

Manappuram General Finance & Leasing Limited
Financial Statements for the nine months ended December 31, 2010

Balance Sheet as at December 31, 2010

(All amounts are in million Indian rupees unless otherwise stated)

	Schedule	As at December 31, 2010	As at March 31, 2010
SOURCES OF FUNDS			
Shareholders' funds			
Share capital	1	833.18	340.39
Reserves and surplus	2	17,967.08	5,765.23
Loan funds			
Secured loans	3	36,396.95	16,500.50
Unsecured loans	4	3,566.80	1,856.12
		58,764.01	24,462.23
APPLICATION OF FUNDS			
Fixed assets			
Gross block	5	1,400.96	717.05
Less : Accumulated depreciation / amortisation		242.10	148.09
Net block		1,158.85	568.96
Deferred tax asset (net)	6	108.33	33.35
Investments	7	403.20	1,406.71
Current Assets, Loans and Advances			
Cash and bank balances	8	3,948.12	2,682.07
Other current assets	9	3,355.17	1,878.88
Loans and advances	10	50,735.81	18,907.14
		58,039.10	23,468.09
Less : Current liabilities and provisions			
Current liabilities	11	820.24	810.28
Provisions	12	125.23	204.60
		945.47	1,014.87
Net current assets		57,093.63	22,453.22
		58,764.01	24,462.23
Notes to accounts	18		

The schedules referred to above and the notes to accounts form an integral part of the Balance Sheet

As per our report of even date

For S. R. BATLIBOI & ASSOCIATES
Firm Registration Number: 101049W
Chartered Accountants

For and on behalf of the Board of Directors

per S Balasubrahmanyam
Partner
Membership No.: 053315

V.P.Nandakumar
Executive Chairman

I. Unnikrishnan
Managing Director

B.N Raveendra Babu
Joint Managing Director

Place: Valapad
Date: 24. 01. 2011

M. Anandan
Director

A.L.Bindu
Chief Financial Officer

C.Radhakrishnan
Company Secretary

Manappuram General Finance & Leasing Limited

Schedules to accounts

(All amounts are in Indian rupees unless otherwise stated)

	As at December 31, 2010	As at March 31, 2010
Schedule 1:Share capital		
<i>Authorized</i>		
530,000,000 equity shares of Rs. 2/- each (Previous year - 106,000,000 equity shares of Rs. 10/- each)	1,060.00	1,060.00
400,000 (Previous year - 400,000) redeemable preference shares of Rs. 100/- each	40.00	40.00
<i>Issued, subscribed and paid-up</i>		
416,590,068 equity shares of Rs. 2/- each (Previous year - 34,038,522 equity shares of Rs. 10/- each) fully paid up	833.18	340.39
	833.18	340.39
Schedule 2:Reserves and surplus		
Capital redemption reserve		
Opening balance	-	22.85
Add: Transferred from Profit and loss account	40.00	17.15
Less: Capitalised for bonus issue	(40.00)	-
	-	40.00
Securities premium account		
Opening balance	3,988.96	877.30
Add: Securities premium on merger of MAFIT as at April 1, 2008	-	4.22
Add: Securities premium of MAFIT from April 1, 2008 to March 31, 2009	-	527.51
Add: Securities premium on issue of shares	10,962.55	2,656.12
Less: Capitalised for bonus issue	(300.39)	-
Less: Share issues expenses adjusted against securities premium	(228.94)	(76.19)
	14,422.18	3,988.96
Statutory reserve		
Opening balance	450.75	152.90
Add: Statutory Reserve on merger of MAFIT as at April 1, 2008	-	23.60
Add: Statutory Reserve of MAFIT from April 1, 2008 to March 31, 2009	-	34.80
Add: Transferred from Profit and loss account	-	239.45
	450.75	450.75
General reserve		
Opening balance	368.40	194.39
Add: General Reserve on merger of MAFIT - as at April 1, 2008	-	80.65
Add: General Reserve of MAFIT from April 1, 2008 to March 31, 2009	-	34.80
Less: Adjustment to General Reserve on merger with MAFIT	-	(61.17)
Add: Transferred from Profit and loss account	-	119.72
	368.40	368.40
Profit & Loss Account		
Profit & Loss Account	2,725.76	904.67
Add: Profit & Loss account on merger of MAFIT as at March 31, 2008	-	12.46
Profit & Loss Account	2,725.76	917.13
	17,967.08	5,765.23

