



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

May 27, 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,

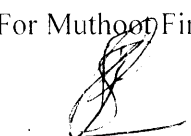
Re: Launch of Western Union[®] Money Transfer Service in Muthoot Finance Branches

Muthoot Finance Limited has tied up with The Western Union Company and Paul Merchants Limited for providing money transfer services through various branches of the Company 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





PAUL MERCHANTS LTD.
PAUL MERCHANTS LTD. 2008 Company Ltd.



Muthoot Finance launches the Western Union® Money TransferSM Service

Service launched across 2,800 branches nationwide

May 27, 2011, Kochi, India: International money transfer consumers across Kerala - India's foremost remittance driven economyⁱ will now be able to receive their Western Union® Money TransferSM transactions from Muthoot Finance - a leading Kerala based financial institution.

Muthoot Finance will now offer Western Union Money Transfer services from its countrywide network of 2800 locations linking them to Western Union's network of more than 400,000 locations in over 200 countries and territories across the world¹.

Launching the service, Mr George Alexander Muthoot – Managing Director, Muthoot Finance Ltd said, "Here, on this occasion, three of the biggest players of the Indian Financial Services industry have come together with the intention of providing a premium money transfer service to customers across the country".

Muthoot Finance Ltd., through its extensive network of branches, aims to capitalize the huge potential of the money transfer business in India.

"With its expansive global network, Western Union is uniquely positioned to deliver fast, reliable and convenient money transfer services to consumers across remote geographical locations globally. With the addition of Muthoot Finance, India's largest gold loan financing company, we hope to further reinforce our national brand presence through Muthoot Finance's extensive network of over 2,800 branches across India shortly," announced Anil Kapur, Managing Director- South & South East Asia, Western Union.

According to the World Bank's Migration and Remittance Fact book for 2011 released earlier this year, India continues to be the largest remittance receiving country in the world with an estimated US\$55bn received during the year 2010. A Reserve Bank of India study report released in early 2010 attributed 38% of remittances flowing into India originating from North America followed by Gulf countries accounting for 27% and Europe at 18% of the total remittances received. The World Bank estimates remittances to account for 4.2% of India's GDPⁱⁱ.

Kerala and Tamil Nadu together account for close to 33% of Indians migrating abroad according to a recent report from the Ministry of Overseas Indian Affairs (MOIA).ⁱⁱⁱ The Western Union Agent network in India currently spans over 71,000 Agent locations, with over 10,000 of these locations spread across the states



PAUL MERCHANTS LTD.
(An ISO 9001:2008 Certified Co.)



of Kerala and Tamil Nadu. By launching the service, Muthoot Finance's branch network will now join Western Union's over 400,000^{iv} Agent location network spread across more than 200 countries and territories across the world.

Kiran Shetty, Western Union's Regional Vice President for India said, "Over its 17 years in India, the Western Union network has constantly strived to extend its reach across rural India. The addition of Muthoot Finance's branches will go a long way to fulfilling our rural outreach plans."

S Paul, Chairman & Managing Director - Paul Merchants Limited added, "Western Union and Paul Merchants have worked together to continue to bring international money transfer services closer to the homes of the families and loved ones of those working and living overseas since 1998.

"Through our agreement with Western Union we have facilitated a number of classes of trade including retail and banks to offer Western Union® Money TransferSM services to the remotest corners of India. The collaboration with Muthoot Finance is one more step in this direction which would positively impact people across the 2,800 branches offering the service," he said.

About Western Union

The Western Union Company (NYSE: WU) is a leader in global payment services. Together with its Vigo, Orlandi Valuta, Pago Facil and Western Union Business Solutions branded payment services, Western Union provides consumers and businesses with fast, reliable and convenient ways to send and receive money around the world, to send payments and to purchase money orders. The Western Union, Vigo and Orlandi Valuta branded services are offered through a combined network of 455,000 agent locations in 200 countries and territories. In 2010, The Western Union Company completed 214 million consumer-to-consumer transactions worldwide, moving \$76 billion of principal between consumers, and 405 million business payments. For more information, visit www.westernunion.com.

About Muthoot Finance

Muthoot Finance Ltd (NSE & BSE: MUTHOOTFIN) 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 22 states and 4 union territories across India, the company proudly serves approx 70,000 customers a day. For more information, log on to www.muthootfinance.com



PAUL MERCHANTS LTD.
An ISO 9001:2008 Certified Company



About PML

The illustrious Journey of Paul Merchants Limited started in the year 1991. The large conglomerate has diversified interests in Forex, International Money Transfer, Entertainment Industry (Satellite TV), Distribution of Telecommunication Services, Tours, Travels and Holidays Packages and Air Ticketing over a period of time. The Company is a Public Limited Company with its scrips listed on Delhi Stock Exchange. The Head office of the Company is at Chandigarh. The Company holds licenses issued by Reserve Bank of India to act as Authorized Dealer Category II and as Principal Agent of Western Union for providing inbound International Money Transfer services. Further PML is an IATA accredited Travel Agency. For its quality systems and processes, the Company has been certified as an ISO 9001:2008 Company, with the certification awarded by Moody International, UK.

Being the largest principal agent of Western Union in entire South & South East Asia, Paul Merchants provides money transfer service through 700+ of its own offices and 15000+ agent partners. For more information, log on to www.paulmerchants.net

For further details please contact

Mr. Prasanna Kotian

+91 9987686321

Prasanna.kotian@westernunion.com

Western Union Financial Services

Mr Jose Allesh

+91 9847000700

joseallesh@muthootgroup.com

Muthoot Finance Ltd

Mr. Jayachandran

+91 9349538608

jayachandran@paulmerchants.net

Paul Merchants Limited

ⁱ Kerala State Govt estimates - Remittance accounts for 20% of state's GDP

ⁱⁱ Source: World Bank Migration and Remittances Factbook 2011

ⁱⁱⁱ Ministry of Overseas Indian Affairs Annual report 2009-10

^{iv} Network data as of 31st March, 2011