MGF

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Website : http://www.mgfltd.com
E-mail : mgfltd@hotmail.com
CIN NO. : L74899DL1930PLC000208

THE MOTOR & GENERAL FINANCE LIMITED

M.G.F. HOUSE,
Regd. & H.O. : 4/17-B, ASAF ALI ROAD, NEW DELHI-110 002

DLI:CS:BSE:NSE:16

October 6,2016

The Secretary,
Bombay Stock Exchange Limited.,
25th Floor, P.J. Towers,
Dalal Street,
Mumbai-400001

The Secretary,
National Stock Exchange of India Ltd
Exchange Plaza, 5th Floor,
Plot No.C/1, G Block
Bandra Kurla Complex, Bandra(E)
Mumbai-400051

Dear Sir,

Re: Submission of Annual Report for the year 2015-16 under Regulation 34 of SEBI(LODR) Regulations,2015

In terms of Regulation 34 of SEBI(LODR) Regulations,2015, we are enclosing herewith soft copy of the Annual Report for the year 2015-16 which on its receipt may kindly be acknowledged.

Thanking you,

Yours faithfully,
For THE MOTOR & GENERAL FINANCE LIMITED

(M.K. MADAN)
VICE PRESIDENT & COMPANY SECRETARY
ENCL: AS ABOVE.

MGF

86th Annual Report 2015-2016

THE MOTOR & GENERAL FINANCE LIMITED

Shri Ved Prakash Gupta

(15th August, 1915 - 20th August 2005)

A True Karmayogi.

Your integrity, values and vision will continue to guide and inspire us for all our activities and future growth.

THE MOTOR & GENERAL FINANCE LIMITED

MANAGEMENT

BOARD OF DIRECTORS

SHRI RAJIV GUPTA, CHAIRMAN & MANAGING DIRECTOR & CEO
SMT. ARTI GUPTA, JOINT MANAGING DIRECTOR
SHRI ARUN MITTER, EXECUTIVE DIRECTOR
SHRI ONKAR NATH AGGARWAL, NON EXECUTIVE INDEPENDENT DIRECTOR
SHRI BHARAT KUMAR, NON EXECUTIVE INDEPENDENT DIRECTOR
SHRI ABHIRAM SETH, NON EXECUTIVE INDEPENDENT DIRECTOR

CHIEF EXECUTIVE

SHRI S.S. KHERA

VICE PRESIDENT & COMPANY SECRETARY & CFO

SHRI M.K. MADAN

BANKERS

BANK OF INDIA,
KOTAK MAHINDRA BANK LIMITED
KOTAK MAHINDRA PRIME LIMITED
KOTAK MAHINDRA INVESTMENTS LIMITED
UNION BANK OF INDIA
CENTRAL BANK OF INDIA

AUDITORS

M/s. S.N. DHAWAN & CO,
CHARTERED ACCOUNTANTS
410, ANSAL BHAWAN,
16, KASTURBA GANDHI MARG
NEW DELHI-110001

REGISTRAR & SHARE TRANSFER AGENTS

M/S ALANKIT ASSIGNMENTS LIMITED
ALANKIT HEIGHTS, 1E/13,
JHANDEWALAN EXTENSION,
NEW DELHI-110055
PHONE: 011-42541953/63

REGISTERED OFFICE

MGF HOUSE
4/17-B, ASAF ALI ROAD,
NEW DEHI-110002
PHONE : 011-23272216-18,
011-23278001-02
FAX NO. 011-23274606
E-mail: mgfltd@hotmail.com
Website: www. mgfltd.com
CIN: L74899DL1930PLC000208

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DIRECTOR'S REPORT

The Board of Directors of The Motor & General Finance Limited take pleasure in presenting their 86th Report on the business and operations of the company and the accounts for the financial year ended March 31, 2016.

1. Financial Summary

The Board's Report is prepared based on the standalone financial statements of the company. The company's Standalone Financial Performance for the year under review along with previous year figures are given hereunder:-

(₹ in lacs)

Financial Results	Year ended March 31, 2016	Year ended March 31, 2015
Gross Profit before depreciation, finance cost and provisioning	**938.22**	919.54
Less: Finance Cost	**(550.10)**	(701.47)
Less: Depreciation including impairment and property reserves	**(99.74)**	(90.14)
Profit /(Loss) before provisions, exceptional items and tax	**288.38**	127.93
Less :Provision for diminution in value of investments	**(94.40)**	(214.57
Profit /(Loss) before, exceptional items and tax	**193.98**	(86.64)
Less: Excess depreciation of earlier years written back	**-**	11.54
Provision for tax	**(75.00)**	(70.00)
Excess/(short)provision of tax of earlier years	**1.50**	(26.94)
Deferred tax	**20.82**	76.04
Net Profit(/Loss) for the year	**141.30**	(96.00)

Revenue from operations on Standalone basis increased to ₹ 1382.74 lacs as against ₹ 1159.59 lacs in the previous year. Profit after tax for the current year is ₹ 141.30 lacs. There are no material changes and commitments affecting the financial position of your company which have occurred between the end of the financial year 2015-16 and the date of this report.

