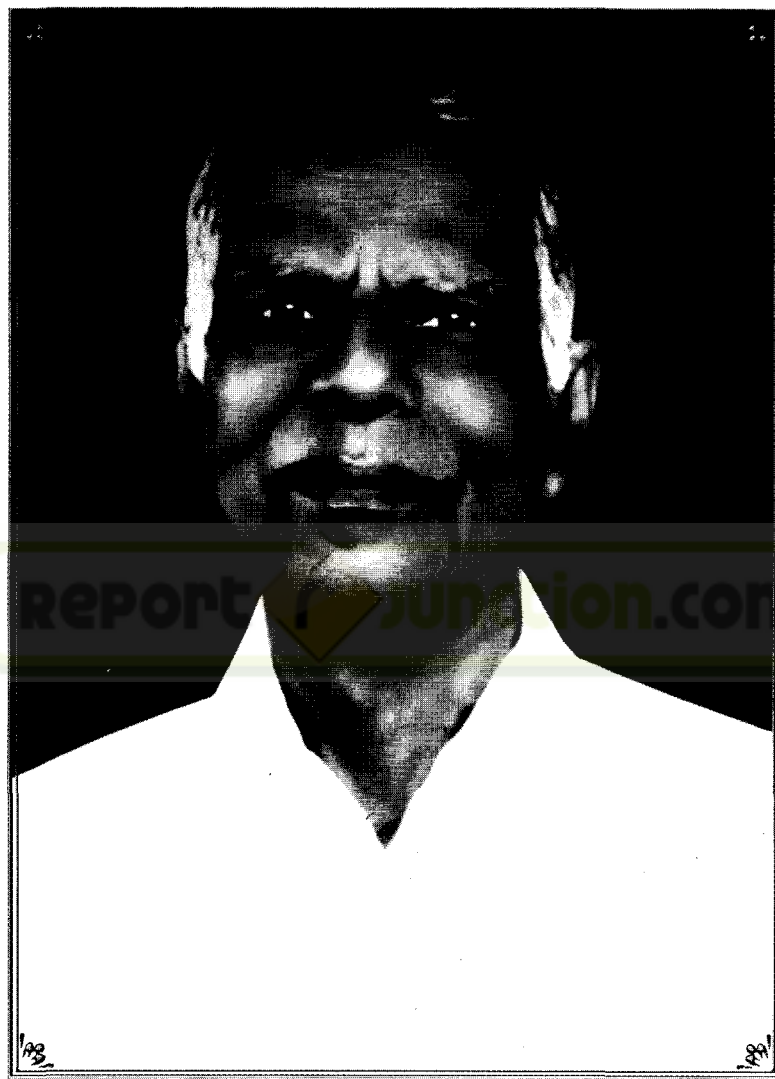


16th
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2007-2008

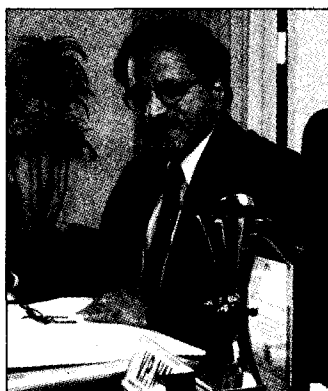


MANAPPURAM
GENERAL FINANCE AND LEASING LIMITED

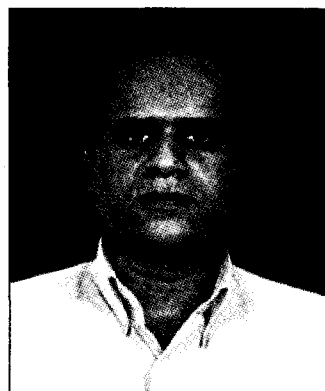


Shri. V.C. Padmanabhan
(1916-1986)
Founder of **Manappuram** Group of Companies

Chairman and Board of Directors



V.P. Nandakumar
Chairman & Managing Director



I. Unnikrishnan
Managing Director

Directors



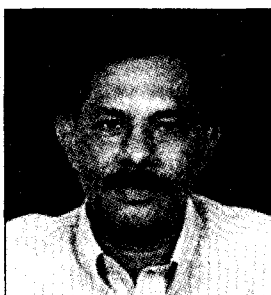
B.N. Raveendra Babu



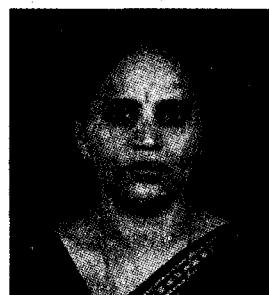
Dr. K.K. Mohandas



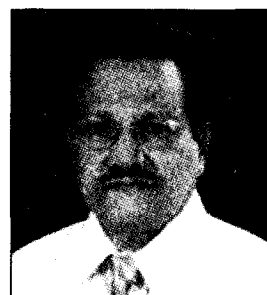
Juguna G. Panikamparambil



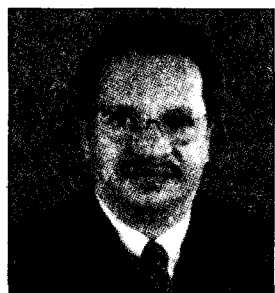
Adv. V.R. Ramachandran



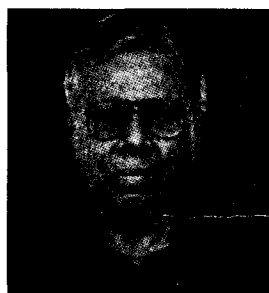
Jyothy Prasanna



P. Manomohan



Dr. V.M. Manoharan



A.R. Sankaranarayanan



Ashvin C Chadha

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From Chairman's Desk

It is once again a great privilege and pleasure to welcome you, on the occasion of the 16th Annual General Meeting of our Company. Our mutual association now spans 16 fruitful years. It is with a sense of immense pride and achievement that I look back at this long and productive association with you. I feel that during this period, our Company has witnessed progressive, all round growth year on year, for which I feel immensely grateful to all our stakeholders who have contributed in no small measure, to this continuing saga of our success.

Macro – economic scenario

The fiscal year 2007-08 started off as one of the most promising year notable for several reasons such as our nation celebrating its 60th year of independence, the country's highest office being adorned by a woman President, increased global recognition of Indian entrepreneurs etc. The overall macro-economic fundamentals of the country continued to be robust. The economy recorded a growth of around 8.5% during the year on the top of 9% growth recorded in the previous two years. Agricultural sector, however, continued to be a laggard with only 2.2% growth which prompted our planners to target a 4% growth for agriculture in the eleventh plan. Besides, the inflation touching a dreaded 12.1% at the end of July 2008 and oil prices rising to a record level caused a very serious concern that triggered a slew of fiscal and monetary measures to try and address the situation. The stock market witnessed a bull rally till December 