

Report Junction

11th
**ANNUAL
REPORT**
2002 - 2003

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MANAPPURAM
GENERAL FINANCE AND LEASING LIMITED

Corporate Office : V/104 "Manappuram House"
Valapad P.O. Thrissur 680 567, Kerala State
Ph : 0487 - 2399301/2399620/2391306
E-mail : manappuram@vsnl.com
Website : www.manappuramgroup.com

Half a century of trust, Commitment for ever

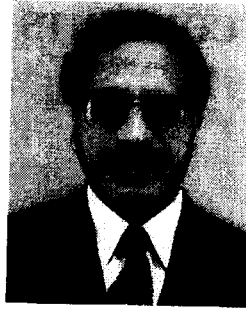
LEAD ... KINDLY LIGHT



Shri. V.C. Padmanabhan
(1916-1986)

Founder of **Manappuram** Group of Companies

Chairman and Board of Directors



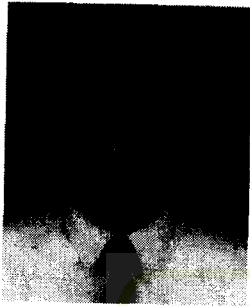
V.P. Nandakumar
Chairman & Managing Director

For Manappuram General Finance
and Leasing Ltd.

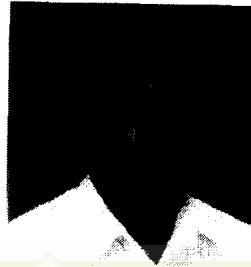


Radhakrishnan. C. Company Secretary

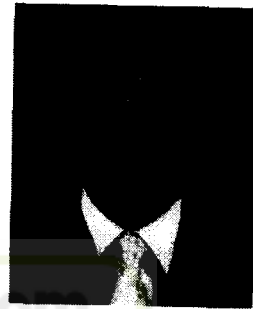
Directors



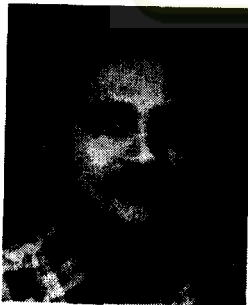
P.G. Wales



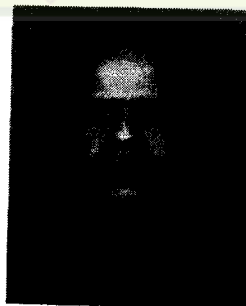
B.N. Raveendra Babu



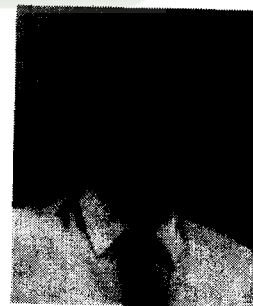
Dr. K.K. Mohandas



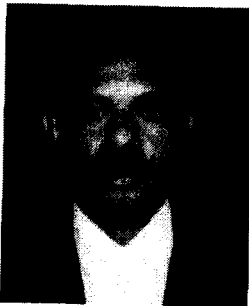
Juguna G. Panikamparambil



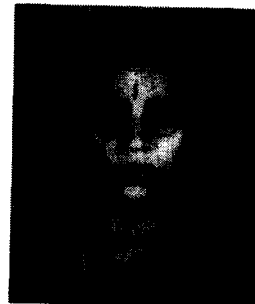
I. Unnikrishnan



T.S. Ramakrishnan



Adv. V.R. Ramachandran



Jyothy Prasannan

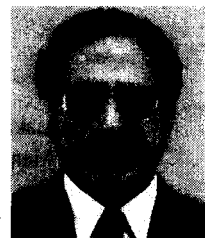
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From the Chairmans' Desk

Ladies and Gentlemen,

It gives me immense pleasure to extend you all a warm welcome to the 11th Annual General Meeting of your Company. The Audited Balance Sheet and Profit and Loss Account for the year ended 31.03.2003 is already available with you and with your permission, may I take them as read.



"Manappuram is committed to nurture the idealism of self regulation in its entire activities while keeping the regulatory requirements with its profound concern. The vision is to make the cherished dream of its founder and promoters to turn the Company into a High-Tech Financial Institution - a reality. It is regarded as a trend setter in many aspects. With a culture marked by its uniqueness, the Company is sure to conquer the hurdles in its paths of expansion and growth. Let us dedicate and commit ourselves to make the Company a role model in its field for others to follow."

