



Muthoot Finance Ltd.

Corporate Office :
2nd floor, Muthoot Chambers,
Banerji Road, Kochi - 682 018
Kerala, India.

Phone : +91 484 2396478, 2394712
Fax : +91 484 2396506
mails@muthootgroup.com
www.muthootgroup.com



July 15, 2011

Listing Department
National Stock Exchange of India Ltd.
Exchange Plaza,
Plot no. C/1, G Block,
Bandra-Kurla Complex
Bandra (E)
Mumbai - 400 051

Sir,

Re: Launch of Gold ETF Loan Scheme by Muthoot Finance Limited

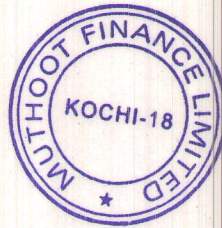
Muthoot Finance Limited has announced the launching of a new gold loan scheme of Loan Against the security of Gold Exchange Traded Funds through various branches across the country.

We also herewith enclose a copy of the Press Release proposed to be made in the leading news papers across the country. Request you to kindly taken on record the same.

Thank you.

For Muthoot Finance Limited

Rajesh A
Company Secretary





Muthoot Finance Ltd.

Corporate Office :
2nd floor, Muthoot Chambers,
Banerji Road, Kochi - 682 018
Kerala, India.

Phone : +91 484 2306476, 2304712
Fax : +91 484 2306508
mails@muthootgroup.com
www.muthootgroup.com



Muthoot Finance Ltd launches Gold ETF Loan Scheme

15th July 2011, Cochin, India: The country wide investors of Gold ETFs (Exchange Traded Funds) can now avail hassle free loan against their ETF units from Muthoot Finance Ltd

Muthoot Finance Ltd - the largest gold financing NBFC in India, will now offer loans to the public against the security of Gold ETFs (Exchange Traded Funds).

Gold Exchange Traded Funds (ETF), commonly referred as 'Paper Gold' are mutual fund units issued by Asset Management Companies against 995 purity physical gold deposited with a SEBI registered custodian. Gold ETFs are listed and traded on stock exchanges; hence, can be bought and sold like stocks on a real-time basis. These funds are passively managed and mirror the domestic gold prices. By enabling investors to invest in gold without holding it in physical form, Gold ETFs offer a rather unique investment opportunity to investors.

Launching the service, **Mr. George Alexander Muthoot, Managing Director - Muthoot Finance Ltd** said, "Loan against Gold ETF is a scheme through which Muthoot Finance plans to venture into a totally new segment of Gold Financing which would not only add value but also enable the company to service the financial requirements of newer customer segments"

The new scheme that would be available to the customers by the end of July 2011 would enable them to avail finance against their Gold ETF units to the extent of 85% of the Net Asset Value of ETFs.

"Gold ETF has seen a progressive rise in popularity throughout the country over the past two to three years with a whopping size of over Rs 5000 crores (as on June 2011) resulting out of active investments from over 320,000 investors" said a higher official from the **National Stock Exchange** present at the launch.

Adding to this **Mr. Anil Desai, National Head-Sales - Benchmark Asset Management Co. Pvt Ltd** also present at the launch said that "The Gold ETF Loan scheme by Muthoot Finance Ltd, would act as a source for the investors of Gold ETFs to raise funds against their investment units during times of immediate requirements instead of selling those units"

About Muthoot Finance

Muthoot Finance Ltd is the Largest Gold Financing Company in terms of loan portfolio. The company is a "Systemically Important Non - deposit taking NBFC" headquartered in the southern Indian state of Kerala. Operating history of Muthoot Finance has evolved over a period of 70 years since M George Muthoot founded a gold loan business in 1939 under the heritage of a trading business established by his father, Mr. Ninan Mathai Muthoot, in 1887. With its extensive network of branches spread across 21 states and 4 union territories across India, the company proudly serves more than 50,000 customers a day. For more information, log on to www.muthootfinance.com

