Press Release

MANAPPURAM FINANCE LTD.ISSUES CLARIFICATION

Feb. 07, 2012, Valapad, Thrissur: Manappuram Finance Ltd., a non-banking financial company (NBFC) with registered office at Valapad (Thrissur District, Kerala State) does not accept any public deposits. However, it is accepting investments through secured Non-Convertible Debentures (NCDs) and Subordinate Bonds which do not fall under the definition of "public deposits".

The company was earlier known as Manappuram General Finance and Leasing Ltd. and classified as a deposit taking NBFC. It was re-categorised as a non-deposit taking NBFC in 2011 by the Reserve Bank of India (RBI) upon a request made by the company. This followed a decision taken by its Board of Directors. Existing depositors of the company at that time were mostly repaid (with interest) prior to the re-categorisation. The balance portion of the deposits was held in an ESCROW account with Punjab National Bank, Thrissur (Kerala) Branch and this was informed to RBI on March 11, 2011.

RBI re- categorised the company as Non-Deposit taking Company and issued necessary approval for the same on March 22,2011. The name of the company was subsequently changed to Manappuram Finance Ltd. The company continues to be registered with RBI as a non-deposit taking NBFC.

This press release is being issued to clarify the status of the company in the context of a public notice (Press release) recently published by RBI stating that the company is not eligible to accept public deposits.

The Board of Directors ofManappuram Finance Ltd will meet on February 10, 2012 at company head quarters at Valappad, Thrissur, Kerala to discuss about the press release of RBI. The Board will also discuss about measures to be taken to further improve the corporate governance of the company.

Sd/-
I Unnikrishnan
Managing Director
Manappuram Finance Ltd

True Copy

For Manappuram Finance Limited

Rajesh Kumar.K
Company Secretary