2007 and sensx which is the barometer of Indian Capital market rose to an all time high level to touch the coverable 21K but tanked by around 6K in January 2008 on account of global cues before it started looking up. Gold prices rose to an all time record surpassing the historic high of \$850 per ounce recorded in 1981 and gold proved to be an investment avenue that outperformed several other investment options. The interest rate cuts announced by US Federal Reserve in aftermath of sub-prime meltdown that rocked US triggered capital flows into India and our forex reserves crossed \$ 313 billion. Meanwhile, Indian political economy witnessed certain initiatives like Affirmative Action, financial inclusion and inclusive growth. In sum, India remained as one of the best-managed economies amidst the turbulence in the international financial arena.

Banking and NBFC sector

Indian financial sector was on a firmer footing and was substantially insulated from the sub-prime crisis in US. Indian Banks are gearing up to meet the BASEL – II norms with a considerable decline in their delinquency levels. NBFC sector witnessed stricter regulatory prescriptions. Non-deposit taking Companies with asset base over Rs.100 crores were rechristened as Systemically Important Non-Deposit Taking NBFCs (SI-NBFCs-ND) and were subjected to prudential

regulations of capital adequacy and credit concentration norms. Besides bank lending to NBFCs were subjected to higher risk weight of 125% forcing NBFCs to look for an alternative funding options. Corporate governance standards were also made mandatory for NBFCs by RBI in May 2007.



About the Company

Fiscal 2007–08 was quite significant for your Company. With the improved availability of working capital finance from banks and financial institutions, we could vigorously pursue our expansion plans and could penetrate and establish branches in Eastern, Western and Northern parts of the country. Today your Company has 320 branches spread across 13 states in the country. The spurt in the gold prices further brightened the profitable operations of your Company. Another noteworthy development was the infusion of equity into the Company by two internationally renowned private equity players viz; Hudson Equity Holdings Limited and Sequoia Capital India Growth Investments I. Thus your Company has the distinction of being the first NBFC in Kerala to receive foreign direct investment.