2. Dividend

The Board of Directors have taken a conscious decision not to recommend any dividend for this year. The company has made provision as on March 31, 2016 for diminution in value of long term investments amounting to ₹ 94.40 lacs. There is no audit qualification in the financial statements by the statutory auditors for the year under review.

3. Share Capital

The Paid up Equity Share Capital as on March 31, 2016 stood at ₹ 1936.35 lacs. During the year there is no increase in the Share Capital.

4. Finance and Accounts

Your company prepared its financial statements in compliance with the requirements of the Companies Act, 2013 and have been prepared on historical cost basis. The estimates and judgments relating to the financial statements are made on a prudent basis, so as to reflect a true and fair manner.

5. Consolidated Financial Statements

The Consolidated Financial Statements of your company for the financial year 2015-16 are prepared in compliance with provisions of Section 129(3) of the Companies Act, 2013 read with the Companies Accounts Rules, 2014 issued thereunder, applicable Accounting Standards and the provisions of SEBI(LODR) Regulations, 2015 (hereunder referred to as the "Listing Regulations").

6. Transfer to Reserves

During the year, your company has transferred a sum of ₹ Nil net of tax to General Reserves

7. Corporate Governance

In compliance with Regulation 34 of SEBI(LODR) Regulations, 2015, a separate report on Corporate Governance together with Management Discussions & Analysis Report along with a certificate from the Auditors on its compliance, forms an integral part of this report.

8. Extract of Annual Return

The details forming part of the extract of Annual Return as on March 31, 2016 is available in Form MGT-9 which is in accordance with the Section 92 of the Companies Act, 2013 read with Companies(Management and Administration)Rules, 2014 is included in this report as **Annexure 'C'** and forms an integral part of this report.

9. Policy on Directors' Appointment and Remuneration and other details

The Board has, in terms of section 178(3) of the Companies Act, 2013, on the recommendation of the Nomination & Remuneration Committee, laid down a Nomination & Remuneration policy for selection and appointment of the Directors, Key Managerial Personnel and Senior Management and their remuneration. The company's policy on Directors' appointment and remuneration is stated in the Corporate Governance Report .

As at March 31, 2016, your Board comprised of following six Directors:-

i) Sh. Rajiv Gupta, Chairman & Managing Director(CMD) & CEO

Sh. Rajiv Gupta(DIN:00022964),interse,related to Smt.Arti Gupta, on the recommendations of the Nomination & Remuneration Committee, by passing a Special Resolution was reappointed by the Board at its meeting held on March 10, 2014 for a period of three years w.e.f. April 1, 2014 to March 31, 2017 which was approved by the shareholders through Postal Ballot on April 25, 2014. Variation in the terms of remuneration was approved by the members in the AGM held on September 29, 2015**.** Section 196 (3)(a) of the Companies Act, 2013 stipulate that if a person who has attained the age of 70 years, his appointment/ re-appointment shall be made by passing a Special Resolution along with a Explanatory Statement annexed there to the Notice for such motion indicating the justification for appointing/re-appointing such person. Sh. Rajiv Gupta will be attaining the age of 70 years on August 13, 2016. The Board on the recommendation of the Nomination & Remuneration Committee in their meeting held on August 04, 2016 have, subject to the passing of the Special Resolution by the members, reappointed Sh. Rajiv Gupta for a period of three years from August 13,2016 to August 12,2019 by cancelling & modifying the subsisting agreement. The remuneration which includes perks paid as per the terms and conditions approved by the members to Sh. Rajiv Gupta requires some modifications and accordingly, the revised terms and conditions regarding perks from April 1, 2016 to August 12, 2016 shall be the same as to be paid on renewal of the term but shall not override the total remuneration payable but shall remain within the limits specified under Schedule V of the Companies Act, 2016.

ii) Smt. Arti Gupta, Joint Managing Director

The Board of Directors at its meeting held on March 10,2014 on the recommendations of the Nomination & Remuneration Committee, considered the re-appointment of Smt. Arti Gupta(DIN:00023237), interse, related to Sh. Rajiv Gupta, Chairman & Managing Director & CEO for a period of three years from June 5, 2014 to June 4, 2017 which was approved through Postal Ballot by the shareholders on April 25, 2014. Variation in the terms of remuneration was approved by the members in the AGM held on September 29, 2015**.**

The Board on the recommendation of the Nomination & Remuneration Committee in their meeting held on August 04, 2016 have, subject to the passing of the Special Resolution by the members, re-appointed Smt Arti Gupta for a period of three years from August 13, 2016 to August 12, 2019 by cancelling & modifying the subsisting agreement.

In the case of Smt. Arti Gupta, Joint Managing Director, there is due compliance of section 149(1) of the Companies Act, 2013 and Regulation17(a) SEBI (LODR Regulation, 2015) of the Listing Agreement, providing for appointment of Woman Director on the Board.

