

14th
ANNUAL
REPORT
2005 - 2006



MANAPPURAM
GENERAL FINANCE AND LEASING LIMITED



Shri. V. C. Padmanabhan
(1916-1986)
Founder
Manappuram Group of Companies

Chairman and Board of Directors



V.P. Nandakumar
Chairman & Managing Director

Directors



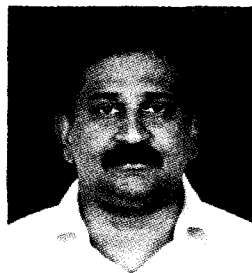
P.G. Wales



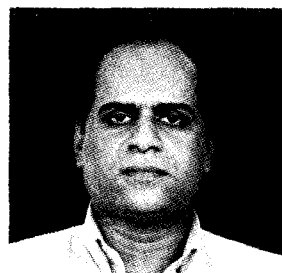
B.N. Raveendra Babu



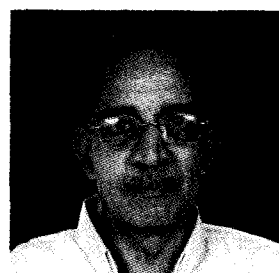
Dr. K.K. Mohandas



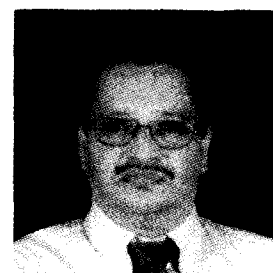
Juguna G. Panikamparambil



I. Unnikrishnan



T.S. Ramakrishnan



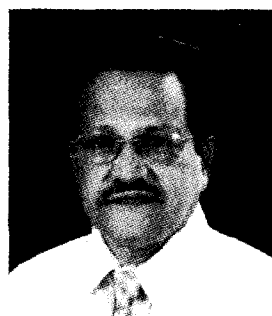
Dr. V.M. Manoharan



Adv. V.R. Ramachandran



Jyothy Prasanna



P. Manomohan



A.R. Sankaranarayanan

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Chairman's speech



Dear Member,

It gives me much pleasure to welcome you to the 14th Annual General Meeting of your company, which marks fourteen years of fruitful association with you. I look at this long association with a deep sense of gratitude to all our stakeholders who were behind the phenomenal growth of the Company and its transformation into a financial supermarket.

The year 2005-06 was exceptionally good year for Indian economy, which recorded a robust growth over 8.0% third successive year taking the triennial average to over 8%. The agricultural sector which had a lack-luster performance during the previous year made a significant recovery. There has been a considerable spurt in the food grain production, which is slated to be around 210 Million tonnes. In a robust demonstration of the economy's inherent strength, the industrial production grew over 9%. Despite the spurt in the global crude oil prices, inflation was tamed at a modest level of around 4% by a slew of fiscal and monetary measures. The external sector contributed a sustainably rapid growth with a healthy widening of Current Account Deficit, which signified industrial recovery. Besides, India turned out to be an investment destination and there was considerable spurt in the inflow of FDI and FII investments. Consequently the foreign exchange reserves of the country rose to a record level of \$163 Billion and stock market was upbeat. Interest rates were somewhat stable albeit with an upward bias. These together with the progress made in fiscal consolidation augur well for the successful functioning of the economy and financial sector in the coming years.

Consistent with the crucial role assigned to it, the NBFC sector received considerable regulatory patronage and support from the authorities as a part of the financial sector reforms. The most significant step was the financial inclusion by extension of banking services for increasing the outreach of banking sector through the use of business

I am very happy to share with you that your company could achieve excellent results and posted a consolidated net profit of Rs. 406 Lakhs recording an increase of 45% over the previous year. The turnover of the Company during the year grew from Rs. 1716 Lakhs to Rs. 2048 Lakhs recording an increase of 19% over the previous year. There was also a considerable spurt in the earning per share (EPS) of the Company from Rs. 6.03 last year to Rs. 7.65 during the reporting year. Considering the over all improvement, your Directors have recommended an enhanced dividend of 15% of the equity capital of your Company.

A major turning point in the growth path of your company during the year 2005-06 was the significant interest evinced by Banks and other financial institutions in funding our growth plans. In contrast to the niggardly attitude of banks in funding NBFCs in the past, banks have come forward to provide financial assistance to your Company in a big way. Even a lender like ICICI Bank which enforces stringent lending discipline provided financial assistance to your Company to the extent of Rs. 50 Crores by way of assignment of receivables. This prompted many other banks and financial institutions to follow suit. Drawing comfort from these factors we are planning to embark on an ambitious expansion and diversification programme fully funded by institutional finance in the next 2-3 years. Yet another positive development was the spurt in the fee based income of the Company to over 6% of the gross income, which considerably reduced the risk profile of the Company thereby giving greater comfort to the stakeholders.

