred as “SEBI (LODR) Regulations, 2015”) (including any statutory modification(s) or re-enactment thereof for the time being in force), the approval of the Members of the Company be and is hereby accorded for re-appointment of Mrs. Radha Unni (DIN: 03242769) as the Non-Executive Independent Director of the Company whose current period of office is expiring on September 02, 2019 and who has submitted a declaration confirming the criteria of Independence under Section 149(6) of the Companies Act, 2013 read with the SEBI (LODR) Regulations, 2015, as amended from time to time, and who is eligible for re-appointment for the second term under the provisions of the Companies Act, 2013, Rules made thereunder and SEBI (LODR) Regulations, 2015 and in respect of whom the Company has received a notice in writing from a Member proposing her candidature for the office of Director pursuant to Section 160 of the Companies Act, 2013, as a Non-Executive Independent Director of the Company, whose term shall not be subject to retirement by rotation, to hold office for five (5) consecutive years on the Board of the Company for a term w.e.f. September 03, 2019 upto September 02, 2024.

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and are hereby authorised to do and perform all such acts, deeds, matters or things as may be considered necessary, appropriate, expedient or desirable to give effect to the above resolution.”

**7. Appointment of Mr. K.M. Abraham (DIN: 05178826) as Non-Executive Independent Director**

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 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 and rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV of the Companies Act, 2013, approval of the members of the Company be and is hereby accorded to the appointment of Mr. K.M. Abraham (DIN: 05178826), who was appointed by the Board of Directors as an Additional Non-Executive Independent Director of the Company with effect from January 18, 2019 pursuant to the provisions of Section 161(1) of the Companies Act, 2013 and pursuant to the applicable Articles of Association of the Company, and who holds office upto the date of this Annual General Meeting of the Company in terms of Section 161 of the Companies Act, 2013 and who has submitted a declaration that he meets the criteria of Independence as provided in section 149(6) of the Act and he is not debarred from holding the office of director by virtue of any SEBI order or any other such authority, who is eligible for appointment, on recommendation of the Nomination and Remuneration Committee, be and is hereby appointed as Non-Executive Independent Director of the Company, who shall hold office for a period of five consecutive years from the date of this Annual General Meeting and whose office shall not, henceforth, be liable to retire by rotation.

**RESOLVED FURTHER THAT** to give effect to this resolution, the Board of Directors of the Company be and are hereby authorised to do all the acts, deeds, matters and things as they may in their absolute discretion deem necessary, proper or desirable and to settle any question, difficulty or doubt that may arise in this regard and to sign and execute all necessary documents, applications, returns and writings as may be necessary, proper, desirable or expedient.”

**8. Appointment of Mr. Thomas Mathew (DIN: 01277149) as Non-Executive Independent Director**

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 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 and rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV of the Companies Act, 2013, approval of the members of the Company be and is hereby accorded to the appointment of Mr. Thomas Mathew (DIN: 01277149), who was appointed by the Board of Directors as an Additional Non-Executive Independent Director of the Company with effect from April 01, 2019 pursuant to the provisions of Section 161(1) of the Companies Act, 2013 and pursuant to the applicable Articles of Association of the Company, and who holds office upto the date of this Annual General Meeting of the Company in terms of Section 161 of the Companies Act, 2013 and who has submitted a declaration that he meets the criteria of Independence as provided in section 149(6) of the Act and he is not debarred from holding the office of director by virtue of any SEBI order or any other such authority, who is eligible for appointment, on recommendation of the Nomination and Remuneration Committee, be and is hereby appointed as Non-Executive Independent Director of the Company, who shall hold office for a period of five consecutive years from the date of this Annual General Meeting and whose office shall not, henceforth, be liable to retire by rotation.

**RESOLVED FURTHER THAT** to give effect to this resolution, the Board of Directors of the Company be and are hereby authorised to do all the acts, deeds, matters and things as they may in their absolute discretion deem necessary, proper or desirable and to settle any question, difficulty or doubt that may arise in this regard and to sign and execute all necessary documents, applications, returns and writings as may be necessary, proper, desirable or expedient.”

