



MCSL/SEC/21-22/116

December 02, 2021

BSE Limited

Phiroze Jeejeebhoy Towers
Dalal Street,
Mumbai - 400 001

Scrip Code - 511766

National Stock Exchange of India Limited

Exchange Plaza, C-1, Block G,
Bandra Kurla Complex,
Bandra (E), Mumbai - 400 051

Trading Symbol - MUTHOOTCAP

Dear Sir/Madam,

Sub: Notice of Extra-Ordinary General Meeting of Muthoot Capital Services Limited

This is to inform you that the Extra-Ordinary General Meeting (EGM) of the shareholders of the Company will be held on **Wednesday, December 29, 2021 at 10.30 a.m.**, through Video Conference ("VC") or Other Audio-Visual Means ("OAVM") without the physical presence of the Members at a common venue. The Notice calling EGM along with the Explanatory Statements, are attached herewith for your information and records. The same are also available on the website of the Company at www.muthootcap.com under Investors tab.

The Company has fixed Thursday, December 23, 2021, as the cut-off date for the purpose of determination of eligibility of Members to exercise the remote e-voting on the resolutions being placed before the EGM of the Company. The remote e-voting will commence on 9.00 a.m. on December 26, 2021 and will end on 5.00 p.m. on December 28, 2021.

We request you to kindly take the same on your records.

Thanking you,

Yours faithfully,

For Muthoot Capital Services Limited

Abhijith Jayan

Company Secretary & Compliance Officer

CC To:

1. Central Depository Services (India) Limited
2. National Securities Depository Limited
3. Integrated Registry Management Services Private Limited



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 an Extraordinary General Meeting ("EGM") of the Members of "**Muthoot Capital Services Limited**" will be held on Wednesday, December 29, 2021, at 10.30 a.m., through Video Conference ("VC") or Other Audio-Visual Means ("OAVM") without the physical presence of the Members at a common venue, to transact the following businesses:

Item No. 1: Appointment of Statutory Auditors for the financial year ending March 31, 2022 and payment of remuneration thereof

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

"RESOLVED THAT in supersession of the Ordinary Resolution passed by the Members at the 23rd Annual General Meeting of the Company held on June 06, 2017 and pursuant to Circular no. RBI / 2021-22 / 25 - Ref. No. DoS. CO. ARG / SEC. 01 / 08.91.001 / 2021-22 dated April 27, 2021 issued by the Reserve Bank of India ("**RBI Guidelines**") and pursuant to the provisions of Sections 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 ("**the Act**"), M/s. PKF Sridhar & Santhanam LLP, Chartered Accountants, 91/92, 7th Floor, Dr. Radhakrishnan Road, Mylapore, Chennai - 600 004 (Firm Regn No. 003990S/S200018), who have offered themselves for appointment and have confirmed their eligibility to be appointed as Statutory Auditors in terms of Section 141 of the Act and applicable rules and the RBI Guidelines, be and are hereby appointed as the Statutory Auditors of the Company, to hold office from conclusion of this EGM till conclusion of the 28th Annual General Meeting of the Company to conduct audit of accounts of the Company for the financial year ending March 31, 2022.

FURTHER RESOLVED THAT the Board of Directors of the Company be and are hereby severally authorised to finalise the remuneration payable to the Statutory Auditor from time to time, apart from reimbursement of travelling / other out-of-pocket expenses incurred by them in connection with the audit and applicable taxes.

RESOLVED FURTHER THAT for the purpose of giving effect to the above resolution, the Board of Directors of the Company be and is hereby authorised on behalf of the Company to do all such acts, deeds, matters and things as it may, in its absolute discretion, deem necessary or desirable for such purpose and with power on behalf of the Company to settle all questions, difficulties or doubts that may arise in regard to implementation of the aforesaid resolution including but not limited to determination of roles and responsibilities/scope of work of the respective incoming Statutory Auditors, negotiating, finalising, amending, signing, delivering, executing, the terms of appointment including any contracts or documents in this regard, without being required to seek any further consent or approval of the Members of the Company."