The remuneration which includes perks paid as per the terms and conditions approved by the members to Smt. Arti Gupta requires some modifications and accordingly, the revised terms and conditions regarding perks from April 1, 2016 to August 12, 2016 shall be the same as to be paid on renewal of the term but shall not override the total remuneration payable but shall remain within the limits specified under Schedule V of the Companies Act, 2016.

iii) Sh. Arun Mitter, Whole Time Director designated as Executive Director

The Board of Directors at its meeting held on March 10, 2014 on the recommendations of the Nomination and Remuneration Committee, considered the reappointment of Sh. Arun Mitter (DIN:00022941), Chartered Accountant, for a period of three years from July 11, 2014 to July 10, 2017 which was approved through Postal Ballot by the shareholders on April 25, 2014. Variation in the terms of remuneration was approved by the members in the AGM held on September 29, 015.

The Board on the recommendation of the Nomination & Remuneration Committee in their meeting held on August 04, 2016 have, subject to the passing of the Special Resolution by the members, re-appointed Sh. Arun Mitter for a period of three years from August 13,2016 to August 12,2019 by cancelling & modifying the subsisting agreement.

Sh. Arun Mitter, is not, interse, or otherwise, related to any of the Directors.

iv) Sh. Bharat Kumar, Independent Director

Sh. Bharat Kumar(DIN:00990117), graduate in commerce, was appointed by the Board in their meeting held on March 19, 2002. Pursuant to the provisions of Section 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 and rules made thereunder, he has been appointed an Independent Director to hold office for a period of five consecutive years w.e.f. September 18, 2014 to September 17, 2019. His term of office shall not be liable to retirement by rotation in terms of section 149(13) of the said Act. Declaration has been received to the effect that he meets the criteria of independence as provided in section 149(6) of the Act.

Sh. Bharat Kumar, is not, interse, or otherwise, related to any of the Directors

v) Sh. Abhiram Seth, Independent Director

Sh.Abhiram Seth(DIN:00176144) graduate in Economics and Master in Management Studies was appointed by the Board in their meeting held on April 29, 2006. Pursuant to the provisions of Section 149, 150, 152 and any other applicable provisions of the Companies Act,2013 and rules made thereunder he has been appointed an Independent Director to hold office for a period of five consecutive years w.e.f. September 18, 2014 to September 17, 2019. His term of office shall not be liable to retirement by rotation in terms of section 149(13) of the said Act. Declaration has been received to the effect that he meets the criteria of independence as provided in section 149(6) of the said Act.

Sh. Abhiram Seth is not, interse, or otherwise, related to any of the Directors

vi) Sh. Onkar Nath Aggarwal, Independent Director

Sh. Onkar Nath Aggarwal(DIN:00629878), a qualified Mechanical Engineer and DLCT(Hons)degree from UK was appointed by the Board in their meeting held on December 31, 2005. Pursuant to the provisions of Section 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 and rules made thereunder, he has been appointed an Independent Director to hold office for a period of five consecutive years w.e.f. March 31, 2015 to March 30, 2020. His term of office shall not be liable to retirement by rotation in terms of section 149(13) of the said Act. Declaration has been received to the effect that he meets the criteria of independence as provided in section 149(6) of the said Act.

Sh. Onkar Nath Aggarwal, is not, interse, or otherwise, related to any of the Directors.

10. Director's Responsibility Statement

Pursuant to Section 134(3)(c) of the Companies Act, 2013(including any statutory modification(s) or re-enactment(s) for the time being in force), the Directors of your company confirm that:

i) in the preparation of the annual accounts for the financial year ended March 31,2016, applicable Accounting Standards and Schedule III of the Companies Act,2013(including any statutory modification(s) or en-enactment(s) for the time being in force), have been followed and there are no material departures from the same;

ii) the Directors have selected accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of your company as at March 31, 2016 and of the profit of the company for the financial year ended March 31, 2016;

iii) proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 (including any statutory modification(s) or re-enactment(s) for the time being in force) for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;

iv) the annual accounts have been prepared on a 'going concern ' basis;

v) proper internal financial controls laid down by the Directors were followed by your company and that such internal financial controls are adequate and operating effectively; and

vi) proper systems to ensure compliance with the provisions of all applicable laws were in place and that such systems were adequate and operating effectively.

11 Audit Observations

No qualification, adverse remarks or disclaimer made by the Statutory Auditors with regard to the financial statements for the financial year 2015-16.

12. Directors retiring by rotation

In accordance with the provisions of Section 152 of the Companies Act, 2013 and Clause 60(e) of company's Articles of Association, Sh. Rajiv Gupta, Chairman & Managing Director &CEO and Sh. Arun Mitter, Executive Director retire by rotation in the forthcoming Annual General Meeting and being eligible, offer themselves for re-appointment.

13. Key Managerial Personnel

During the year under review, the company has identified following persons as Key Managerial Personnel..