**On behalf of the Board of Directors**

**Sd/-**

**Thomas George Muthoot  
Managing Director**

**Kochi  
April 24, 2019**

**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):

The shareholders who have not yet encashed their dividend warrants relating to the financial year 2011 - 2012 and subsequent years are requested to contact the Company/Registrar and Share Transfer Agents. The unpaid/unclaimed dividend for the financial year 2011 - 2012, if not claimed by the shareholders on or before September 05, 2019, will be transferred to IEPF thereafter.

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 IEPF Authority. As per the provisions of IEPF Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 (as amended), the shareholder may lodge the claim to the IEPF Authority for such dividends and shares by submitting an online application in Form IEPF-5 available on the website [www.iepf.gov.in](http://www.iepf.gov.in). In case you have any queries or issues regarding unclaimed dividends or shares, you may refer to the Nodal Officer and can be contacted at 0484 - 6619689 or mail to [mail@muthootcap.com](mailto:mail@muthootcap.com) or [investorgrievance@muthootcap.com](mailto:investorgrievance@muthootcap.com)
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 June 10, 2019 (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) Shareholders who have acquired shares after the dispatch of notice and before the cut-off date 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 June 14, 2019 and will end on 5.00 p.m. on June 16, 2019. 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 casted their vote by remote e-voting shall be able to exercise their right at the meeting.
  - f) The members who had 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 on the website of the Company and will also be intimated to the Stock Exchanges.
  - h) Shareholders 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 June 14, 2019 and will end on 5.00 p.m. on June 16, 2019. During this period shareholders of the Company, holding shares either in physical form or in dematerialized form as on the cut-off date June 10, 2018 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:

	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"> <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> <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) Shareholders 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 Dalvi, Manager and can be contacted at 022-2305 8542 or mail to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).

**On behalf of the Board of Directors**

**Sd/-**

**Thomas George Muthoot**

**Managing Director**

**Kochi**

**April 24, 2019**

**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. 3:**

The Members of the Company, at the 22<sup>nd</sup> Annual General Meeting held on June 06, 2016, had approved the appointment of Mr. Thomas George Muthoot as the Managing Director (MD) of the Company for a period of five years w.e.f. July 12, 2016. The terms of appointment includes the payment of remuneration of ₹ 1,80,00,000/- p.a. including perquisites for a period of three years w.e.f. April 01, 2016. In these circumstances, the remuneration paid to Mr. Thomas George Muthoot for his services as MD needs to be revised and approved by the Members of the Company.

The Company has grown tremendously in the recent years under the supervision of Mr. Thomas George Muthoot as MD and has now become a Company with All India operations, being now present in 20 States and also the profits have



gone up substantially. Between the time of the last appointment the Asset under Management (AUM) increased from ₹ 1038.79 crores to ₹ 2741.05 crores as on March 31, 2019, a growth of 264%. The Profit After Tax (PAT) of the Company increased to ₹ 82.42 crores as on March 31, 2019 from ₹ 22.85 crores as on March 31, 2016, a growth of 360%. His guidance and vision has been one of the main reasons for this kind of performance that the Company has shown. Considering, the remuneration payable to him as MD is considered for revision and approval.

The Company has also carried out a peer company review through an external firm to determine the remuneration payable to the MD and the same was reviewed by the Nomination and Remuneration Committee. The Committee *inter alia* considered the peer company review report and recommended the proposed remuneration to the Board.

Further, on the recommendation of the Nomination and Remuneration Committee, the Board of Directors of the Company, at its meeting held on April 24, 2019, recommended the revised remuneration payable to Mr. Thomas George Muthoot w.e.f. April 01, 2019, till the expiry of his appointment i.e., July 11, 2021, as follows:

1. Salary: ₹ 4,20,00,000/- per annum (Rupees Four Crores Twenty Lakhs only) w.e.f. April 01, 2019 till the expiry of his term i.e., July 11, 2021 (including perquisites).
2. Perquisites: Total perquisites shall be limited to ₹ 15,00,000/- per annum (Rupees Fifteen Lakhs only).

Perquisites includes benefits and allowances like accommodation (furnished or otherwise) or house rent allowance in lieu thereof, reimbursement of expenditure or allowance in respect of maintenance, utilities such as gas, electricity, water, furnishings and house repairs, medical reimbursement for himself and his family, medical insurance for himself and his family, and leave on full pay, leave travel concession for himself and his family, personal accident insurance, club fees, etc. and such other allowances, perquisites and benefits in accordance with the rules of the Company or as may be allowed by the Board from time to time.

