

13th Annual Report 2004 - 2005

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MANAPPURAM
GENERAL FINANCE AND LEASING LIMITED



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

Founder of **Manappuram** Group of Companies



MANAPPURAM General Finance and Leasing Limited
Regd. Office : V/104, Manappuram House
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Manappuram General Finance and Leasing Ltd.

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Notice

(Signature)
Radhakrishnan, C. Company Secretary

Notice is hereby given that the 13th Annual General Meeting of the Company will be held at Anugraha Auditorium, Valapad, Thrissur- 680 567 on Saturday, 30th July, 2005 at 11.00 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 on 31st March, 2005 and Reports of the Board of Directors and Auditors thereon.
2. To declare dividend for the year ended 31st March, 2005.
3. To appoint a Director in place of Sri. B.N. Raveendra Babu, who retires by rotation, and being eligible, offers himself for re-appointment.
4. To appoint a Director in place of Shri. Juguna G Panikkamparambil, who retires by rotation, and being eligible, offers himself for re-appointment.
5. To appoint a Director in place of Shri. A.R. Sankaranarayanan, who retires by rotation, and being eligible, offers himself for re-appointment.
6. To appoint Auditors and to fix their remuneration.

“RESOLVED THAT M/s Mohandas & Associates, Chartered Accountants, the retiring auditors be and are hereby reappointed as the auditors of the company to hold office up to the conclusion of the next Annual General Meeting on such remuneration as may be decided by the Board of Directors plus reimbursement of out of pocket expenses and levies such as service tax etc”

Special Business

7. Further Issue of Equity Shares

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

“RESOLVED THAT pursuant to the provisions of Section 81(1A) and other applicable provisions, if any, of the Companies Act, 1956 (including any amendment/s to or re-enactment thereof), Listing Agreements entered into by the Company with the Stock Exchanges where the shares are listed, subject to any agreements to be negotiated and signed for giving effect to the issue of shares, and subject to all necessary approvals, consents, permissions and/or sanctions of the Government of India, Reserve Bank of India, Securities and Exchange Board of India, Financial Institutions, Banks and all other appropriate and/ or Concerned Authorities, Institutions or Bodies, if any and subject to any conditions and modifications as may be prescribed by them while granting any such approval, consent, permission or sanction agreed to by the Board of Directors of the Company (hereinafter referred to as “the Board”), which term shall be deemed to include any Committee which the Board may have constituted or hereafter constitute for the time being exercising the powers conferred on the Board by this resolution, the Board be and is hereby authorised on behalf of the Company with power to delegate such authority to such person or persons as the Board may deem fit, to issue/offer and allot in one or more tranches, by way of private placement on preferential allotment basis up to 1000000 (Ten lakh) Equity Shares of the Company of the face value of Rs.10/- each to the following persons (hereinafter referred to as “the proposed allottees”) detailed hereafter at a price of Rs. 25/- per equity share, (face value of Rs. 10/- plus a premium of Rs. 15/-) being a price which is higher than, the minimum price specified as per the SEBI (Disclosure and Investor Protection) Guidelines”, 2000 (“SEBI DIP Guidelines”), and that the shares so issued shall rank at paripassu in all respects with the existing 4500000 Equity Shares of the Company and shall be locked in for a period of one year from the date of allotment pursuant to the SEBI DIP Guidelines” for preferential allotment.

FURTHER RESOLVED THAT the Relevant Date in relation to the shares for the purpose of determining the issue price under "SEBI DIP Guidelines" relating to the preferential issue shall be the 30th of June 2005.

FURTHER RESOLVED THAT for the purpose of giving effect to the above resolutions, the Board be and is hereby authorised on behalf of the Company to do all such acts, deeds, matters and things as it may, in its discretion deem necessary or desirable for such purpose, and with power on behalf of the company to settle any questions, difficulties or doubts that may arise in regard to any such issue(s), offer(s) or allotment(s) or otherwise and utilisation of the issue proceeds and/or otherwise to alter or modify the terms of the issue, if any, as it may in its absolute discretion, deem fit and proper, including and without limitation execute all such deeds, documents, agreements and writings as may be necessary for the purpose of giving effect to the aforesaid resolution, negotiate terms, appoint the advisors/managers, pay any fees, commissions, remuneration, incur expenses and take such further steps as required for the allotment and listing of the securities to be thus issued and to make such modifications in the foregoing as may be considered desirable by the Board in the best interest of the Company and its shareholders without being required to seek further consents or approval of the company to the end and intent that the company shall be deemed to have given its approval thereto expressly to the authority of the resolution.