Item No. 2: Appointment of Mrs. Shirley Thomas (DIN: 08586100) as Non-Executive Independent Woman Director

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 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 Mrs. Shirley Thomas (DIN: 08586100) who was appointed by the Board of Directors as an Additional Non-Executive Independent Woman Director of the Company with effect from November 25, 2021 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 up to the date of this Extra-Ordinary General Meeting of the Company in terms of Section 161 of the Companies Act, 2013 and who has submitted a declaration that she meets the criteria of Independence as provided in section 149(6) of the Act and she 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 Woman Director of the Company, who shall hold office for a period of five consecutive years from the date of this Extra-Ordinary 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.”

Kochi
November 25, 2021

By the order of Board of Directors
Sd/-
Abhijith Jayan
Company Secretary & Compliance Officer

NOTES

1. In view of the ongoing COVID-19 Pandemic situation, the general meetings of the companies shall be conducted through Video Conferencing (VC) or Other Audio Visual Means (OAVM) without the physical presence of the Members at a common venue, as per the guidelines issued by the Ministry of Corporate Affairs (MCA) vide Circular No. 14/2020 dated April 08, 2020, Circular No. 17/2020 dated April 13, 2020, Circular No. 20/2020 dated May 05, 2020, General Circular No. 02/2021 dated January 13, 2021 and General Circular No. 10/2021 dated June 23, 2021 (collectively referred to as "MCA Circulars") and Securities and Exchange Board of India ("SEBI") vide its Circular No. SEBI / HO / CFD / CMD1 / CIR / P / 2020 / 79 dated May 12, 2020 and Circular No. SEBI / HO / CFD / CMD2 / CIR / P / 2021 / 11 dated January 15, 2021 (collectively referred to as "SEBI Circulars"). In compliance with the provisions of the Companies Act, 2013 ("Act"), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("the Listing Regulations"), MCA Circulars and SEBI Circulars, this EGM of the Company is being held through VC / OAVM and hence the Members can attend and participate in this EGM through VC / OAVM.
2. The attendance of the Members attending the EGM through VC / OAVM will be counted for the purpose of ascertaining the quorum under Section 103 of the Companies Act, 2013.
3. Since this EGM is being held, pursuant to the MCA Circulars, through VC / OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for this EGM and hence the Attendance Slip and Proxy Form are not annexed to this Notice.
4. The Explanatory Statement pursuant to Section 102 (1) of the Companies Act, 2013, in respect of the special business as set out in Item No. 1 is annexed hereto.
5. The 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.
6. The 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.
7. Since the EGM will be held through VC / OAVM, the Route Map is not annexed in this Notice.
8. The Members can join the EGM through VC / OAVM 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the EGM through electronic mode will be made available for 1000 members on first come first served basis. It may be noted that the large Shareholders (i.e., Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders' Relationship Committee, Auditors are allowed to attend the EGM without restriction on account of first come first serve basis.
9. 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 on the CDSL platform. The Members whose names appear in the Register of Members / List of Beneficiary Owners as on **Thursday, December 23, 2021 (cut-off date)** 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 Sunday, December 26, 2021 and will end on 5.00 p.m. on Tuesday, December 28, 2021**. At the end of the remote e-voting period, the said facility shall forthwith be blocked. The Company has appointed CS Puzhankara Sivakumar, Managing Partner, SEP & Associates, Company Secretaries, First Floor, Building No. C.C 56/172, K.C. Abraham Master Road, Panampilly Nagar, Kochi - 682 036, failing which CS E.P Madhusudhanan, Partner, SEP & Associates, failing which CS Anju Panicker, Partner, SEP & Associates, to conduct the scrutiny of votes cast in the remote e-voting process and venue voting at the EGM of the Company.
- d) Once the vote on Resolution is cast by the shareholder, he shall not be allowed to change it subsequently.
- 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 venue voting in the EGM shall be declared within 48 hours of conclusion of the EGM 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:

10. 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 Sunday, December 26, 2021 and will end on 5.00 p.m. on Tuesday, December 28, 2021**. During this period, the shareholders of the Company, holding shares either in physical form or in dematerialized form as on the **cut-off date Thursday, December 23, 2021** 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) In terms of SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020 on e-Voting facility provided by Listed Companies and to increase the efficiency of the voting process, it has been arranged to enable e-voting to all the demat account holders, by way of a single login

credential, through their demat accounts / websites of Depositories / Depository Participants. Pursuant to the said SEBI Circular, Login method for e-Voting and joining virtual meetings for Individual shareholders holding securities in Demat mode is given below:

| Type of shareholders | Login Method |
|--|---|
| <p>Individual Shareholders holding securities in Demat mode with CDSL</p> | <ol style="list-style-type: none"> 1) Users of who have opted for CDSL's Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The URLs for users to login to Easi / Easiest are https://web.cdslindia.com/myeasi/home/login or www.cdslindia.com and click on Login icon and select New System Myeasi. 2) After successful login the Easi / Easiest user will be able to see the e-Voting Menu. On clicking the e-voting menu, the user will be able to see his/her holdings along with links of the respective e-Voting service provider i.e. CDSL / NSDL / KARVY / LINK INTIME as per information provided by Issuer / Company. Additionally, we are providing links to e-Voting Service Providers, so that the user can visit the e-Voting service providers' site directly. 3) If the user is not registered for Easi / Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration 4) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a link in www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be provided links for the respective ESP where the e-Voting is in progress during or before the EGM. |
| <p>Individual Shareholders holding securities in demat mode with NSDL</p> | <ol style="list-style-type: none"> 1) If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsd.com either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 2) If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsd.com. Select "Register Online for IDeAS "Portal or click at https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp 3) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsd.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e., your sixteen-digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to |

| | |
|---|--|
| | NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting |
| Individual Shareholders (holding securities in demat mode) login through their Depository Participants | You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider's website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. |

Important note: Members who are unable to retrieve User ID / Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e., CDSL and NSDL:

| Login type | Helpdesk details |
|---|---|
| Individual Shareholders holding securities in Demat mode with CDSL | Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at 022- 23058738 and 22-23058542-43 |
| Individual Shareholders holding securities in Demat mode with NSDL | Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30 |

Login method for e-Voting and joining virtual meetings for shareholders other than individual shareholders & physical shareholders.

- (i) The shareholders should log on to the e-voting website www.evotingindia.com.
- (ii) Click on "Shareholders" module.
- (iii) 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.
- (iv) Next, enter the image verification as displayed and click on "Login".
- (v) 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.
- (vi) If you are a first time user follow the steps given below:

| | For Members holding shares in Demat Form other than individual and Physical Form |
|-----|---|
| 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"> Members who have not updated their PAN with the Company / Depository Participant are requested to use the sequence number sent by Company / RTA or contact Company / RTA. |
| Dividend Bank Details or 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 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) |

- (vii) After entering these details appropriately, click on "SUBMIT" tab.
- (viii) 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.
- (ix) For Members holding shares in physical form, the details can be used only for remote e-voting on the resolutions contained in this Notice.
- (x) Click on the EVSN for the relevant Company name i.e., <MUTHOOT CAPITAL SERVICES LIMITED> on which you choose to vote.
- (xi) 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.
- (xii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xiii) 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.
- (xiv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xv) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- (xvi) 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.
- (xvii) Shareholders can also cast their vote using CDSL's mobile app "**m-Voting**". The m-Voting app can be downloaded from respective Store. Please follow the instructions as prompted by the mobile app while Remote Voting on your mobile.

11. INSTRUCTIONS FOR SHAREHOLDERS ATTENDING THE EGM THROUGH VC / OAVM

- (i) The procedure for attending meeting is same as the instructions mentioned above for Remote e-voting. The link for VC / OAVM to attend meeting will be available where the EVSN of Company will be displayed after successful login as per the instructions mentioned above for Remote e-voting.
- (ii) Shareholders are encouraged to join the Meeting through Laptops / iPads for better experience.
- (iii) Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
- (iv) Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio / Video loss due to fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
- (v) Shareholders who would like to express their views / ask questions during the meeting may register themselves as a speaker by sending their request in advance at least 5 days prior to meeting by mentioning their name, demat account number / folio number, email id, mobile number at mail@muthootcap.com. The shareholders who do not wish to speak during the EGM but have queries may send their queries in advance 5 days prior to meeting mentioning their name, demat account number / folio number, email id, mobile number at mail@muthootcap.com. These queries will be replied to by the Company suitably by email.
- (vi) Those shareholders who have registered themselves as a speaker will only be allowed to express their views / ask questions during the meeting.