Manappuram General Finance & Leasing Limited

Schedules to accounts

(All amounts are in million Indian rupees unless otherwise stated)

	As at December 31, 2010	As at March 31, 2010
Schedule 3:Secured loans		
2,930,761 (Previous year - 2,619,833) 7% - 13% (Previous year 9% - 14.5%) Secured Non-convertible Debentures of Rs. 1,000/- - Rs 1,000,000/- each redeemable at par at the end of the term of each series of debentures ranging between 1-5 years	2,930.76	2,619.84
Add: Interest accrued and due thereon	3.46	19.52
	2,934.22	2,639.36
From bank		
- Cash credit	1,154.48	257.93
- Working capital loans	32,297.44	13,400.66
From Others		
- Working Capital Loans	-	200.00
Vehicle loans (Secured by hypothecation of vehicles)	10.81	2.55
	36,396.95	16,500.50
Schedule 4:Unsecured loans		
Deposits	15.44	18.54
Debenture application money	-	2.49
Inter-Corporate Deposits	1.69	2.84
Commercial Paper	913.40	650.73
Subordinate bond	1,628.44	1,165.14
Subordinate debt	1,000.00	-
Interest Accrued and Due	7.83	16.38
	3,566.80	1,856.12
Schedule 5:Fixed assets are set out in the following page		
Schedule 6:Deferred tax (liability) / asset (net)		
Deferred Tax Liability		
Differences in depreciation and other differences in block of fixed assets as per tax books and financial books	(57.48)	(34.76)
Deferred tax asset		
Effect of expenditure debited to profit and loss account in the current year but allowed for tax purposes in following years	13.50	4.29
Provision for loans and advances	152.31	63.82
Net Deferred tax (asset) / liability	108.33	33.35

Manappuram General Finance & Leasing Limited

Schedules to accounts

(All amounts are in million Indian rupees unless otherwise stated)

	As at December 31, 2010	As at March 31, 2010
Schedule 7: Investments		
Long Term Investments		
<i>(Quoted, at cost)</i>		
A. Other than trade		
32,000 (Previous year - 32,000) units of Rs. 100 each in 7.38% Govt. of India Loan	3.15	6.15
Current Investments - Trade (Quoted, at lower of cost and market value)	-	-
1,629 units (previous year - 1,629) of Rs. 20.46 each in Sundaram Mutual Fund	-	0.03
40000000 (previous year - Nil) of Rs. 10 each in State Bank of India - Debt Fund Series - 370 Days - 7- Growth	400.00	-
Nil (previous year - 279,730) of Rs. 1,001.29 each in Reliance Money Manager Fund - Institutional Option - Daily Dividend	-	280.09
Nil (previous year - 13,978,308 units) of Rs. 10.0179 each in DWS Ultra Short Term Fund - Institutional Daily Dividend - Reinvest	-	140.03
Nil (previous year - 98,035,440 units) of Rs. 10 each in LICMF - Floating Rate Fund - Short term plan - Daily Dividend Plan	-	980.35
Investment in Companies	0.05	0.05
	403.20	1,406.71

Manappuram General Finance & Leasing Limited

Schedules to accounts

(All amounts are in million Indian rupees unless otherwise stated)