It will be seen that the Company has made commendable progress during the year under report. This is in no small measure due to the support and patronage of the distinguished share holders. I also take this opportunity to express my sincere gratitude for the guidance and co-operation received from the Board of Directors. We have got a team of excellent executives and employees and I acknowledge their enthusiasm for the progress made by the Company. Let me take this opportunity to thank all the employees of the Company for their dedication and hard work. With the continued support and co-operation of all the stakeholders your Company is confident in making further strides in its growth path. Once again let me thank the respected members for the trust and confidence placed on us.

With warm regards,

Sd/-

V.P. Nandakumar

Chairman & Managing Director

PROFILE OF DIRECTORS

1. Mr. V.P. Nandakumar
Chairman and Managing Director
M.Sc., CAIIB (Part I). Chief Promoter of Manappuram Group of Companies.
Served the Banking Industry in various Capacities for a period of 7 years. Member of Equipment Leasing Association (India) President, Financial Services Companies Association
2. CA P.G. Wales
Non -Executive Director
B.Sc., F.C.A.
Chartered Accountant
3. Mr. B.N. Raveendra Babu
Non - Executive Director
M.Com., I.C.M.A (Inter). Expertise in Information Technology.
Served 12 years in a senior position in the Finance and Accounts department of M/s Blue Marine at UAE.
4. Dr. K.K. Mohandas
Non - Executive Director
MBBS, M.S. Medical Practitioner, Managing Partner of Elite Mission Hospital, Thrissur.
5. Mr. Juguna G.
Panikamparambil
Non-Executive Director
B.Tech (IIT), M.Tech (Cornell University, US). Have 18 years experience as Senior Production Engineer and Senior Business Planning Co-ordinator with M/s Dubai Petroleum Company and Abu-Dhabi Company for Onshore Oil Operations, UAE.
6. CA. I. Unnikrishnan
Non-Executive Director.
B.Com., F.C.A. Chartered Accountant.
7. Mr. T.S. Ramakrishnan
Non -Executive Director
B.Com., LLB, CAIIB. Former Managing Director of The Dhanalakshmi Bank Limited, Thrissur. Vast experience in the Banking Industry in various capacities.
8. Adv. V.R. Ramachandran
Non -Executive Director
B.Sc., LLB. Advocate. Well known Civil lawyer of the Thrissur Bar
9. Smt. Jyothi Prasanna
Non -Executive Director
M.Sc., B.Ed., Whole time Director of one of the Group Cos.
10. Mr. P.Manomohanan
Non -Executive Director
B.Com, CAIIB. Former General Manager of Reserve Bank of India. Long experience in the Reserve Bank of India in various capacities.
11. Dr. V.M. Manoharan
Non -Executive Director
Mcom, Phd.
Former Dy. Director of Collegiate Education, Thrissur Zone, Principal of Government Colleges, Thrissur, Thalassery, Chittur and Manjeswar. Syndicate Member, University of Calicut.
12. A.R. Sankaranarayanan
Non -Executive Director
MSc; IRS (Retd). Presently GM Arya Vaidya Sala Kottakkal. Former Director, Prime Minister's Secretariat, MD, Steel Authority International Ltd., Director Federal Bank

Company Secretary	: Shri. C. Radhakrishnan
Chief Finance Officer	: Smt. Bindhu A.L.
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, Indusind Bank, Thrissur Punjab National Bank, Thrissur, SIB Ltd Thrissur.
Registrars & Share Transfer Agents	: M/s SKDC Consultants Limited, PB No.2979, No.11, S.N. Layout, Street No.1 West Power House Road, Coimbatore- 641 012. Ph : 91-422-2499856

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.manappuram.com**

Sl No	Address	Telephone No
1	Ernakulam 1st Floor, Regent Court, Iyattil Junction, Opp. Times of India, Chittoor Road, Ernakulam, Cochin -682 011	0484-2371525 Mob: 3254885
2	Thrissur- Naikkanal XXIX/267/6, Brothers Complex Naikanal, Thrissur - 680 001.	0487- 2335544 Mob: 3111139
3	Guruvayur Athanikkal Arcade, Near Panthayil Temple Guruvayur, Thrissur - 680 101	0487-2554041 Mob: 3111362
4	Triprayar Door No. 256C, 1 st Floor, Near Private Bus Stand, Triprayar- 680 566	0487- 2392663 Mob: 3451620
5	Tirur Punnessery Building, 1st Floor, Opp. SBI, Thazhepalam Tirur, Malappuram Dist. 676 101.	0494-242144 Mob: 3112220
6	Manjeri 1st Floor, P.K. Complex, Malappuram Road, Manjeri Malappuram Dist - 676 121.	0483- 2769989 Mob: 3121623
7	Palakkad "Vyapara Bhavan", Near BEM School Junction Manjakulam Road Palakkad - 678 014.	0491- 2528634 Mob: 3118509
8	Kalpatta K.P. Complex, Near Sindhoor Textiles Main Road, Kalpetta Wayanad - 673 121.	0493- 2604384 Mob: 6310137
9	Kozhikkode- V M Basheer Road Fathima Shopping Complex Vaikom Muhammed Basheer Road, Pin -673 001	0495- 2727767 Mob: 3126341
10	Kozhikkode- Mavoor road 1st Floor, Inter City Arcade, Mavoor Road, Kozhikkode	0495- 2441478 Mob: 9349126340

