

MANAPPURAM FINANCE LIMITED

Regd. Office: IV/470A (old) W638A (new), Manappuram House, Valapad P.O, Thrissur – 680 567

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NOTICE OF POSTAL BALLOT PURSUANT TO SECTION 110 OF THE COMPANIES ACT, 2013

Dear Member(s),

Notice is hereby given pursuant to Section 110 of the Companies Act, 2013, read with Rule 22 of the Companies (Management and Administration) Rules, 2014 (including any statutory modification or re-enactment thereof for the time being in force to the members of Manappuram Finance Limited (hereinafter referred to as 'the Company' to seek their approval by way of Postal Ballot for the proposals contained in the draft resolution as given below:

- I. Approval to borrow in excess of the paid up share capital and free reserve of the Company under Section 180 (1) (c) of the Companies Act, 2013; and
- II. Approval to create charge/ mortgage over the properties of the Company for the purpose of borrowing in the terms of Section 180(1)(a) of the Companies Act, 2013.

The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 pertaining to the resolutions stating the material facts of the proposals are annexed hereto along with the Postal Ballot for your consideration.

The Board of Directors of the Company has appointed Mr. Sathish. V, Practicing Company Secretary, as Scrutinizer at the meeting held on 25th July 2014 for conducting the postal ballot (physical & e-voting) process in accordance with the law in a fair and transparent manner.

The Company in compliance with Clause 35B of the Listing Agreement and the provision of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014, is pleased to provide the members with the facility to exercise their right to vote on the matters included in the postal ballot by electronic means i.e. through e-voting services provided by CDSL. The e-voting period commences on Tuesday, 12th August 2014 at 9.30 am and ends on Wednesday, 10th September 2014 at 5.30 pm. Please read carefully and follow the instructions as printed in this Notice for e-voting.

However, those members, who do not have access to e-voting facility can send their assent or dissent in writing in the postal ballot form attached herewith.

Members are requested to carefully read the instruction printed on the postal ballot form and return the form

duly completed and signed in the attached self-addressed, Business Reply Envelope, so as to reach the Scrutinizer before the close of working hours (5:30 p.m.) on Wednesday, 10th September 2014. Please note that any postal ballot form(s) received after the said date will be treated as not received.

The Scrutinizer will be submitting his report to the Chairman or in his absence, any person authorized by him, after the completion of the scrutiny of the postal ballots (physical and e-voting). The result of the Voting Postal Ballot will be announced by the Chairman of the Company or in his absence, any person authorized by him, on Thursday the 12th September 2014 at the Registered Office of the Company at **IV/470A (old) W638A (new), Manappuram House, Valapad P.O, Thrissur - 680 567** The results of the postal ballot shall also be announced through newspaper advertisement. The resolutions, if approved, will be taken as passed effectively on the date of declaration of results.

Members requiring any clarifications on e voting may contact Registrars and Transfer Agents of the Company viz. S.K.D.C. Consultants Limited, Kanapathy Towers, 3rd Floor, 1391/A-1, Sathy Road, Ganapathy Post, Coimbatore 641006. Phone 0422 6549995. 2539835/36, Fax 0422 2539837, Email : info@skdc-consultants.com.

Proposed Resolutions

Item No. 1:

Approval to borrow in excess of the paid up share capital and free reserve of the Company under Section 180(1)(c) of the Companies Act, 2013.

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

“RESOLVED THAT in suppression of the earlier resolution passed by the members in the Extra Ordinary General Meeting of the Company held on 31.05.2011 in the terms of Section 293(1)(d) of the Companies Act, 1956 and pursuant to the provisions of Section 180(1)(c) and other applicable provisions, if any, of the Companies Act, 2011, and the Rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) and the Article of

Association of the Company, the consent of the Company, be and is hereby accorded, to the Board of Directors of the Company (herewith referred to as the Board which expression shall also include a Committee thereof), to borrow (apart from temporary loans obtained from the Company's bankers in the ordinary course business) of exceeding the paid up share capital of the Company and its free reserves, that is to say, reserves not set apart for any specific purpose, provided that the total amount up to which monies may be borrowed by the Board of Directors shall not exceed the sum of ₹ 20,000 Crores (Rupees Twenty Thousand Crores only) at any time.

RESOLVED FURTHER THAT for the purpose of giving effect to the above resolution, the board be and is hereby authorized to do all such things and acts as may be necessary and expedient and to settle any question or matter that may arise in connection therewith."