	As at December 31, 2010	As at March 31, 2010
Schedule 8: Cash and bank balances		
Cash on hand	1,314.71	644.98
Balances with scheduled banks		
- on current accounts	524.47	841.12
- on deposit accounts	2,106.81	1,193.85
- on unpaid dividend accounts	2.13	2.13
	3,948.12	2,682.07
Schedule 9: Other current assets		
Interest accrued	3,271.05	1,827.89
Stock of foreign currency	0.06	-
Stock of gold coins etc.	82.43	48.53
Others	1.64	2.46
	3,355.17	1,878.88
Schedule 10: Loans and advances		
Secured, considered good		
Loans:		
- Gold	49,999.63	18,456.23
- Hypothecation	29.35	172.38
- Stock on Hire	1.00	8.24
- Others	64.48	57.52
Unsecured, considered good		
Advances recoverable in cash or kind or for value to be received	190.08	62.15
Advance tax (net of provision for tax)	150.33	-
Deposits	300.93	150.61
	50,735.81	18,907.14
Secured, considered doubtful		
Loans:		
- Gold	126.59	56.03
- Hypothecation	181.83	114.40
- Stock on Hire	17.05	14.15
- Others	5.98	5.73
Unsecured, considered doubtful		
Advances recoverable in cash or kind or for value to be received	1.81	1.81
	333.26	192.11
Less: Provision for doubtful loans and advances	333.26	192.11
	50,735.81	18,907.14

Manappuram General Finance & Leasing Limited

Schedules to accounts

(All amounts are in million Indian rupees unless otherwise stated)

	As at December 31, 2010	As at March 31, 2010
Schedule 11: Current liabilities		
Sundry creditors for expenses	255.00	148.81
Book overdraft	4.76	6.68
Interest accrued on loans	181.82	169.11
Unmatured finance charges	47.83	339.17
Sundry deposits	12.08	20.08
Investor Education and Protection Fund shall be credited by following amounts (as and when due)		
a) Unpaid dividends	2.13	2.13
b) Unpaid matured Deposits	-	4.58
Other liabilities	316.63	119.72
	820.24	810.28

* There are no dues outstanding to any enterprises covered under Micro, Small and Medium Enterprises Development Act, 2006, based on the information available with the Company during the period and as at December 31, 2010 and March 31, 2010.

Schedule 12: Provisions

Provisions for taxation (net of advance tax and tax deducted at source)	-	6.13
Provision for standard assets	125.23	-
Proposed final dividend	-	170.19
Tax on proposed dividend	-	28.27
	125.23	204.60

Manappuram General Finance & Leasing Limited
Financial Statements for the period ended December 31, 2010

Profit and Loss Account for the period ended December 31, 2010

(All amounts are in million Indian rupees unless otherwise stated)

	Schedule	Period ended December 31, 2010	Year ended March 31, 2010
INCOME			
Income from services	13	7,505.72	4,699.78
Other income	14	105.02	82.24
		7,610.75	4,782.02
EXPENDITURE			
Personnel expenses	15	1,019.88	536.39
Operating and other expenses	16	1,743.01	1,000.76
Depreciation / amortization	6	99.74	57.37
Financial expenses	17	2,041.30	1,369.23
		4,903.92	2,963.75
Profit before tax		2,706.82	1,818.27
Less: Provision for tax			
- Current tax		973.17	640.11
- Deferred tax		(74.98)	(19.07)
- Fringe benefit tax		-	-
Profit after tax		1,808.63	1,197.23
Balance bought forward from previous year		917.13	188.73
Amounts adjusted on amalgamation of MAFIT			
--Profit after tax and appropriation for the financial year 2008-09		-	88.12
Profit available for appropriation		2,725.76	1,474.08
Appropriations:			
- Transfer to Statutory Reserve		-	239.45
- Transfer to General Reserve		-	119.72
- Transfer to Capital Redemption Reserve		-	17.15
- Interim Dividend on Equity Shares		-	-
- Dividend on Redeemable Preference Shares		-	-
- Proposed Dividend on Equity Shares		-	165.89
- Tax on distributed profit		-	27.21
- Reversal of dividend and dividend tax of earlier years		-	-
Net profit carried forward to balance sheet		2,725.76	904.67

The schedules referred to above and the notes to accounts form an integral part of the Balance Sheet

For S. R. BATLIBOI & ASSOCIATES
Firm Registration Number: 101049W
Chartered Accountants

For and on behalf of the Board of Directors

per S Balasubrahmanyam
Partner
Membership No.: 053315

V.P.Nandakumar
Executive Chairman

I. Unnikrishnan
Managing Director

B.N Raveendra Babu
Joint Managing Director

Place: Valapad
Date: 24. 01. 2011

M. Anandan
Director

A.L.Bindu
Chief Financial Officer

C.Radhakrishnan
Company Secretary

Manappuram General Finance & Leasing Limited

Schedules to accounts

(All amounts are in million Indian rupees unless otherwise stated)