It is a matter of great pride for us that ICRA, the rating agency has upgraded the rating of your Company to MA+ for its Fixed Deposit Programme. The Company has thus achieved the distinction of being the highest rated NBFC in Kerala. The Company has also been awarded a rating of LA by ICRA for its working capital limit enjoyed from banking system denoting average credit risk for lending Banks. This rating has been awarded as part of BASEL – II discipline which makes it mandatory for corporate borrowers of banks to get themselves rated from the year 2008 – 09. Corporate borrowers like our Company with average credit risk attracts only a lower capital adequacy ratio for Banks. Our Bankers, therefore, enjoy much greater comfort level while lending to us.

Performance of the Company in 2007-08

In the above background your Company could successfully and sustainably meet the challenges and achieve excellent working results. The Company posted a consolidated net profit of Rs. 21.36 crores during the last financial year as against Rs.10 .80 crores during the previous financial year recording an increase of 97.78%. Profit Before Tax for the year is Rs. 32.53 crores as against Rs.16.64 crores in the previous year showing an increase of 95.49%. The gross

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income of the Company rose to Rs. 80.58 crores from Rs.44.21 crores during the last financial year. There has also been substantial spurt in the fee-based income of the Company from Rs. 0.63 crores in 2006-07 to Rs. 0.96 crores in the year 2007-08. Earning per share (EPS) of the Company also recorded a significant increase from Rs. 9.48 to Rs. 18.76 this year. Considering the overall improvement, your directors are pleased to recommend a higher dividend of 20% including the interim dividend of 15% declared and paid by the Company in March 2008.

Future Plan

All that I have highlighted above is only a beginning of our growth story and we have much greater plans ahead. We plan to explore new vistas in the field of gold loans about which we have great ambitions. It has all along been our vision to impart liquidity to the vast privately held gold reserves in the country, which is estimated to be around 15,000 tones. We aim to be a major player in this field with at least 10% of the market share. To start with we have an ambitious plan to have a loan size of Rs.2000 crores by the

end of the current financial year. The recent spurt in the price of gold has provided impetus to our plan which we plan to christen and launch as "Mission Rs2.K Crore-9".

It is clearly evident that our Company has made commendable progress during the year under report. This is substantially, on account of invaluable support and patronage of the distinguished stakeholders, the guidance and co-operation from the Company's Board of Directors, and dedicated hard work and enthusiasm of our executives and employees. Let me take this opportunity to express my sincere gratitude to all the stakeholders of the Company. With their continued support and co-operation, the Company is confident of making its dream a reality. Once again I thank each member for the trust and confidence reposed in the management. We look forward to even more success in the year to come.

With warm regards,

Sd/-
V.P.Nandakumar
Chairman

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PROFILE OF DIRECTORS

1	Mr. V.P. Nandakumar Chairman and Managing Director	M.Sc., CAIIB (Part I). Chairman and Managing Director. Chief Promoter of Manappuram Group of Companies. Served the Banking Industry in various capacities for a period of 7 years. Vice Chairman of Equipment Leasing Association (India). Chairman of KNBFC Association
2	Mr. I. Unnikrishnan Managing Director	B.Com., FCA. Advisory expert in matters relating to NBFCs.
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 Dept. 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 (Cornel University, US). Have 12 years experience as Senior Production Engineer, M/s Abu Dhabi Petroleum Corporation, UAE
6	Adv. V.R. Ramachandran Non-Executive Director	B.Sc., LLB. Advocate. Well known Civil Lawyer of the Thrissur Bar
7	Smt. Jyothi Prasannan Non-Executive Director	M.Sc., B.Ed., Whole time Director of one of the Group Cos.
8	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.
9	Dr. V.M. Manoharan Non-Executive Director	M.Com., Phd. Formerly, Dean, KMCT School of Business, Manassery, Kozhikode. Former Dy. Director of Collegiate Education, Thrissur Zone, Principal of Government Colleges, Thrissur, Thalassery, Chittur and Manjeswar. Syndicate Member, University of Calicut.
10	Mr. A.R. Sankaranarayanan Non-Executive Director	M.Sc., IRS (Retd). Presently Advisor Arya Vaidya Sala, Kottakkal. Former MD, Steel Authority International Ltd. Director, Prime Minister's Secretariate. Director Federal Bank.
11	Mr. Ashvin C Chadha Non-Executive Director	BA in Economics from Wesleyan University. Vice President, India Equity Partners Advisors Pvt. Ltd.

