20th March 2013

The Manager
Madras Stock Exchange Limited
Exchange Building
Post Box No 183, New No30(OLD:11)
Second Line Beach
Chennai 600001

**Kind attn. Mr.S Padmanabhan**

**Madam/Sir**

Reg . **Reply to your letter No.MSE/LD/SP/Survelliance /94 dated 20-03-2013**

This has reference to your above letter forwarded to us along with the news paper cutting of Economic Times seeking clarification on the points covered in the said article. We are happy to provide the following information to the exchange in this connection.

1) Selectively sharing of information;-

The statement that the company has selectively shared some information with some investors is false and baseless. We would like to make it clear in this respect that we have met M/s. Ambit Capital analyst wing seeking some guidance on a professional basis on guiding the market about the 4th quarter results and future outlook. Our representative has met them at their office on Monday, the 18th of March 2013 at about 4 pm. We have also seen analyst coverage on our company from Ambit and the report is attached.

2) Con-call arranged on 19-03-2013

When we noticed the decline in share price, we discussed internally and decided to have an investors con call whereby the company could directly explain the position and answer queries of the investors too. The con call news was announced in our Web site at about 1.20.pm yesterday and the call was started at 2.30.pm. Mr. I Unnikrishnan Executie Director and Dy.CEO represented the Company and presented facts and figures. His presentation was completed at about 2.50.pm. and the con call was completed at about 3.45.pm. Subsequently the company has made an announcement to the exchange also.

3) Facts and figures about reduction in revenue.

In the above referred con call company disclosed that out of the total gold loan book of the company, the company is having a loan portfolio close to Rs.1500.cores and a further amount close to Rs.500.crores as interest accrued thereon. These loans of Rs.1500.crores were disbursed largely during the months of October to December 2011 at a relatively higher LTV and therefore, the company may lose a portion of the accrued interest to the extent of Rs.250.crore as the price of the under lying security may not be sufficient to recover the interest in full due to the recent price correction of gold.

For Manappuram Finance Limited

Rajesh Kumar.K
Company Secretary


Corporate Office : Manappuram House, P.O. Valapad, Thrissur, Kerala - 680 567, India. Tel : 0487 - 30[illegible]
Fax : 0487 - 2399298, E mail : mail@manappuram.com, Website : www.manappuram.com

We expect a one time hit of Rs.250 crores during this quarter either by way of crystlised income not being received or expected to be not received resulting in a Q4 loss up to Rs. 50.crore . This accounting treatment is being made as a prudent policy the company is following in income recognition. As a result of it the profit after tax of the company for the year 2012-13 is expected to be in the range of Rs.300.crores.

We hope that you will find it in order and meet your purpose.

Thanking you

**Yours faithfully**

**For Manappuram Finance Ltd.,**

**Rajesh Kumar. K**
**Company Secretary**

MANAPPURAM FINANCE LIMITED
VALAPAD