12. INSTRUCTIONS FOR SHAREHOLDERS FOR E-VOTING DURING THE EGM

1. The procedure for e-Voting on the day of the EGM is same as the instructions mentioned above for Remote e-voting.
2. Only those shareholders, who are present in the EGM through VC / OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the EGM.
3. If any Votes are cast by the shareholders through the e-voting available during the EGM and if the same shareholders have not participated in the meeting through VC / OAVM facility, then the votes cast by such shareholders shall be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.
4. Shareholders who have voted through Remote e-Voting will be eligible to attend the EGM. However, they will not be eligible to vote at the EGM.

13. 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.
 - Alternatively Non Individual shareholders are required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at mail@muthootcap.com, if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.
14. 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, under help section or write an email to 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 8542/43 or mail to helpdesk.evoting@cdslindia.com.

Kochi
November 25, 2021

By the order of Board of Directors
Sd/-
Abhijith Jayan
Company Secretary & Compliance Officer

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. 1: Appointment of Statutory Auditors for the financial year ending March 31, 2022 and payment of remuneration thereof

The shareholders of the Company, at the 23rd Annual General Meeting held on June 06, 2017, had appointed 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) as the Statutory Auditors of the Company, to hold office from the conclusion of 23rd Annual General Meeting until the conclusion of the 28th Annual General Meeting of the Company. Accordingly, M/s. Varma & Varma have conducted audit of the accounts of the Company for four consecutive financial years ending March 31, 2021.

The Reserve Bank of India ("RBI") has issued guidelines for appointment of Statutory Auditors by non-banking financial company ("NBFC") vide Circular No. RBI / 2021-22 / 25 Ref. No. DoS. CO. ARG / SEC. 01 / 08.91.001 / 2021-22 dated April 27, 2021 ("RBI Guidelines"). Pursuant to RBI Guidelines, the audit firms completing tenure of three financial years in the NBFC are not eligible to continue to hold office as Statutory Auditors of the NBFC. Since the RBI Guidelines are being implemented for the first time for NBFCs from Financial Year 2021-22 and in order to ensure that there is no disruption, the RBI has given flexibility to NBFCs to appoint new Statutory Auditors in the second half of the financial year ending March 31, 2022.

In compliance with the RBI Guidelines, the current Statutory Auditors are ineligible to continue to hold the office as Statutory Auditor of the Company as they have already completed a tenure of four financial years on the date of coming into effect the RBI Guidelines. Accordingly, the current Statutory Auditors would resign from the office Statutory Auditor of the Company after completing the limited review of the financial statements for the second quarter of financial year 2021-22 in compliance with the RBI Guidelines.

Pursuant to RBI Guidelines, the Company is required to appoint a new Statutory Auditor in place of the current Statutory Auditor from the second half of the current financial year 2021-22.

The Audit Committee and Board of Directors in their meetings held on October 29, 2021 and October 30, 2021 respectively took note of the RBI Guidelines and had passed resolutions to recommend to the shareholders of the Company for their approval for appointment of M/s. PKF Sridhar & Santhanam LLP, Chartered Accountants, 91/92, 7th Floor, Dr. Radhakrishnan Road, Mylapore, Chennai - 600 004 (Firm Regn No. 003990S / S200018) as Statutory Auditors of the Company for three consecutive financial years ending March 31, 2022, March 31, 2023 and March 31, 2024 for the following three terms in compliance with the RBI Guidelines, subject to the firm satisfying the eligibility norms at the beginning of each financial year:

First Term: from the beginning of second half of financial year 2021-22 till the conclusion of 28th Annual General Meeting of the Company to conduct the audit of accounts of the Company for the financial year ending March 31, 2022.

Second Term: from conclusion of the 28th Annual General Meeting till the conclusion of 29th Annual General Meeting of the Company to conduct the audit of accounts of the Company for the financial year ending March 31, 2023.

Third Term: from conclusion of 29th Annual General Meeting of the Company till the conclusion of 30th Annual General Meeting of the Company to conduct the audit of accounts of the Company for the financial year ending March 31, 2024.

Pursuant to Section 139 (8) (i) of the Act, any casual vacancy in the office of an auditor shall be filled by the Board of Directors within thirty days, but if such casual vacancy is as a result of the resignation of an auditor, such appointment shall also be approved by the Company at a General Meeting convened within three months of the recommendation of the Board and shall hold the office till the conclusion of the next annual general meeting.