Company Secretary : C. Radhakrishnan

Chief Finance Officer : Bindhu A.L.

Auditors : M/s S.R. Batliboi & Associates
Chartered Accountants
TPL House, Second Floor, 3
Cenotaph Road, Teynampet
Chennai - 600 018

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.
Phone : 91-422-2499856

MANAPPURAM General Finance and Leasing Limited
Regd. Office : V/104, Manappuram House, Valapad, Thrissur - 680 567
Ph: (0487) 2391306, 2391892
E-mail : mail@manappuram.com Website - www.manappuram.com

OUR SERVICES AVAILABLE AT

KERALA STATE - THRISSUR		Phone			PALAKKAD	Phone
1. Naikkanal	0487-2335544		29. Kothamangalam	0485-3266711	59. Palakkad	0491- 2528634
2. Guruvayur	0487-2554041		30. Pallikkara	0484-3223720		3257969
	3252967		31. Thoppumpady	0484-3277665		
3. Triprayar	0487- 2392663		32. Thripunithura	0484-3298884	60. Nemmara	04922-244332
	3258731		THIRUVANANTHAPURAM			3322153
4. Kodakara	0480-2728441		33. Nedumangad	0472-2801525	61. Kollengode	0492-264505
	3295790			3205949		3322633
5. Kechery	04885-242644		34. Varkala	0470-2611489	62. Kozhijampara	0492-273091
	325277			3249075		3322779
6. Cherpu	0487-2347666		35. Attingal	0470-2629798	63. Shornur	0466-223379
	3253496			3209792		3205955
7. Irinjalakuda	0480-2832671		36. Karamana	0471-3216020	64. Alathur	0492-2226251
	3295753			2596563		2322285
8. Pczhayannur	04884-226824		37. Neyyattinkara	0471-2222261	65. Mannarkkad	04924-223768
9. Chirakkal	0487-2272694			095471-3249779	66. Cherupulasseri	0466-2284920
	3206435		KOLLAM			3207249
10. Varandarappilli	0480-2763731		38. Ochira	0476-2698008	67. Kuzhalmannam	04992-272948
	3202844			3204241		322895
11. Thiruvilwamala	04884-283818		39. Chathanthoor	0474-2593171	68. Olavakkode	04912-2552591
12. Kodali	0480-2744024			3206667		3201265
13. Koorkenchery	0487-2428439		40. Ayur	0475-2293002	69. Pudunagaram	0492-251841
	3244291			3208878		3322770
14. Sreenarayanapuram	0480-2859999		41. Kottarakara	0474-2459587	70. Koottanad	0466-3200667
	3205168			3200131	71. Kanjikode	0491-3209001
15. Kattoor	0480-2870016		42. Punalur	0475-3205533	72. Mangalam Dam	0492-2324404
	3202451		43. Ramapuram	04822322545	MALAPPURAM	
16. Mullassery	0487-2262784		44. Pathanapuram	0475-3206978	73. Tirur	0494-2421440
	3246739					3253290
17. Pattikkad	0487-2283018		PATHANAMTHITTA		74. Manjeri	0483- 2769989
	3246743		45. Pathanamthitta	0468-2271658		3299300
18. Azhikode	0480-2815955			3207818	75. Ponnani	0494-2669086
	3202593		46. Ranni	0473-5326868		3209050
19. Kanjani	0487-2639600		47. Adoor	04734321324	76. Kondotti	0483-3204272
	3251005		48. Kozhenchery	04683203234		2104730
20. Kuttanellur	0487-3269785		49. Pandalam	04734323376	77. Kuttippuram	0494-2609878
21. Chazhur (Alappad)	0487-2275188		50. Konni	04683203785		3207097
	3269752		ALAPUZHA		78. Parappanangadi	0494-2415243
22. Perumbilavu	04885-320865		51. Alappuzha	0477-2239334		3204692
23. Mundoor	0487-2215544			3203007	79. Angadippuram	04933-227373
	3259732		52. Haripad	0479-2404127		320927
ERNAKULAM				3200858	80. Wandur	0493-321414
24. Ernakulam	0484-2371525		53. Kayamkulam	04793249690	81. Payyanangadi	0493-2425328
	3238554		54. Chengannur	0479-2452675		3207780
25. Kaloor	0484-2537020				82. Tanur	0494-2444490
	3231578		KOTTAYAM			3207530
26. Aluva	0484-2629731		55. Pala	9548-22323343	83. Changaramkulam	0494-2656088
	3213310		56. Erattupetta	04822325255		3207760
27. Cherai	0484-2418223		57. Erumely	04828322992	84. Kalikavu	04931-321817
	3246482		58. Kanjirappally	0482-8323299		258867
28. Malipuram	0484-3200623				85. Karuvarakundu	04931-282324
						321770