Sl No.	Name of the Person	Designation
1.	Sh Rajiv Gupta	Chairman & Managing Director & CEO
2.	Smt. Arti Gupta	Joint Managing Director
3.	Sh. Arun Mitter	Whole Time Director
4.	Sh. M.K. Madan	Vice President & Company Secretary & CFO

14. Board Evaluation

a) Pursuant to the provisions of the Companies Act, 2013 and SEBI(LODR) Regulations,2015, the Board has carried out annual evaluation of its performance, the directors individually as well as the evaluation of the working of its Audit and Nomination and Remuneration Committees. It has also evaluated the various aspects of the Board's functioning, composition of the Board and its Committees, culture, execution and performance of specific duties, obligations and governance.

b) The performance evaluation of the Independent Directors was done by the entire Board excluding the Directors being evaluated. The performance evaluation of the Chairman, Board as a whole and the Non-Independent Directors was carried out by the Independent Directors. The Board of Directors expressed their satisfaction with the evaluation process.

15. **Number of Meetings of the Board**

Details of the number of meeting s of the Board and the Committees held during the financial year 2015-16,forms part of the Corporate Governance Report.

Further, a separate meeting of the Independent Directors was also held, where at the prescribed items enumerated under Schedule IV to the Companies Act,2013 and the SEBI(LODR) Regulations,2015, were discussed.

16. **Particulars of Loans, Guarantees or Investments by the company**

Details of Loans, Guarantees and Investments covered under the provisions of section 186 of the Companies Act, 2013 read with the Companies(Meetings of Board and its Powers)Rules,2014, as on March 31,2016, are set out in Note No. 25(a)(ii) to the Standalone Financial Statements forming an integral part of this report.

17. **Disclosures**

There was no material changes or commitments, if any, effecting the financial position of the company from the end of the financial year till the date of this report.

18. **Vigil Mechanism Policy**

The company has established a Whistle Blower /Vigil Mechanism in terms of the Listing Agreement/SEBI(LODR) Regulations,2015 through which its Directors, Employees and Stakeholders can report their genuine concerns about unethical behaviors, actual or suspected fraud or violation of the company's code of conduct or ethics policy. The said mechanism provided for adequate safeguards against victimization and also direct access to the higher levels of supervisors. In appropriate and exceptional cases, concerns may be raised directly to the Chairperson of the Audit Committee. The Vigil Mechanism Policy which incorporates Whistle Blower Policy may be accessed on the company's website at the link: **http://www.mgfltd.com**

19. **Listing Agreement**

The Securities and Exchange Board of India(SEBI), on September 2, 2015, issued SEBI(LODR) Regulations,2015 with the aim to consolidate and streamline the provisions of the Listing Agreement to ensure better enforceability. The said regulations were effective December 1, 2015. The Company entered into a fresh Listing Agreement with BSE Limited and the National Stock Exchange of India Limited on February 24, 2016.

The listing fee for the year 2016-17 has already been paid to the credit of both the stock exchanges.

20. **Related Party Transactions**

The Policy on Related Party Transactions as approved by the Board of Directors has been uploaded on the website of the company. None of the Directors has any pecuniary relationship or transactions vis-a-vis the company.

During the financial year 2015-16, your company has entered into transactions with related parities as defined under Section 2(76) of the Companies Act,2013 read with the Companies(Specification of Definitions Details) Rules, 2014, all of which were in the ordinary course of business and on arm's length basis and in accordance with the provisions of the Companies Act,2013, read with the Rules issued thereunder and the Listing Regulations. Further, there were no transactions with related parties which qualify as material transactions under the SEBI Regulations.

All transactions with related parties were reviewed and approved by the Audit Committee. Prior omnibus approvals are granted by the Audit Committee for related party transactions which are of repetitive nature, entered in the ordinary course of business and are on arm's length basis in accordance with the provisions of Companies Act,2013 read with the Rules issued thereunder and the SEBI(LODR) Regulations, 2015.

Further, there were no materiality significance of RPT during the year with any of the related party viz, Promoters, Directors and Key Managerial Personnel and other related entities which may have a potential conflict with the interest of the company at large. The details of the related parties transactions as per Accounting Standard 18 are set out in Note No. 25(b) to the Standalone Financial Statements forming part of this report.

The Form AOC-2 pursuant to Section 134(3)(h) of the Companies Act,2013 read with Rule 8(2) of the Companies (Accounts)Rules, 2014 is set out as **Annexure 'B1'**.

21. **Board**

The Company Secretary, in consultation with the Chairman, prepares the agenda of the Board Meeting which is distributed 7 (seven) days in advance in writing to the members prior to the meeting in order to permit adequate review. The Company Secretary records minutes of each meeting and draft minutes are circulated to all members of the Board well in advance.