Item No.2:

Approval to create charge/ mortgage over the properties of the Company for the purpose of borrowing in the terms of Section 180(1)(a) of the Companies Act, 2013

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

"RESOLVED THAT in suppression of the earlier resolution passed by the members by postal ballot on 12th April 2013, in terms of provisions of Section 293(1)(a) and other applicable provisions, if any, of the Companies Act 1956 and pursuant to the provisions of Section 180(1)(a) and other applicable other applicable provisions, if any, of the Companies Act, 2013, and the Rules made thereunder including any statutory modifications or re-enactments thereof for the time being in force, and the Article of Association of the Company, the company hereby accords its consent to mortgage and or charge in addition to the mortgages/charges created /to be created by the company in such form and manner and such ranking and at such time and on such terms as the Board may determine all or any of the movable and or immovable properties of the company both present and future and or the whole or any part of the undertaking of the company in favour of the lender, agent, trustees for securing the borrowings of the company availed/to be availed by way of loan in foreign currency and or in rupee currency and securities comprising of fully/partly convertible debentures and or secured premium notes and or floating rates notes, bonds or other debt instruments issued/ to be issued by the company from time to time in one more tranches up to a aggregate limit of ₹ 20,000 Crores (Rupees Twenty Thousand Crores Only) as approved under Section 180(1)(c) of the Companies Act, 2013 together with interest at the respective agreed rates additional interest and in case of default accumulated interest,

liquidated damages, commitment charges on pre payment, remuneration of the agents and or trustees, premium if any on redemption all other costs charges and expenses including any increase as a result of devaluation, revaluation, fluctuation in the rates of exchange and all other moneys payable by the company in terms of the respective loan agreement, debentures, trust deed or any other document entered into/ to be entered into between the company and the lenders, investors, agents and or trustees in respect of the said loans borrowings debentures and continuing such specific terms and conditions and covenants in respect of enforcement of security as may be stipulated in that behalf and agreed to between the board of directors or any committees thereof and the lenders agents and or trustees.

RESOLVED FURTHER THAT the Board of Directors of the company be and is hereby authorised to finalize the documents and such other agreements for creation of charge as aforesaid and to do all such acts deeds matters and things as may be necessary and expedient and also to authorise/delegate its directors/officers for giving effect to the above resolution"

By order of Board

For Manappuram Finance Limited

Rajesh Kumar. K

Company Secretary

Place : Valapad

Date : 25th July 2014

NOTES:

1. Explanatory Statement for the proposed resolutions mentioned above, pursuant to Section 102 of the Companies Act, 2013, setting out material facts is appended herein below.
2. The notice of postal ballot is being sent to all the members, whose names appear on the Register of Members / List of Beneficial Owners as received from National Securities Depository Limited (NSDL) / Central Depository Services (India) Limited (CDSL) on Friday 1st August, 2014.
3. Members who have registered their e-mail IDs for receipt of documents in electronic mode under the Green Initiative of Ministry of Corporate Affairs are being sent Notice of Postal Ballot by e-mail and to others are being sent by Registered Post/Courier along with Postal Ballot Form.
4. Members who have received Postal Ballot Notice by e-mail and who wish to vote through Physical Postal Ballot Form, the same can be obtained from the Registered office of the Company or download from the link www.manappuram.com and filled forms may be sent to the Scrutinizer.
5. Members are requested to read the instructions printed on the reverse of the Postal Ballot Form and return the Form duly completed in the attached self-addressed and postage prepaid envelope so as to reach the Scrutinizer on or before Wednesday 10th September 2014, at the following address:

Mr. Sathish V.
Scrutinizer
C/o. Manappuram Finance Limited
IV/470A(old) W/638A(new)
Valapad, Thrissur-680567

6. In compliance with the provisions of Section 110 of the Companies Act, 2013 read with Rule 22 of the Companies (Management and Administration) Rules, 2014 and Clause 35B of the Listing Agreement, the Company offers e-voting option to the Members as an alternative to enable them to cast their votes. For this purpose, the Company has engaged-for facilitating e-voting to enable the Members to cast their votes electronically instead of dispatching Postal Ballot Form.