For quite some years in the past, the general economic condition is witnessing a depression. Now, the phase is gradually paving the way for a recession. It is heartening to note that your company has already diversified its activities into different fields like money transfer, forex activities etc. to reap the untapped resources. In this fast changing scenario it is inevitable that your company should adapt itself to the changing circumstances to continue its growth.

The doors of our economy are now open. Competition in the field is very severe. Today, NBFC's are subjected to strict regulations. Any non-compliance is viewed seriously and subjected to hefty penalties. Corporate disclosures and Governance Standards are maximum so that the entire working is fully transparent. Banks and other financial institutions have changed their strategy now to that of an intensified marketing. At the same time, they have not changed their negative approach and regard NBFC's a blemished customer. All these focus our necessity to develop self dependance

which, if overlooked, might pose the very existence a great question. Dear friends, I just pictured the realities associated with running a successful business enterprise like your company.

The year was marked by a stagnation as far as the profitability of your company is concerned. Gauging the performance in the back ground of expanded activities would make the stagnation an achievement. Your Company has added eight more branches to its network.. The presence of your company is being widened to nearby States..

Another important milestone in the growth of your Company is the receipt of ISO accreditation. Your Company will be known as "ISO 9001- 2000 Company". It signifies the appreciation by ISO towards our endeavour and commitment for achieving excellence. Dear friends, it is indeed a privilege for me to share the joy of this occasion with you.

Manappuram is committed to nurture the idealism of self regulation in its entire activities while keeping the regulatory requirements with its profound concern. The vision is to make the cherished dream of its founder and promoters to turn the Company into a High-Tech Financial Institution - a reality. It is regarded as a trend setter in many aspects. With a culture marked by its uniqueness, the Company is sure to conquer the hurdles in its paths of expansion and growth. Let us dedicate and commit ourselves to make the Company a role model in its field for others to follow.

I wish to express my regard and appreciation for the unflinching support and co-operation received from the Board Members. I also express my sincere thanks to Reserve Bank of India, Banks and other Financial Institutions for the assistance and support provided so far. Last but not least, I acknowledge the dedicated services rendered by the employees of the Company at all levels.

Thank you.

PROFILE OF DIRECTORS

1. Mr. V.P. Nandakumar
Chairman & Managing Director
M.Sc., CAIIB (Part I). Chief Promoter of Manappuram Group of Companies
Have served the Banking Industry in various Capacities for a period of 7 years.
Member of Equipment Leasing Association (India)
2. Mr. P.G. Wales
Non -Executive Director
B.Sc., F.C.A. Chartered Accountant
More than 20 years experience as a practising Chartered Accountant
3. Mr. B.N. Raveendra Babu
Executive Director
M.Com., I.C.M.A (Inter). Computer Consultant
Have 12 years experience in senior position in Finance and Accounts in M/s Blue Marine at UAE.
4. Dr. K.K. Mohandas
Non -Executive Director
MBBS, M.S. Medical Practitioner, Managing Partner of Elite Hospital, Thrissur.
5. Mr. Juguna G. Panikamparambil
Non -Executive Director
B.Tech (IIT), M.Tech (Cornell University, US) Have 12 years experience as Senior Production Engineer, M/s Abu- Dhabi Petroleum Corporation, UAE
6. Mr. I. Unnikrishnan
Non -Executive Director
B.Com., F.C.A. Chartered Accountant. Specialised in NBFCs , Company Law matters, Income tax, auditing and other related aspects.
7. Mr. T.S. Ramakrishnan
Non -Executive Director
B.Com., LLB, CAIIB . Have experience in the Banking industry for more than 30 years . Former Managing Director of Dhanalakshmi Bank Ltd, Thrissur.
8. Adv. V.R. Ramachandran
Non -Executive Director
B.Sc., LLB. Advocate. Well known Civil lawyer of the Thrissur Bar
9. Smt. Jyothi Prasannan
Non -Executive Director
M.Sc., B.Ed. Former Managing Director of one of the Group Cos.

Company Secretary : C. Radhakrishnan

Auditors : M/s Mohandas & Associates, Chartered Accountants
Door No. TC 25/838, A.R. Menon Road, Thrissur - 680 001

Bankers : The Catholic Syrian Bank Ltd., Main Branch, Thrissur
Canara Bank, Thrissur
The Dhanalakshmi Bank Ltd., Main Branch, Thrissur

Registrars & Transfer Agents : Cameo Corporate Services Limited
Subramanian Building, No.1, Club House Road, Chennai 600 002
Telephone : 91-44-28460390