22. Statutory Auditors

Pursuant to the provisions of Section 139 of the Companies Act,2013 and the Rules made thereunder the current auditors of the company M/s S.N.Dhawan & Co, Chartered Accountants (Firm Regd No.000050N) are eligible to hold office for the last consecutive year(in the term of three consecutive years approved at the last Annual General Meeting and as such, on the recommendation of the Audit Committee are recommended for re-appointment to audit the accounts of the company for the financial year ending 2016-17. As required under the provisions of Section 139 of the Companies Act, 2013, the company has obtained written confirmation from M/s S.N. Dhawan & Co, Chartered Accountants that their appointment, if made, would be in conformity within the limits specified in the said section.

The members are requested to appoint M/s. S.N. Dhawan & Co, Chartered Accountants, as auditors for the year 2016-17 and authorize the Board, on the recommendations of the Audit Committee, to fix their remuneration.

23. Cost Auditors

Pursuant to the provisions of Section 141 read with Section 148 of the Companies Act, 2013 and Rules made thereunder, M/s PCK & Associates, Cost Accountants(Firm Regn, No.00514) on the recommendations of the Audit Committee, were appointed as the Cost Auditors of the company for the financial year ending 2016-17 at a remuneration of ₹ 40,000 plus service tax, as applicable. As required under the Companies Act, 2013, a resolution seeking member's Approval for the remuneration payable to the Cost Auditor forms part of the Notice.

24. Secretarial Auditors

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 made thereunder, the company has re-appointed M/s Anjali Yadav & Associates, (FCS No.6628 & CP No.7257) as the Secretarial Auditor to conduct and audit the secretarial records for the financial year 2016-17.

Secretarial Auditors (Contd...)

Your company has received consent from her. The Secretarial Audit Report for the financial year ended March 31, 2016 is annexed herewith as **Annexure 'D'** in Form No. MR-3 and forms an integral part of this report. The Secretarial Audit Report does not contain any qualification, reservation or adverse remarks. M/s Anjali Yadav and Associates, Secretarial Auditor have also been appointed as scrutiniser to scrutinise the e-voting process.

25. Internal Auditor & Internal Control

The internal audit has been entrusted to Mr. S.K. Aggarwal, a Chartered Accountant. The company has in place adequate and effective internal financial control with reference to the financial statement and is in commensurate with its size, scale and complexities of its operations. With a strong internal control culture in the company, the Internal Auditor monitors the compliance with the objective of providing information to the Audit Committee. The Audit Committee periodically reviews the internal control systems with the management, internal auditors and statutory auditors and the adequacy of internal audit function, significant internal audit findings and follow up thereon, if any.

26. The Company does not have any Employee Stock Option Scheme.

27. Risk Management

The Board of Directors has formed a Risk Management Committee to frame, implement and monitor the risk management plan for the company. The committee is responsible for reviewing the risk management plan and ensuring its effectiveness. The Audit Committee has additional oversight in the area of financial risks and controls. Major risks identified by the business and functions are systematically addressed through mitigating actions on a continuing basis.

The development and implementation of risk management policy has been covered in the management discussions and analysis, which forms an integral part of this report.

28. Board Committees

The Board has the following committees:-

i) Audit Committee

The Audit Committee of the Board of the Directors has been reconstituted and as on the date of signing of this report comprises of four (4) Directors namely, Sh. Arun Mitter, Executive Director, Sh. Bharat Kumar, Sh. Abhiram Seth and Sh. Onkar Nath Aggarwal, three of them being Independent Directors. Sh.Bharat Kumar, an Independent Director, is the Chairman of the Audit Committee.

The Board accepts recommendations of the Audit Committee.

ii) Nomination & Remuneration Committee

Nomination & Remuneration Committee was re-constituted on May 28, 2016 and the present constitution of the committee comprises of four (4) Directors namely, Sh. Rajiv Gupta, Chairman & Managing Director &CEO of the company, Sh. Bharat Kumar, Sh.Abhiram Seth and Sh.Onkar Nath Aggarwal. Out of four Directors, three Directors are Independent Directors. Sh. Abhiram Seth, an Independent Director, is the Chairman of the Committee.

The Board accepts recommendations of the committee based on the policy on the Directors' appointment and other details as is required under Section 178(4) of the Act in the matter of appointment/re-appointment of the Directors, Senior Managers and fixation of remuneration etc.

(iii) **Stakeholders Relationship Committee**

Stakeholders Relationship Committee comprises of five (5) Directors, namely Sh. Rajiv Gupta, Chairman & Managing Director &CEO, Smt. Arti Gupta, Joint Managing Director, Sh. Arun Mitter, Executive Director, Sh. Bharat Kumar and Sh. Abhiram Seth. Out of five Directors, two Directors are Independent Directors. Sh. Abhiram Seth, an Independent Director, is the Chairman of the Committee.

The Committee looks into and resolves the grievances of the stakeholders. As on the date of this report, there are no issue which remains to be resolved.