86. Downhill Malappuram-Tirur road	09548-33208404	116. Nagercoil	04652-226870 321003	141. Coimbatore-Gandhipuram	0422-2492680 3297899
KOZHIKKODE		TIRUNELVELI		142. Avinashi	04296-271270 324422
87. Kozhikode	0495-2727767 3246206	117. Alangulam	04633-270662 324432	THOOTHUKUDI	
88. West Hill	0495-2380713 3246687	118. Ambasamudram	09943632912	143. Thoothukudi	0461-3204595
89. Thamarassery	0495-2222787 3248950	119. Tenkasi	04633322808	NILGIRI	
90. Ramanattukara	0495-2441478 3249349	TIRUVARUR		144. Coonoor	0423-2221332 3200925
91. Koyilandi	0496-2621904 3295326	120. Mannargudi	04367-324544 253903	145. Ootty	0423-2445615 3204277
92. Vadakara	0496-2517741 3295141	121. Nidamangalam	04367-260065 324300	146. Gudalur	09894627783
93. Perambra	0496-2615302 3294836	122. Tiruvarur	04331-250498 320105	ERODE	
94. Feroke	0495-2481057 3222227	NAMAKKAL		147. Kangayam	04257-222040 325521
95. Balussery	0496-2640033 3260067	123. Rasipuram	0428-7326787	148. Sathyamangalam	04295-220051
96. Vellimadukunnu	0495-3222039	THENI		149. Bhavani	04256-320003 233234
97. Medical College	0495-3224848	124. Cumburn	04554-270381 320980	150. Punjaipuliyampatti	04295-269546 320810
98. Kadalundi	0495-3229000	125. Bodinayakanur	04554-6282436 325828	151. Dharapuram	04258-221081 320882
99. Pallur	0490-3242930	126. Periyakulam	04546-230950 326688	KARUR	
WAYANAD		127. Andipatti	04546-242885 321222	152. Karur	04324-262650 320680
100. Kalpatta	0493-6204384 324689	128. Theni	04546-327752	THANJAVUR	
KANNUR		MADURAI		153. Papanasam	0437-4320211
101. Kannur	0497-2711318 3253507	129. Arapalayam	0452-3209290 2380133	154. Kumbakonam	0435-2402020 3208877
102. Talap	0497-2704832 3292182	130. Townhall Road	0452-2343069 3205560	155. Tiruvaiyaru	04362-260976 321210
103. Iritty	0490-2491534 3293129	131. Tallakulam	0452-2532303 3208020	TIRUPUR	
104. Thalassery	0490-2343860 3292943	132. Madura West Masi Street	0452-2343069 3202632	156. Tirupur P. N. Road	0421-3260016
105. Payyanur	04985-206455 325099	DINDIGUL		SALEM	
106. Pappinissery	0497-2788832	133. Battagundu	04543-264533 320772	157. Salem Five Road	0427-3200440
107. Valapattanam	0497-2776582	134. Oddanchatram	04553-243359 320550	158. Attur	04282-253435 320599
108. Sreekandapuram	0460-2233378	135. Dindigul	0451-2424432 3205030	KRISHNAGIRI	
109. Mattannur	0490-3247800	136. Palani	04545-244055 320069	159. Hosur	04344-245022 325343
110. Kuthuparamba	0490-2365090	137. Natham	0454-4246093 4320111	160. Krishnagiri	04843-235606 324113
KASARGODE		COIMBATORE		DHARMAPURI	
111. Manjeshwar	04998-230038 3252904	138. Udumalpet	04252-232939 320535	161. Dharmapuri	04342-326006
112. Uppala	04998-242001	139. Mettupalayam	04254-220264 320885	162. Hosur Tank Street	
TAMILNADU STATE - KANYAKUMARI		140. Ganapathy	0422-2630255 3255458	VILLUPURAM	
113. Kanniyakumari	04652-247325 321777			163. Villupuram	04146-324998
114. Kolachel	04651-225779 323337			164. Tindivanam	0414-7321717
115. Monday Market	04651-220414 323858				