FURTHER RESOLVED THAT the Board shall also seek listing of such 1000000 Shares of the face value of Rs. 10/- each at the Stock Exchanges, where the existing Shares of the Company are already listed.

FURTHER RESOLVED THAT the Board be and is hereby authorised to delegate all or any of the powers herein conferred to any committee of Directors or any Director or Officer or Officers of the Company to give effect to the aforesaid resolution."

Notes:

1. A Member entitled to attend and vote is entitled to appoint a proxy to attend and vote instead of himself/herself and the proxy need not be a member of the company. Proxy Form duly completed must be sent so as to reach the Registered Office of the company not later than 48 hours before the commencement of the meeting. A blank proxy form is enclosed.
2. Explanatory statement pursuant to Section 173(2) of the Companies Act, 1956 in respect of item No 7 is annexed hereto and forms part of this notice.
3. The Register of Members and the Share Transfer Books of the company will remain closed from 26/07/2005 to 30/07/2005 (both days inclusive.)
4. Members are requested to: (a) intimate changes, if any, in the registered addresses on or before 20/07/2005 (b) quote ledger folio number in all their correspondence (c) bring their copies of the Annual Report and the Attendance Slips with them at the Annual General Meeting.
5. Members holding shares in dematerialized form are requested to write their client ID and DP ID numbers in all their correspondences. Those who hold shares in physical form are requested to write their folio number in the attendance slip.
6. The dividend on the equity shares as approved by the General Body for the financial year ended 31st March, 2005 will be payable within 30 days from the date of declaration of dividend to those shareholders whose names will feature on the Register of Members of the company on 30/07/2005. Members may please note that the Dividend warrants are payable at par at the designated Branches of the Bank printed on the reverse of the warrant for an initial period of 3 months only. Members are advised to encash Dividend Warrants within the initial validity period.
7. Pursuant to the provisions of Section 205(A) of the Companies Act, 1956, as amended, dividend for the financial year 1997-98 which remains unpaid or unclaimed for a period of seven years will be transferred to the Investor Education and Protection Fund of the Central Government. Shareholders who have not encashed the dividend warrants so far for the financial year 1998-99 are requested to make their claim to the company.
8. Members holding shares in electronic form may please note that their Bank Account details as furnished by their Depositories to the company will be printed on their dividend warrants. The company will not entertain any direct request from such shareholders for deletion/change in such Bank details.
9. Members who would like to ask questions on Accounts are requested to send their questions to the Registered Office of the company at least 10 days before the Annual General Meeting to enable the company to prepare suitable replies to such questions.

EXPLANATORY STATEMENT PURSUANT TO SEC. 173(2) OF THE COMPANIES ACT, 1956

Your Company proposes to raise funds required for,

- (a) Opening a few more branches in the Metropolitan Cities of India for expanding the Gold Loan and Vehicle Loan Business.
- (b) Meeting the expected credit growth through Preferential issue up to 1000000 Equity Shares of Rs.10/- each at a price of Rs.25/- per equity share constituting 18.18% of the enhanced paid up Share Capital of the Company to the following persons (Hereinafter referred to as the "Proposed allottees")

SI No	Name of Allottee	No. of shares to be allotted	SI No	Name of person	No. of shares to be allotted
1	Smt. Sathialekshmi.M W/o. Mr.I.Unnikrishnan Mannath House, Mannath Lane, Thrissur- 680 001	20000	12	Smt. Leena Ramachandran Valiparambil House 50/840, Ayyanthole, Thrissur	20000
2	Shri B.N.Raveendra Babu Blangat House Kaipamangalam PO, Thrissur	40000	13	Shri. M.Ramamurthy 38/338, Karithala Road Kochi- 680 016	20000
3	Smt. Sarada M.K W/o. A.R. Sankaranarayanan Vysakh, Poozhithara PO Kottakkal, Malappuram Dist	60000	14	Shri. Satheeshkumar.M Mannathamparambath House PO Valapad, Thrissur- 680 567	100000
4	Smt. Samyuktha Mohandas Kozhiparambil House PO. Koorkancherry, Thrissur	20000	15	Shri. Ramanadhan "Niranjanam", Thekkemadam Road, Thrissur	20000
5	Shri. Juguna G Panikkamparambil "GOKUL" Saw Mill Road Koorkanchery, Thrissur	120000	16	Shri. Balu C.P Cheraipadinjakkara House PO Kothaparambu Kodungallur-680 668	80000
6	Smt. Sindhu G Panikkamparambil "GOKUL" Saw Mill Road Koorkanchery, Thrissur	20000	17	Shri. Anantharaman T.S Temple View Chembookavu Thrissur-680 020	20000
7	Shri. P. Manomohanan Aswathy, Highschool Road Chentrappinny, Thrissur	20000	18	Smt. Sumam Radhakrishnan Kanhangat House PO Kanimangalam Thrissur -680 027	20000
8	Shri. V.S.Vyasababu Plot No.38, 2nd Cross Street Senthil Nagar, Chinna Porur Chennai	20000	19	Shri. Vijyakumar Kunnumakkara House Pallam, PO. Thottittal Thrissur - 680 310	100000
9	Smt. Thankam Sukumaran W/o P.G.Sukumaran Pokkaruparambil House PO Nattika, Thrissur	60000	20	Capt (Retd) Dharmarajan "Sreepadam" NO.38 Harisree Vidyanagar Punkunnam, Thrissur-2	100000
10	Shri P.G.Wales Sudhin Apartments, Flat No.12 Aiswarya Lane, Thrissur	40000	21	Shri. P.K. Sukumaran Prasanthi Manzil Sankarayya Road, Poothole, Thrissur-680 004	40000
11	Smt. N.P.Sudhina Sudhin Apartments, Flat NO.12 Aiswarya Lane, Thrissur	60000			