(iv) **Corporate Social Responsibility (CSR) Committee**

In accordance with the requirements of Section 135 of Companies Act,2013, your company had constituted a Corporate Social Responsibility Committee (CSR) on February 13, 2015. The composition of the Committee is given hereunder. However, terms of reference of the Corporate Social Responsibility Committee is provided in the Corporate Governance Report. The Committee comprises of Sh. Abhiram Seth, Non Executive Independent Director, Sh. Arun Mitter, Executive Director, Sh. Onkar Nath Aggarwal, Non Executive Independent Director.

Sh. Abhiram Seth, Non Executive Independent Director is the Chairman of the Committee.

(v) **Risk Management Committee**

Risk Management Committee comprises of three(3) Directors, namely, Sh. Bharat Kumar, Sh. Arun Mitter, Executive Director and Sh. Abhiram Seth, an Independent Director. Out of three directors, two directors are Independent Directors. Sh. Bharat Kumar, an Independent Director, is the Chairman of the Committee.

29. Policies

SEBI(listing Obligations and Disclosure Requirements)Regulations, 2015 mandated the formulation of certain policies for all listed companies. In compliance with the same, the company has formulated the policies. The corporate governance policies v.z. Policy on Related Party Transactions, Policy on Disclosure of Material Event/information , Code of Fair disclosure, UPSI under SEBI (Prohibition of Insider Trading) Regulations,2015, Whistle Blower Policy, Policy on Document Preservation, Policy on Board Diversity, Policy on Familiarization Programme for Independent Directors, etc are available on our company's website **www.mgfltd.com.**

30. Corporate Social Responsibility (CSR) Policy

As a part of its initiative under the "Corporate Social Responsibility"(CSR) drive, the company has undertaken projects in the area of promoting education, renovation of school building and running of school and libraries etc. This is in accordance with Schedule VII of the Companies Act, 2013 and the company's CSR policy. As per the provisions of Section 135 of the Companies Act,2013, the company is not falling in the criteria as is prescribed in the said section and as such, CSR is not applicable during this year. However, in continuing with the plan, as per last year, the company has incurred ₹ 14.02 lacs on promoting education.

CSR Policy of the company is available on company's website **www.mgfltd.com.**

31. Business Responsibility Report

As per Regulation 34(2)(f) of SEBI(LODR) Regulations,2015, the company is not falling in the criteria i.e. top 500 listed companies based on market capitalization and as such, Business Responsibility Report is not applicable.

32. CEO/CFO Certification

The CEO and the CFO of the company have certified to the Board with regard to the compliance made by them in terms of Regulation 17(8) of SEBI(LODR) Regulations, 2015.

33. Particulars of Employees

There are no employees in receipt of remuneration which, inter-alia, requires the company to furnish the particulars of Employees as required under Rule 5(2) & 5(3) of the Companies(Appointment and Remuneration of Managerial Personnel)Rules, 2014.

34. Unpaid/Unclaimed Dividend

The respective due dates of transfer of the unclaimed un-encashed dividend to the Investors Education & Protection Fund("IE&P) of the Central Government are as below

Financial Year to which dividend relates	Date of Declaration	Due date for transfer to IE&P Fund
2009-2010	29-09-2010	04-11-2017
2010-2011	29-09-2011	04-11-2018

As provided under the Companies Act,2013, dividend remaining unclaimed for a period of seven years shall be transferred by the company to the IE&P Fund. In the interest of the investors, the company is in the practice of sending reminders to the investors concerned, before transfer of unclaimed dividend to the IE & P Fund. Unclaimed/un-encashed dividends upto the year 2008-09 have been transferred to the IE&P Fund.

35. Dematerialization

Members who have not yet got their shares dematerialized, are requested to opt for the same in their own interest and send their certificate through Depository Participants(s) with whom, they have dematerialized account, to the company's registrar and transfer agents, M/s Alankit Assignments Limited, Alankit Heights,1E/13, Jhandewalan Extension, New Delhi-110055.

Further The SEBI has mandated the submission of Permanent Account Number(PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their Depository Participant with whom they are maintaining their Demat Accounts. Members holding shares in physical form can submit their PAN details to the company.

36. Transfer/Transmission/Transposition of Shares

The Securities and Exchange Board of India(SEBI), vide its Circular No.MRD/DOP/Cir-05/2009 dated 20th May, 2009 and Circular No.MRD/DoP/SE/RTA/Cir-03/2010 dated 7th January, 2010 made it mandatory that a copy of the PAN Card is to be furnished to the company in the following cases:-

- Registration of physical transfer of shares;
- Deletion of name of deceased shareholder(s) where shares are held jointly in the name of two or more shareholders;
- Transmission of shares to the legal heirs where shares are held solely in the name of deceased shareholder; and
- Transposition of shares where order of names of shareholders are to be changed in the physical shares held jointly by two or more shareholders.

Member(s), therefore, are requested to furnish the self attested copy of PAN Card, at the time of sending the physical share certificate(s) to the Registrar and Transfer Agent of the company, for effecting any of the above stated requests. Members are also requested to keep record of their specimen signature before lodgment of shares with the company probability mismatch at a later date.