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THIRUVANNAMALAI		VIRUDHU NAGAR		216. J.P.Nagar	080-32478702
165. Chetput	04181-320970 252444	190. Rayapalayam	04563-222153 326030	CHICKMAGALURE	
166. Arni	0417-3322972	KARNATAKA STATE - CHAMRAJNAGAR			
VELLORE		191. Kollegal	08224-256709 320500	217. Chikmagalur	08262-233213 320938
167. Walajapet	0417-2324361 232595	192. Gundlupet	08229-222857 321539	218. Tarikere	08261-222096 320933
168. Vellore	0416-2211533 3206589	193. Chamrajnagar	08226-222226 3242914	UDUPPI	
169. Arcot	0417-2325246			219. Karkala	08258-232388 326219
KANCHIPURAM		MYSORE		220. Uduppi	0820-2526663 3206667
170. Kanchipuram	044-27234949 37206132	194. Devaraj Urs Road	0821-2420243 3205565	TUMKUR	
171. Adyar	044-24405542 32521123	195. Mandimohalla	0821-3264408	221. Tumkur	0816-2277664 3297772
CHENNAI		MANDYA		222. Tiptur	08134-251124 325970
172. Theyanmpet	044- 2341839 30962026	196. Mandya	08232-223028 324060	223. Gubbi	08131-222024 321112
173. Anna Nagar	044-30961982 26203484	DAKSHINA KANNADA		224. Madhugiri	081-37282138 321616
174. Vadapalani	044-32961983 24727372	197. B C Road	08255-324852 233854	225. Pavagada	09343732521
175. Aynavaram	044-6442092 32006343	198. Sullia	08257-230665 320413	KOLAR	
176. Kaladipet	044-25993895 32536672	199. Thookottu	0824-2460888 3212197	226. Kolar	08152-320922 222193
177. Thiru -Vi -Ka Nagar	044-25592310 32537582	200. Kankanady	0824-2430287 3212474	CHITRADURGA	
178. Ramapuram	044-224904224 32538573	201. Puttur	08251-231036 320564	227. Chitradurga	08194-228850 320979
179. Muthamizh Nagar	044-25549096 32538140	HASSAN		228. Hiriyyur	08193-229977 320909
180. Madavaram High Road	044-25594774 32528438	202. Hassan	08172-326066 232119	229. Hubli	083-63206824
181. Virugampakam	044-32413338	203. Arsikere	08174-324635 233717	230. Belgaum	0831-2451809
182. T Nagar	044-32419941			SHIMOGA	
THIRUVALLUR		BANGALORE		231. Shimoga	0818-2225623 2320065
183. Avadi	044-26556018 32936200	204. Ramamurthy Nagar	080-25661198 32977244	RAICHUR	
184. Ambattur	044-26585325 3200199	205. Kamashipalayam	080-23281124 32978066	232. Sindhanur	08535221212
185. Karayanchavadi	044-26490945 3200076	206. Ulsoor	080-25775048 32938013	BELLARY	
186. Tirittani	044-27885162 37802177	207. Rajaji Nagar	080-23577751 32938014	233. Bellary	08392327627
TUTICORIN		208. Kengeri	080-28484193 32978727	234. Hospet	08394-321988
187. Vilattikulam	04638-234002 320321	209. Jalahalli	080-32446246	UTTAR KARNATAKA	
188. Nazareth	04639-324445	210. Sunkadakatte	080-32446448	235. Karwar	0838-2326980 2226211
PERAMBALLUR		211. St. John's Church Road (Coles Park)	080-32447552	ANDHRA PRADESH STATE - CHITTOOR	
189. Jeyangondam	04331-250498 320105	212. Sreenivas Nagar (Banshankari)	080-32448030	236. Chittoor	0857-2231716 2320902
		213. J C Nagar	080-32467475	237. Tirupathi	0857-2222357 3208990
		214. Hoskote	081-11329704	238. Madanapally	0857-1322022
		215. Kammanahalli	080-32478566	239. Palamaner	0857-9321116