The instructions for shareholders voting electronically are as under:

- (i) The voting period begins on Tuesday 12th August 2014 at 9.30 am and ends on Wednesday 10th September 2014 at 5.30 pm. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date, Thursday 7th August 2014, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) The shareholders should log on to the e-voting website <https://www.evotingindia.com> during the voting period
- (iii) Click on "Shareholders" tab.
- (iv) Now, select the "COMPANY NAME" from the drop down menu and click on "SUBMIT"
- (v) 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.
- (vi) Next enter the Image Verification as displayed and Click on Login.
- (vii) 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.
- (viii) If you are a first time user follow the steps given below:

For Members holding shares in Demat Form 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). Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of

the sequence number in the PAN field. In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.

DOB

Enter the Date of Birth as recorded in your demat account or in the Company records for the said demat account in dd/mm/yyyy format or folio.

Dividend Bank Details

Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio. Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field.

- (ix) After entering these details appropriately, click on "SUBMIT" tab.
- (x) Members 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.
- (xi) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xii) Click on the EVSN <Manappuram Finance Limited> on which you choose to vote.
- (xiii) 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.
- (xiv) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xv) 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.
- (xvi) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.

- (xvii) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- (xviii) If Demat account holder has forgotten the password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xix) Note for Institutional Shareholders
- Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to log on to <https://www.evotingindia.co.in> 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 they have to create a compliance user who 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.

In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.co.in under help section or write an email to helpdesk.evoting@cdslindia.com

EXPLANATORY STATEMENT PURSUANT TO THE PROVISIONS OF SECTION 102 OF THE COMPANIES ACT, 2013 (the Act)

Item No. 1:

The members of the Company at the Extraordinary General Meeting of the Company held on 31.05.2011, had approved by way of an Ordinary Resolution under Section 293(1)(d) of the Companies Act, 1956, to borrow any sums of money in excess of the limits specified for an amount not exceeding Rs. 20,000 Crore (Rupees Twenty Thousand Crore only). The Ministry of Corporate Affairs (MCA) had notified Section 180(1)(c) of the Companies Act, 2013 (corresponding to Section 293(1)(d) of the Companies Act, 1956) effective from September 12, 2013. MCA vide its General circular no.04/2014 dated March 25, 2014 notified that the resolutions passed under Section 293 of the Companies Act, 1956 prior to 12.09.2013 with reference to borrowings (subject to the limits prescribed) and / or creation of security on assets of the Company will be regarded as sufficient compliance of the requirements of Section 180 of the Companies Act, 2013

for a period of one year from the date of notification. Hence, it is required to obtain the approval of the members as per the provisions of Section 180 of the Companies Act, 2013 before expiry of the said period. As per the provisions of Section 180(1)(c) of the Companies Act, 2013, and based on the clarifications issued by the MCA, the Board of Directors of the Company shall not borrow in excess of the paid up share capital and free reserves of the Company, except with the consent of the Company accorded by way of Special Resolution.

The Board recommends passing of the resolution set out in Item No.1 as a special resolution.

None of the Directors or Key Managerial Personnel of the Company or their relatives is concerned or interested in the Resolution.

Item No.2:

The Members by way of postal ballot, had approved by way of an Ordinary resolution under Section 293(1)(a) of the Companies Act, 1956, for creation of charge / mortgage over the properties of the Company for the purpose of borrowing, for an amount not exceeding ₹ 20,000 Crore. The Ministry of Corporate Affairs (MCA) had notified Section 180(1)(a) of the Companies Act, 2013 (corresponding to Sections 293(1)(a) of the Companies Act, 1956) effective from September 12, 2013.

MCA vide its General circular no.04/2014 dated March 25, 2014 notified that the resolution passed under Section 293 of the Companies Act, 1956 prior to 12.09.2013 with reference to borrowings (subject to the limits prescribed) and / or creation of security on assets of the Company will be regarded as sufficient compliance of the requirements of Section 180 of the Companies Act, 2013 for a period of one year from the date of notification. As per the provisions of Sections 180(1)(a) of the Companies Act, 2013 and based on the clarifications issued by the MCA, the Board of Directors of the Company shall not create charge / mortgage over the properties of the Company for the purpose of borrowing, except with the consent of the Company accorded by way of Special Resolution. It is proposed to continue with the limit of ₹ 20,000 Crore for creation of charge / mortgage over the movable / immovable properties of the Company.

The Board recommends passing of the resolution set out in Item No.2 as a special resolution.

None of the Directors or Key Managerial Personnel of the Company or their relatives is concerned or interested in the Resolution.

Place : Valapad
Date : 25th July 2014

By order of Board
For Manappuram Finance Limited
Rajesh Kumar. K
Company Secretary