37. Consolidation of Multiple Folios

Member(s) of the company who have multiple accounts in identical name(s) or holding more than one Share Certificate in the same name under different Ledger Folio(s) are requested to apply for consolidation of such Folio(s) and send the relevant Share Certificates to the company.

38. Compliance of the Statutory Authorities

The company has complied with the requirements of the Stock Exchanges, SEBI and other statutory authorities on all matters relating to the capital markets during the last three years. No penalties or strictures have been imposed on the company by the Stock Exchanges or SEBI or any other statutory authorities relating to the above.

39. Code of Conduct for Directors and Senior Management

The Board of Directors of the company has adopted a Code of Conduct for directors and senior management and the same is available on the website of the company i.e.**http// www.mgfltd.com.**

40. Insider Trading Code

The Board of Directors in their meeting held on May 14,2015 has adopted a Code of Conduct under SEBI(Prohibition of Insider Trading) Regulations,2015 superseding the 1992 Code. The code is applicable to all designated and connected persons of the company and their immediate relatives, promoters, promoter's group, all directors who are expected to have access to Unpublished Price Sensitive Information(UPSI) relating to the company. The company has appointed Sh. M.K. Madan, Vice President & Company Secretary & CFO of the company as Compliance Officer under the said regulations.

41. Public Deposits

During the year under review, your company has not accepted any deposit within the meaning of Section 73 and 74 of the Companies Act, 2013 read with the Companies (Acceptance of Deposits) Rules, 2014(including any statutory modification(s) or re-enactment(s) for the time being in force). There are no unclaimed deposits.

42. Conservation of Energy, Technology, Absorption and Foreign Exchange Earnings/Outgo

In terms of the requirements of clause (m) of sub section(3) of Section 134 of the Companies Act, 2013, read with the Companies(Accounts)Rules, 2014, the particulars are given as under:-

Amount (₹. in Lacs)

a)	Technology -	It is not applicable	
b)	Conservation of Energy	-do-	
c)	Transactions in Foreign Currency:	**This Year**	Previous Year
	a) Expenditure in Foreign Currency	-	-
	i) Repayment of Foreign Currency Loan	-	-
	ii) Interest on Foreign Currency Loan	-	-
	iii) Travelling Expenses	1.26 lacs	2.04 lacs
b)	Shares held by Non Resident Shareholders	125088	187081
	No.of Shareholders	30	31

The company had no earnings in foreign exchange.

43. E-mail ID for Investor's Grievances

In compliance of Regulation 2(j) of SEBI (LODR) Regulations, 2015, the company has designated an e-mail address i.e. ***mgfcomplaints @yahoo.co.in*** for the purpose of registering complaints by investors for redressal of their grievances.

44. Nomination Facility

Provision of Section 72 of the Companies Act, 2013 read with rule 19(1) of the rules made thereunder extends nomination facility to individuals holding shares in the physical form. To help the legal heirs/successors get the shares transmitted in their favour, shareholder(s) are requested to furnish the particulars of their nomination in the prescribed Nomination Form. In case, any of the members wish to avail facility of Nomination, (Form SH -13), they are requested to send the duly completed form to the Registrars and/or at the Registered Office of the company. Member(s) holding shares in Dematerialised form are requested to register their nominations directly with their respective Dps.

45. Consolidation of Folios

Members who may have more than one folio in their individual name or jointly with other persons mentioned in the same order, are requested to write to the Registrars and Share Transfer Agents indicating the folio numbers for consolidation of similar holdings under one folio.

46. Acknowledgements

Directors place on record their thanks for the assistance and cooperation received from banks and all other customers for their continued support and patronage.

Yours Directors also wish to place on record the dedicated and devoted services rendered by all personnel of the company.

For and on behalf of the Board
FOR THE MOTOR & GENERAL FINANCE LIMITED

Place: New Delhi
Dated: August 4, 2016

(RAJIV GUPTA)
CHAIRMAN & MANAGING DIRECTOR
& CHIEF EXECUTIVE OFFICER
DIN:00022964

(ARTI GUPTA)
JOINT MANAGING DIRECTOR
DIN:00023237

Annexure 'A' to the Directors Report

Pursuant to Regulation 17 to 27 and Clause (b) to (i) of sub Regulation (2) of Regulation 46 and paragraph (C) and (E) of Schedule V of SEBI(LODR) Regulations,2015 entered with the Stock Exchanges.

CORPORATE GOVERNANCE REPORT

1. Company's Philosophy on Code of Corporate Governance

Corporate Governance is the combination of practices and compliance with laws and regulations leading to effective control and management of the organisation. We consider stakeholders as our partners in our success and remain committed to maximizing stakeholder value. Good Corporate Governance leads to long term stakeholder value. Corporate Governance rests upon the four pillars of transparency, disclosure, monitoring and fairness to all. Your company is committed to the adoption of and adherence to the best Corporate Governance practices at all times and continuously benchmarks itself with the best standards of Corporate Governance, not only in form but also in spirit.