1. Objects of the Issue

The main objects of the issue of additional shares are,

- Opening a few more branches in the Metropolitan Cities of India for expanding the Gold Loan and Vehicle Loan Business.
- Meeting the expected credit growth.

2. Intention of the Promoters/Directors/Key Management Persons to subscribe to the Offer

Out of the total 1000000 shares to be issued, it is proposed to issue 220000 shares to the Directors including 40000 shares to a Promoter Director. In addition 200000 shares are proposed to be issued to Director's relatives and 20000 shares to Key management persons.

3. Identity of the proposed allottees and the price at which allotment is proposed

Issue Price. Rs/ security	Name of proposed allottees	Class of allottee	Type of security	No. of securities	Face value Rs/security	Post issue shareholding pattern of the proposed allottee
25	Smt Sathialekshmi. M	Directors' Relative	Equity	20000	10/-	0.36
25	Shri. B.N. Raveendra Babu	Director	Equity	40000	10/-	1.17
25	Smt Sarada	Directors' Relative	Equity	60000	10/-	1.09
25	Smt Samyuktha Mohandas	Directors' Relative	Equity	20000	10/-	0.91
25	Shri. Juguna G Panikkamparambil	Director	Equity	120000	10/-	2.28
25	Smt Sindhu G Panikkamparambil	Directors' Relative	Equity	20000	10/-	0.45
25	Shri. P. Manomohanan	Director	Equity	20000	10/-	0.40
25	Shri. V.S. Vyasababu	Indian Public	Equity	20000	10/-	0.47
25	Smt. Thankam Sukumaran	Indian Public	Equity	60000	10/-	1.09
25	Shri. P.G. Wales	Director	Equity	40000	10/-	0.79
25	Smt. N.P. Sudhina	Directors' Relative	Equity	60000	10/-	1.09
25	Smt. Leena Ramachandran	Directors' Relative	Equity	20000	10/-	0.36
25	Shri. M. Ramamurthy	Indian Public	Equity	20000	10/-	0.36
25	Shri. Satheeshkumar. M	Indian Public	Equity	100000	10/-	1.82
25	Shri. Ramanadhan	Indian Public	Equity	20000	10/-	0.36
25	Shri. Balu C.P	Indian Public	Equity	80000	10/-	1.45
25	Shri. Anantharaman T.S	Indian Public	Equity	20000	10/-	0.40
25	Smt Sumam Radhakrishnan	Indian Public	Equity	20000	10/-	0.36
25	Shri. Vijyakumar	Indian Public	Equity	100000	10/-	1.81
25	Capt (Retd) Dharmarajan	Indian Public	Equity	100000	10/-	1.84
25	Shri. P.K. Sukumaran	Indian public	Equity	40000	10/-	0.72
	Total			1000000		

4. Shareholding Pattern/Voting Rights before and after the proposed offers

The following are the details of the Shareholding pattern before and after the allotment of the proposed shares,

Sl. No.	Category	Pre-issue		Post-issue	
		No. of Shares held	% of shares held	No. of Shares held	% of shares held
1.	Promoters Holdings	2198651	48.859	2238651	40.703
2.	Private Corporate Bodies	69354	1.541	69354	1.261
3.	Indian Public	1929131	42.870	2509131	45.620
4.	NRIs/OCBs	108460	2.410	108460	1.972
5.	Directors and Relatives	188952	4.199	448952	8.163
6.	NRI Directors	5452	0.121	125452	2.281
7.	Proposed allottee	-	-	-	-
	Total	4500000	100.00	5500000	100.00