MANAPPURAM General Finance and Leasing Limited

Regd. Office : V/104, Manappuram House

Valapad, Thrissur - 680 567

Ph: (0487) 2399306, 2391892

E-mail : manappuram@vsnl.com Website - www.manappuramgroup.com

BRANCHES :**KERALA STATE****Ernakulam District**

1. Manappuram General Finance and Leasing Limited
1st Floor, Regent Court, Iyattil Junction, Opp. Times of India
Chittoor Road, Ernakulam, Cochin - 682 011. Tel : 95484 2371525

Thrissur District

1. Manappuram General Finance and Leasing Limited
XXIX/267/6, Brothers Complex
Naikanal, Thrissur - 680 001. Tel : 2335544/ 2335937
2. Manappuram General Finance and Leasing Limited
"Krishnanjali" Buildings, East Nada
Opp. Private Bus Stand, Guruvayur, Thrissur - 680 101. Tel : 2554041
3. Manappuram General Finance and Leasing Limited
Alpha Building, P.O. Nattika, Thriprayar, Thrissur - 680 566. Tel : 2392663

Malappuram District

1. Manappuram General Finance and Leasing Limited
Punnessery Building, 1st Floor, Opp. SBI, Thazhepalam
Tirur, Malappuram 676 101. Tel : 95494 2421440
2. Manappuram General Finance and Leasing Limited
1st Floor, P.K. Complex, Malappuram Road, Manjeri
Malappuram Dist - 676 121. Tel : 95483 2769989

Palakkad District

1. Manappuram General Finance and Leasing Limited
"Vyapara Bhavan", Near BEM School Junction
Manjakulam Road, Palakkad - 678 014. Tel : 95491 522634 / 528634

Wayanad District

1. Manappuram General Finance and Leasing Limited
K.P. Complex, Near Sindhoor Textiles
Main Road, Kalpetta
Wayanad Dist - 673 121. Tel : 95493 2604384

Kozhikode District

1. Manappuram General Finance and Leasing Limited
Fathima Shopping Complex
Vaikom Muhammed Basheer Road, Kozhikode - 673 001. Tel : 95495 2727767 / 727940
2. Manappuram General Finance and Leasing Limited
Sithara Buildings
Main Road, Thamarassery, Kozhikode. Tel : 95495 2222787
3. Manappuram General Finance and Leasing Limited
Door No : 5941, 1st Floor, Abdu Rahman Shopping Complex
Ramanattukara, Kozhikode. Tel : 95495 2441478
4. Manappuram General Finance and Leasing Limited
1st Floor, Inter City Arcade, Mavoor Road, Kozhikode Tel : 95495 2441478
5. Manappuram General Finance and Leasing Limited
19/2220, "AFIA" Complex, Panthalayani P.O.
Koyilandi, Kozhikode. Tel : 95496 2621904
6. Manappuram General Finance and Leasing Limited
Misbah Complex, N.H. Road, Near New Bus Stand
Vadakara - 673 101, Kozhikode. Tel : 95496 2517741

Kannur District

1. Manappuram General Finance and Leasing Limited
Safa Complex, T.K. Bus Stop
Thalassery Road, Kannur - 670 012. Tel : 95497 2711318
2. Manappuram General Finance and Leasing Limited
Thovari Complex, Logans Road, Thalassery - 670 101. Tel : 95490 2343860

Kasargod District

1. Manappuram General Finance and Leasing Limited
KMC 12/225/C-22
EMERALD Towers, Near Indian Coffee House, Kasargod. Tel : 95499 4227958
2. Manappuram General Finance and Leasing Limited
Sanabil Plaza, Kottachery, Ramnagar Road, Kanhangad - 671 315. Tel : 95490 208052

TAMILNADU STATE**Coimbatore District**

1. Manappuram General Finance and Leasing Limited
34/3, Saraswathy Towers, 1st Floor, 10th Street
Gandhipuram, Coimbatore - 641 012. Tel : 0422 22492680

Chennai District

2. Manappuram General Finance and Leasing Limited
Ground Floor, Brindavan Apartments
Door No. 84/2, Eldams Road, Theynampet, Chennai. Tel : 044 24341839

MANAPPURAM General Finance and Leasing Limited**Regd. Office : V/104, Manappuram House****Valapad P.O., Thrissur - 680 567****Ph: (0487) 2391306, 2391892 Fax No. (0487) 2399301/2396973****E-mail : manappuram@vsnl.com Website -www.manappuramgroup.com****Notice**

Notice is hereby given that the 11th Annual General Meeting of the Company will be held at Bhavana Auditorium, Valapad, Thrissur - 680 567 on Monday, August 18, 2003 at 11 A.M. to transact the following business:

Ordinary Business :

1. To receive, consider and adopt the audited Balance Sheet and Profit and Loss Account of the company as at 31st March, 2003 and Reports of the Board of Directors and Auditors thereon.
2. To declare dividend for the year ended 31st March, 2003.
3. To appoint a Director in place of Shri. P.G. Wales, who retires by rotation, and being eligible, offers himself for re-appointment.
4. To appoint a Director in place of Shri. T.S. Ramakrishnan, who retires by rotation, and being eligible, offers himself for re-appointment.
5. To appoint a Director in place of Shri. V.R. Ramachandran, who retires by rotation, and being eligible, offers himself for re-appointment.
6. To appoint Auditors and to fix their remuneration.

Special Business**7. Appointment of Shri P. Manomohan as a Director of the Company**

To consider and, if thought fit, to pass with or without modification, the following resolution as an Ordinary Resolution:

"RESOLVED THAT Shri. P. Manomohan, be and is hereby appointed as a Director of the company, whose term of office shall be liable to termination by retirement of Directors by rotation".

8. Appointment of Dr. V.M. Manoharan as a Director of the Company

To consider and, if thought fit, to pass with or without modification, the following resolution as an Ordinary Resolution:

"RESOLVED THAT Dr. V.M. Manoharan, be and is hereby appointed as a Director of the company, whose term of office shall be liable to termination by retirement of Directors by rotation".

9. Appointment of Shri. A.R. Sankaranarayanan as a Director of the Company

To consider and, if thought fit, to pass with or without modification, the following resolution as an Ordinary Resolution:

“RESOLVED THAT Shri. A.R. Sankaranarayanan, be and is hereby appointed as a Director of the Company, whose term of office shall be liable to termination by retirement of Directors by rotation”.

10. Authorisation to borrow in excess of Paid-up Capital and Free Reserves

To consider and, if thought fit, to pass with or without modification, the following resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to the provisions of section 293(1)(d) and other applicable provisions, if any, of the Companies Act, 1956, consent of the company be and is hereby accorded to the Board of Directors to borrow from time to time all such sums of money as may deem necessary for the purpose of business of the company, apart from the temporary loans obtained from the company's Bankers' in the ordinary course of business, exceeding the paid-up 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 upto which the monies may be borrowed by the Board of Directors shall not exceed the sum of Rs. 100 crores (Rupees hundred crores only) at any time”

11. Issue of Redeemable Secured Non-Convertible Debentures (NCDs)

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

“RESOLVED THAT in accordance with the provisions of the Memorandum and Articles of Association of the company and pursuant to Provisions of Section 81(IA) of the Companies Act, 1956, and other relevant statutes, if any, and subject to the approvals, permissions and consents as may be necessary from Securities and Exchange Board of India, Banks, Stock Exchanges and other Agencies and subject to such terms and conditions as may be required by them while giving consent to the company and in modification of the Resolutions passed by the General Body at its meeting held on 13-09-2002 approval be and is hereby accorded to the Board of Directors of the company to create and issue Redeemable Secured Non-Convertible Debentures (NCDs) of the nominal value of Rs. 1,000 each for an aggregate value of Rs. 7,500 lakhs, at such time as the Board may decide and in such tranches for cash at par and on such terms and conditions and carrying such rights and obligations as may be attached thereto in terms of letter of offer/prospectus as may be finalised by the Board at the time of such issue”.

“RESOLVED FURTHER THAT the consent of the company be and is hereby granted in terms of Section 293 (1) (a) and all other applicable provisions, if any, of the Companies Act, 1956 to secure Redeemable Secured Non-Convertible Debentures amounting to Rs. 7500 lakhs as above by creation of Charge on the assets, fixed or floating, of the company both present and future, and that the Board of Directors be and is hereby further authorised to take such actions as are necessary for the same”.

“FURTHER RESOLVED THAT the Board of Directors be and is hereby authorised to issue Redeemable Secured Non-Convertible Debentures as above on private placement/public issue basis as may be considered feasible on the basis of market conditions.”

“RESOLVED FURTHER THAT the Board of Directors be and is hereby authorised to settle all questions, difficulties or doubts that may be raised in regard to the issue of Redeemable Secured Non-convertible Debentures as above and utilisation of issue proceeds subject to the guidelines issued by the Government of India, Reserve Bank of India and other agencies, institutions or bodies from time to time in this regard”.

12. Increasing the Authorised Capital of the Company.

To consider and, if thought fit, to pass with or without modification, the following resolution as a Special