Pursuant to the provisions of Section 139 (8) (i) of the Act, the Statutory Auditors proposed to be appointed in this EGM will hold the office from the beginning of second half of financial year 2021-22 till conclusion of the 28th Annual General Meeting of the Company. As such, in order to comply with provisions of Section 139 (8) (i) of the Act, the Board of Directors have initially proposed the ordinary resolution for the appointment of the Statutory Auditor proposed to be appointed in this EGM for the First term ending on conclusion of the 28th Annual General Meeting as set out in the Notice of this EGM.

Subsequently, in the Notice of 28th Annual General Meeting, the Board of Directors will recommend to the shareholders to pass the ordinary resolution for appointment of the proposed Statutory Auditors for the Second and Third Term ending at the 29th Annual General Meeting and 30th Annual General Meeting respectively. Thereby, the proposed Statutory Auditor will effectively hold office for three consecutive terms, ending on conclusion of the 30th Annual General Meeting of the Company and for the three consecutive financial years ending March 31, 2024 in compliance with the RBI Guidelines.

M/s. PKF Sridhar & Santhanam LLP have confirmed that their appointment, if made, would be within the limits specified under Section 141 of the Act as they are not disqualified to be appointed as statutory auditor under Section 141 and other relevant provisions of the Act, the provisions of the Companies (Audit and Auditors) Rules, 2014 and the Chartered Accountants Act, 1949 and that they are eligible for appointment as Statutory Auditors of NBFC as per the RBI Guidelines.

The Audit Committee and the Board of Directors recommend to the shareholders, the appointment of M/s. PKF Sridhar & Santhanam LLP, as new Statutory Auditor of the Company in the manner set out in the ordinary resolution of the Notice of this EGM. The said resolution is proposed to be passed in supersession of the ordinary resolution no. 3 of the 23rd Annual General Meeting of the Company held on June 06, 2017.

It is also proposed to authorise the Board of Directors of the Company to finalise the remuneration payable to the Statutory Auditor from time to time, apart from reimbursement of travelling/other out-of-pocket expenses incurred by them in connection with the audit and applicable taxes.

Disclosure under Regulation 36 (5) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

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| Proposed Statutory Audit Fee payable to auditors for the financial year ending March 31, 2022 | Up to an amount of ₹ 18 Lakhs (including fees for certification, if any) plus GST as applicable and reimbursement of travelling / other out-of-pocket expenses, if any, as may be decided by the Board of Directors including any committee thereof. |
| Terms of appointment | For the First Term, M/s. PKF Sridhar & Santhanam LLP will hold office from the date of conclusion of this EGM |

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| | till the conclusion of 28 th Annual General Meeting of the Company to conduct the audit of accounts of the Company for the financial year ending March 31, 2022. |
| Material changes in fee payable to the new Statutory Auditors | There is no material change in fee to be paid to the new Statutory Auditors proposed to be appointed through the ordinary resolution as set out at Item No. 1 of the Notice of this EGM. |
| Basis of recommendation and auditor credentials | <p>The recommendations made by the Audit Committee and the Board of Directors of the Company (after evaluating multiple firms and selecting therefrom) are in compliance with the RBI Guidelines and in fulfilment of the eligibility criteria prescribed under the Companies Act, 2013 and the applicable rules made under the Act with regard to the full-time partners, statutory audit experience of NBFCs, capability, assessment of independence, etc.</p> <p><u>Brief Profile of M/s. PKF Sridhar & Santhanam LLP:</u></p> <p>M/s. PKF Sridhar & Santhanam LLP is a Chartered Accountant firm (Firm Regn No. 003990S / S200018) established in 1978 and is one of the largest audit firms in South India now having 19 full-time partners having Head Office at Chennai and branches in Bengaluru, Hyderabad, Mumbai, and New Delhi.</p> <p>The firm is highly ranked amongst the CA firms from South India empaneled with CAG and has been auditors of some of the large Navratna Companies of the Government of India and also are part of the SCA list in the RBI's panel for PSU Banks.</p> |

All relevant documents will be available for inspection by the Members at the registered office of the Company between 9:00 a.m. to 5:00 p.m., except on holidays up to and including the date of this EGM. The same will also be made accessible for inspection through electronic mode without any fee by the Members from the date of circulation of this Notice up to the date of EGM.

None of the Directors or Key Managerial Personnel nor their relatives are concerned or interested financially or otherwise in the proposed resolution.