Note:

- i) The above shareholding pattern has been prepared on the basis of Shareholding as on the 31st of March 2005.
- ii) The post issue shareholding pattern in the above table has been prepared on the basis that the proposed allottees would have subscribed to and been allotted the Shares of the Company. In the event for any reason the proposed allottee do not or unable to subscribe to and/or is not allotted the shares, the shareholding pattern in the above table would undergo corresponding changes.

5. Proposed time within which the allotment shall be completed

The Company will complete the allotment within 15 days of the date of the passing of the resolution by the Shareholders, or the date on which the Company obtains all the applicable Government approvals for consummating transaction contemplated herein, whichever is later.

6. Price at which the allotment is proposed

- (i) As per the Preferential Issue guidelines of SEBI, the minimum issue price works out to Rs. 21.54 per equity share. However, the Preferential Issue is being made at Rs. 25/- per one share.
- (ii) The price of Rs.25/- per share for the aforesaid Preferential Issue of the 1000000 shares is more than the minimum issue price stated hereinabove and the same is in compliance of the Preferential Issue Guidelines of the SEBI.
- (iii) The Statutory Auditors of the Company have certified that the proposed issue of 1000000 shares mentioned hereinabove is in accordance with the requirements specified in the Preferential Issue Guidelines of the SEBI. A copy of certificate given by the statutory auditors of the company will be placed before the meeting.

7. Board of Directors/Control/Management

On allotment of 1000000 shares as stated hereinabove, there will be no change in the constitution of the Board of Directors and / or control and / or management of the Company. The voting rights will change in tandem with the shareholding pattern as stated hereinabove on allotment of the fully paid up 1000000 shares.

8. Auditor's Certificate

M/s Mohandas and Associates, Chartered Accountants, Statutory Auditors of the Company, certified that the Preferential issue is being made in accordance with the requirements contained in the "SEBI DIP Guidelines" for Preferential issue. A copy of the Certificate will be placed before the Shareholders.

The provisions of the Companies Act, 1956 contemplate consent of the members by way of special resolution in General Meeting for further issue of shares to persons other than existing shareholders.

The consent of the Members is therefore sought to authorize the Board of Directors of the Company to offer, issue and allot these 1000000 shares in the manner set out in the Special Resolution.

Directors who are being allotted the equity shares on preferential basis are interested in the resolution to the extent of shares being allotted to them.

Place : Valapad
Date : 25.06.2005

By order of the Board
Sd/-
C. Radhakrishnan
Company Secretary



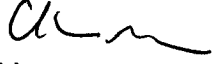
Chairman and Board of Directors



V.P. Nandakumar
Chairman & Managing Director

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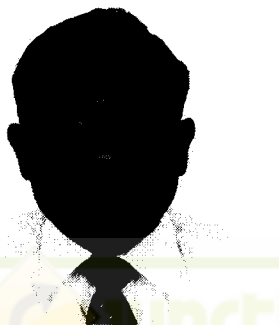
For Manappuram General Finance
and Leasing Ltd.


Radhakrishnan. C. Company Secretary

Directors



P.G. Wales



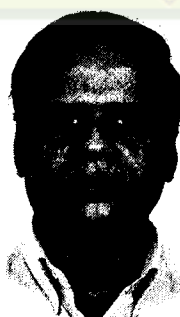
B.N. Raveendra Babu



Dr. K.K. Mohandas



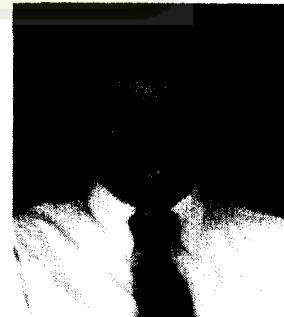
Juguna G. Panikamparambil



I. Unnikrishnan



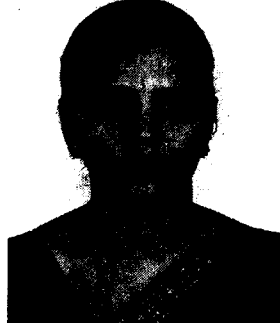
T.S. Ramakrishnan



Dr. V.M. Manoharan



Adv. V.R. Ramachandran



Jyothy Prasannan



P. Manomohan



A.R. Sankaranarayanan

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