Car, Telephone, Cell Phone, PC shall be provided and their maintenance and running expenses shall be met by the Company. The use of above at residence for official purpose shall not be treated as perquisites.

He shall also be entitled to reimbursement of all entertainment and other expenses properly incurred for the business of the Company.

3. Where in any financial year, the Company has no profits or its profits are inadequate, the Managing Director shall be paid minimum remuneration by way of salary and perquisites as per the provisions of proviso to Section IIA, Part II of Schedule V to the Companies Act, 2013.

All other terms and conditions of his appointment remain unchanged.

The terms of the proposed remuneration are in conformity with the provisions of Sections 196, 197, 198 & 203 read with Schedule V and other applicable provisions of the Companies Act, 2013.

Details of Mr. Thomas George Muthoot as required to be given pursuant to the SEBI (LODR) Regulations, 2015 and Secretarial Standard on General Meetings ("SS-2"), issued by the Institute of Company Secretaries of India is attached to this Notice as "Annexure 1".

Copy of documents relating to the items, are available for inspection, without any fee to the members, at the Registered Office of the Company during normal business hours on any working day.

Thomas John Muthoot, Chairman (holding DIN: 00011618) and Mr. Thomas Muthoot (holding DIN: 00082099), Director, being brothers of Mr. Thomas George Muthoot, are interested in the resolution. Save and except the above, none of the other Directors/Key Managerial Personnel and/or their relatives are interested in this resolution.

The Board recommend the Ordinary Resolution set out in Item No. 3 of the Notice for approval of the Members who are not related party(s).

#### **Item No. 4:**

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 ₹ 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 April 24, 2019, resolved to seek approval of Members to issue NCDs upto an amount of ₹ 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 Members 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 Members is, therefore, sought for the proposed issue of NCDs and for authorizing the Board to issue NCDs on such terms and conditions as may be deemed appropriate by the Board.

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.

The Board recommends the Special Resolution set out in Item No. 4 of this Notice for the approval of the Members.

#### **Item Nos. 5 & 6:**

Mr. A.P. Kurian (DIN: 00008022) and Mrs. Radha Unni (DIN: 03242769) were appointed as Independent Directors on the Board of the Company pursuant to the provisions of Section 149 of the Companies Act, 2013 read with the Companies (Appointment and Qualification of Directors) Rules, 2014 and the erstwhile Clause 49 of the Listing Agreement with the Stock Exchanges at the 20<sup>th</sup> Annual General Meeting held on September 03, 2014 for a period of five consecutive years, i.e., for a term upto September 02, 2019 ("first term" in line with the explanation to Sections 149 (10) and 149 (11) of the Act).

The Nomination and Remuneration Committee of the Board of Directors, on the basis of the report of performance evaluation of Independent Directors, has recommended reappointment of Mr. A.P. Kurian and Mrs. Radha Unni as Independent Directors for a second term of 5 (five) consecutive years, on the Board of the Company.

The Board, based on the performance evaluation of Independent Directors and as per the recommendation of the Nomination and Remuneration Committee, considers that, given their background and experience and contributions made by them during their tenure, the continued association of Mr. A.P. Kurian and Mrs. Radha Unni would be beneficial to the Company and it is desirable to continue to avail their services as Independent Directors. Accordingly, it is proposed to re-appoint Mr. A.P. Kurian and Mrs. Radha Unni as Independent Directors of the Company, not liable to retire by rotation and to hold office for a second term of 5 (five) consecutive years on the Board of the Company.

Section 149 of the Act and provisions of the SEBI (LODR) Regulations, 2015 *inter alia* prescribe that an Independent Director of a Company shall meet the criteria of independence as provided in Section 149 (6) of the Act.

Section 149 (10) of the Act provides that an Independent Director shall hold office for a term of up to five consecutive years on the Board and shall be eligible for re-appointment on passing a Special Resolution by the company and disclosure of such appointment in its Board's report. Section 149 (11) provides that an Independent Director may hold office for up to two consecutive terms.

Mr. A.P. Kurian and Mrs. Radha Unni are not disqualified from being appointed as Directors in terms of Section 164 of the Act and have given their consent to act as Directors. The Company has received notices in writing from a member