Item No. 2: Appointment of Mrs. Shirley Thomas (DIN: 08586100) as Non-Executive Independent Woman Director

On the recommendation of the Nomination and Remuneration Committee, the Board of Directors of the Company has appointed Mrs. Shirley Thomas (DIN: 08586100) as an Additional Non-Executive Independent Woman Director on the Board w.e.f. November 25, 2021.

The Company had carried out proper due diligence on Mrs. Shirley Thomas, based on her qualifications, technical expertise, track record, integrity, etc. and other fit and proper criteria for Directors as laid out in the Fit & Proper Criteria Policy of the Company, to determine her suitability to be appointed as a Director on the Board of the Company.

Mrs. Shirley Thomas has a rich all-round Banking experience spread over Branch Banking to Network Level Senior Management roles. She started her career with State Bank of India (SBI) in 1984 as a Probationary Officer and spent the last 37 years with SBI. Mrs. Shirley Thomas possesses various skills, experience, and knowledge in the fields of finance, banking, management, sales, and administration. She has also handled many portfolios and positions over the last several years like Senior Vice President, Strategic Partnership and Remittances, Assistant General Manager, Stressed Asset Management Branch, Deputy General Manager, Group Risk, Deputy General Manager, Enterprise Risk and Group Risk Management, and General Manager Chennai Circle. Besides, she was in the role of Senior Vice President, Sales and Distribution while working with SBI during the period from September 2008 to November 2012. She was also a Nominee Director of ITCOT Limited for a period of 1 year. She has also handled Corporate Banking, Retail Business, Agricultural Finance, International Banking, Non- Resident Accounts, and Small-Scale Industries in several large branches etc. in her distinguished career.

Mrs. Shirley Thomas does not have any disqualifications as provided under Sections 164 and 167 of the Companies Act, 2013 and is not debarred from holding the office of director by virtue of any SEBI order or any other such authority. Mrs. Shirley Thomas meets the conditions of being independent as stipulated under the Companies Act, 2013, Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Listing Agreement entered into with the Stock Exchanges.

As per Regulation 17 (1C) of SEBI (LODR) Regulations, 2015, which shall take effect from 01.01.2022, the Company shall obtain the approval of shareholders for appointment of a person on the Board of the Company at the next general meeting or within a period of three months from the date of appointment by the Board, whichever is earlier. Hence, as a matter of abundant caution as well as to ensure good corporate governance practices, the Company seeks to obtain approval of the shareholders for the appointment of Mrs. Shirley Thomas as a Non-Executive Independent Director on the Board in this general meeting. The appointment of Mrs. Shirley Thomas is recommended by the Nomination and Remuneration Committee and the Board.

Details of Mrs. Shirley Thomas are provided in the "**Annexure 1**" to this Notice pursuant to the provisions of (a) the SEBI (LODR) Regulations, 2015 and (b) Secretarial Standard on General Meetings ("SS-2"), issued by the Institute of Company Secretaries of India.

None of the Directors or Key Managerial Personnel or their relatives, except Mrs. Shirley Thomas are in any way concerned or interested financially or otherwise in the proposed resolution as set out in the Notice.

The Board recommends the Ordinary Resolution set out in Item No. 2 of this Notice for the approval of the Members.

Annexure 1: Information required to be furnished under Regulation 36 (3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard on General Meetings ("SS-2"), issued by the Institute of Company Secretaries of India

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| Name of the Director | Mrs. Shirley Thomas |
| DIN | 08586100 |
| Age | 60 years |
| Date of Birth | October 13, 1961 |
| Nationality | Indian |

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| Date of first appointment on the Board | November 25, 2021 |
| Relationship with other Directors | Not related to any Director |
| Qualification | B. Sc (Agriculture) |
| Expertise in specific functional areas | Finance, Banking, Management, Sales, and Administration |
| Number of shares & % of holding including beneficial holding | Nil |
| List of Directorships held in other Public Limited Companies | Nil |
| Chairmanships / Memberships of Committees in other Public Limited Companies (includes Audit Committee [AC] and Stakeholders Relationship Committee [SRC]) | Nil |
| Number of Board meetings attended during the FY 2021 - 2022 | Held - 0 Attended - 0 |

Kochi
November 25, 2021

By the order of Board of Directors
Sd/-
Abhijith Jayan
Company Secretary & Compliance Officer

MUTHOOT CAPITAL SERVICES LIMITED

CIN: L67120KL1994PLC007726

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