Sl No	Address	Telephone No
11	Kozhikkode-West Hill Tamanna Towers,Near Chungam Bus Stop, West Hill ,Kozhikkode	0495-3529083 Mob: 9387529083
12	Thamarassery Sithara BuildingsMain Road, Thamarassery, Kozhikode.	0495- 2222787 Mob: 9349730218
13	Ramanattukara Door No : 5941, Ist Floor , Abdu Rahman Shopping Complex Ramanattukara, Kozikode	0495-2441478 Mob: 9349126342
14	Koyilandi 19/2220, "AFIA" Complex, Panthalayani P.O. Koyilandi, Kozhikode.	0496 2621904 Mob: 9388711996
15	Vadakara Misbah Complex, N.H. Road, Near New Bus Stand Vadakara - 673 101, Kozhikode.	0496- 2517741 Mob: 9388712014
16	Kannur Safa Complex, T.K. Bus Stop Thalassery Road, Kannur - 670 012.	0497- 2711318 Mob: 9388703190
17	Kannur-Talap S.R.Complex, Near Koyali Hospital, Talap, Kannur	0497-2704832 Mob: 9388203512
18	Kannur- Iritty Manhu Shopping ComplexBus Stand, IrittyKeeshur Village, ThalasseryKannur	0490-2491534
19	Kozhikode -Perambra Sun Shine Shopping ComplexP O Kadaloor, PerambraKozikode	0496-2615302 Mob: 9388711016
20	Thaliparamba Marina shopping CentreNH 17, Near Federal BankTaliparamba, Kannur	0498-2201866
21	Thalassery- Kannur Thovari Complex, Logans Road, Thalassery - 670 101.	0490- 2343860 Mob: 9388503186
22	Kasargode KMC 12/225/C-22EMERALD Towers, Near Indian Coffee House, Kasargod.	0499- 4227958 Mob: 9388011601
23	Kanhangad Sanabil Plaza, Kottachery,Ramnagar Road, Kanhangad - 671 315.	0467- 2208052 Mob: 9388210956

Sl No	Address	Telephone No
24	Kaloor- Cochin Noorjahan Building, Opp. Bus Stand Kaloor, Ernakulam	0484-2537020 Mob: 9388633085
25	Kollam Harry& Ponnu Complex Beach Road, Chinnakkada Kollam	0474-2763179 Mob: 09388013474
26	Thiruvananthapuram Capri Buildings Pazhavangadi P. O . Fort, Thiruvananthapuram	Mob: 09388299801
27	Irinjalakuda Ist Floor, KGNM Building Above Central Bank Near Bus Stand Irinjalakuda 680 121	Mob: 9388552069
28	Coimbatore-Gandhipuram 34/3, Saraswathy Towers, 1st Floor, 10th Street Gandhipuram, Coimbatore - 641 012	0422 -22492680 Mob: 09363148688
29	Chennai- Theyampet Ground Floor, Brindavan Apartments Door No 84/2 Eldams Road, Theyampet, Chennai.	044- 24341839 Mob: 09382146020
30	Chennai-Anna Nagar 528, Anna Nagar Road, N S K N Nagar Arumbakkam, Chennai - 600 106.	044-26203484 Mob: 09382151411
31	Chennai-Vadapalani Door No. 304, 1 st Floor, V K K Complex Arcot Road, Vadapalani, Chennai, Tamil Nadu.	044-24727372 Mob: 09382675344
32	Bangalore- Ulsoor Door No. 16/2, Jaya Mansion, Ward No. 81 Sadashiva Mudaliar Road, Ulsoor, Bangalore 560 008.	080-25575048 Mob: 09343769870
33	Bangalore- Rajaji Nagar Door No. 101-A, (First Floor) Ward No. 14, 01- N Block, 10 th Cross Road Rajaji Nagar, Bangalore 560 008.	080-23577751 Mob: 09343769873
34	Mangalore Ist Floor AI Rahaba Plaza Near State Bank of India Nellykai Road, Mangalore 575 001	0824-2440932 Mob: 09343569393