	Period ended December 31, 2010	Year ended March 31, 2010
Schedule 13: Income from services		
Interest and other income from		
- Gold and other loans	7,424.56	4,575.15
- Business loans	0.71	2.24
- Personal loans	0.31	4.36
- Hypothecation and hire purchase loans	59.79	90.86
- Others	3.91	2.49
Income from fee based activities		
- Money transfer	15.57	21.26
- Others	0.87	3.41
	7,505.72	4,699.78
Schedule 14: Other income		
Interest (gross)	80.50	66.26
Foreign exchange gain (net)	0.02	(0.01)
Bad debts recovered	2.60	3.55
Others	21.91	12.44
	105.02	82.24
Schedule 15: Personnel expenses		
Salaries, wages and bonus	911.74	492.87
Contribution to provident and other funds	103.94	41.37
	1,019.88	536.39
Schedule 16: Operating and other expenses		
Rent	218.09	133.27
Electricity	23.91	18.29
Insurance	-	-
Travel and conveyance	60.55	53.79
Communication expenses	23.60	14.74
Advertisement	824.86	482.81
Directors sitting fees	0.95	0.92
Repairs and maintenance		
- Vehicles	1.35	1.56
- Others	35.08	17.64
Legal and professional fees	57.21	24.42
Security charges	96.05	54.90
Rates and taxes	23.48	9.96
Printing and stationery	23.27	17.65
Commission to directors	-	-
Bad debts	28.37	53.42
Provision for loans and advances	141.15	88.58
Donation towards political purposes	-	-
Provision for standard assets	125.23	-
Miscellaneous expenses	59.87	28.81
	1,743.01	1,000.76
Schedule 17: Financial expenses		
Interest		
- on Debentures	221.76	288.69
- on Deposits	1.19	3.84
- on Bank Borrowings (OD, WCDL, STL etc.)	1,357.71	812.93
- on Subordinate debts	145.47	134.78
- on Commercial Papers	222.38	57.47
- Others	0.78	6.83
Bank and other charges	92.00	64.69
	2,041.30	1,369.23

Manappuram General Finance & Leasing Limited
Financial Statements for the period ended December 31, 2010

Schedules to accounts

(All amounts are in Indian rupees unless otherwise stated)

Schedule 5: Fixed Assets

Asset	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	As on April 1, 2010	Additions	Deletions	As on December 31, 2010	As on April 1, 2010	For the Period	Sale Adj	As on December 31, 2010	As on December 31, 2010	As on March 31, 2010
Computer Equipment	168.81	118.79	7.25	280.35	62.68	31.53	4.68	89.53	190.82	106.14
Office Equipments	60.19	52.67	0.25	112.62	13.60	18.30	0.15	31.76	80.86	46.59
Vehicles	9.55	13.00	1.46	21.09	2.52	1.10	0.70	2.92	18.17	7.03
Furniture and Fittings	383.90	384.60	0.27	768.23	56.38	42.68	0.20	98.86	669.37	327.52
Land	31.32	-	-	31.32	-	-	-	-	31.32	31.32
Buildings	15.12	-	-	15.12	0.41	0.19	-	0.60	14.52	14.71
Plant & Machinery	0.90	0.33	-	1.23	0.02	0.05	-	0.07	1.16	0.88
	-	-	-	-	-	-	-	-	-	-
Total	669.79	569.39	9.23	1,229.95	135.61	93.85	5.73	223.73	1,006.22	534.17
Computer software	46.03	12.70	-	58.73	12.48	5.89	-	18.37	40.36	33.55
Capital Work in Progress	1.23	111.05	-	112.28	-	-	-	-	112.28	1.23
Grand Total	717.05	693.14	9.23	1,400.96	148.09	99.74	5.73	242.10	1,158.85	568.96
Figures for the previous year	356.88	369.11	8.94	717.05	77.88	74.08	3.86	148.09	568.96	-