Corporate Governance represents the value, ethical and moral framework under which business decisions are taken. The investors want to be sure that not only is their capital handled effectively and adds to the creation of wealth, but the business decisions are also taken in a manner which is not illegal or involving moral hazard.

Your company perceives good corporate governance practices as a key driver of sustainable corporate growth and long term shareholder value creation. The primary objective is to develop and adhere to a corporate culture of harmonious and transparent functioning, increasing employee and customer satisfaction and enhancing shareholders' wealth by developing capabilities and identifying opportunities that best serve the goal of value creation. All actions and strategic plans are directed towards delivering value to all stakeholders, as well as conform to the highest standards of corporate behaviour..

2. Board of Directors("Board")

The company has a high profile Board with varied management expertise. The Board's roles, functions, responsibilities and accountabilities are known to them due to their vast experience. Notice, Agenda and Minutes of the Board Meetings/Committee Meetings are circulated to the Directors well in advance and confirmed at the subsequent meetings.

The Composition of the Board of Directors of the company is in conformity with Regulation 17 of SEBI (LODR) Regulations, 2015 read with Section 149 of the Companies Act, 2013.

The present Board of Directors consists of six Directors of which, three are Executive Directors including one woman Director and three are Non Executive Independent Directors. The company has an appropriate size of the Board for real strategic discussion and avails benefit of diverse experience and view points.

None of the Directors on the Board hold directorships in more than ten public limited companies. Further none of them is a member of more than ten committees or Chairman of more than five committees across all the public companies in which he/she is a director. Also none of the Independent Directors has served as an Independent Director in more than seven listed companies. Necessary disclosures regarding committee positions in other public companies as on March 31,2016 have been made by the Directors. None of the Directors excepting Sh. Rajiv Gupta and Smt. Arti Gupta, being husband and wife, are related to each otherr

i) Constitution of the Board:

Sl No.	Name of Director	Status
1.	Sh. Rajiv Gupta(DIN:00022964)	Chairman & Managing Director& CEO
2.	Mrs. Arti Gupta(DIN:00023237)	Joint Managing Director
3.	Sh. Arun Mitter (DIN:00022941)	Whole Time Director-Executive Director
4.	Sh. BharatKumar(DIN:00990117)	Non Executive- Independent Director
5.	Sh. Onkar Nath Aggarwal (DIN:00629878)	Non Executive -Independent Director
6.	Sh. Abhiram Seth(DIN:00176144)	Non Executive -Independent Director

a. Chairmanship/Membership only includes Audit Committee and Stakeholders Relationship Committee in Indian Public limited companies.

b. No Director is related to any other Director on the Board in terms of the definition of "Relative under the Companies Act,2013 except Sh. Rajiv Gupta and Smt. Arti Gupta, who are husband and wife.

c. Details of Directors retiring or being re-appointed are given in the notice to Annual General Meeting. The brief profile of the Board Members is given in the website of the company **www.mfgltd.com**

(ii) Independent Directors

Independent Directors are Non Executive Directors as defined under Regulation 16(1)(b) of the SEBI Listing Regulations read with Section 149(6) of the Act. The maximum tenure of Independent Director is in compliance with the Act. All the Independent Directors have confirmed that they meet the criteria as mentioned under Regulation 16(1)(b) of the SEBI Listing Regulations read with Section 149(6) of the Act. A formal letter of appointment to Independent Directors as provided in the Companies Act,2013 and it disclosed on the website of the company viz.**www.mfgltd.com**

(iii) Role of Independent Directors

Independent Directors bring to the company their wide experience in the field of finance , accountancy and public policy. This wide knowledge of both, their field of expertise and board room practices helps foster varied, unbiased, independent and experienced perspectives. The company benefits from inputs achieving its strategic directions.

Independent Directors play an important role in deliberations at the Board, Audit Committee, Nomination & Remuneration Committee, Stakeholders Relationship Committee, Risk Management Committee and CSR Committee where they have majority of independent directors. These committees function with the defined terms of reference in accordance with the Companies Act,2013, the listing agreements and as approved by the Board from time to time. Board Members ensure that their work in other capacities do not impinge on their fiduciary responsibilities as directors of the company.

All independent Directors of the company, at the time of their first appointment to the Board and thereafter at the first meeting of the Board in every financial year, give a declaration that they meet with the criteria of independence and provided under Section 149(6) of the Companies Act,2013 read with regulation 25 of SEBI(LODR) Regulations, 2015. In the opinion of the Board, each Independent director possesses appropriate balance of skills, experience and knowledge, as required.

(iv) Pecuniary Relationship

Non Independent Executive Directors have no pecuniary relationships or transactions with the company in their personal capacity except for the sitting fees, drawn for attending the meetings of the Board. No meeting fee is paid for attending the Committee Meetings.

None of the Directors on the Board is a member of more than 10 committees or Chairman of more than 5 committees across all the companies in which he is a Director. None of the Directors who serve as a Whole Time Director in any listed company serve as Independent Director in more than three listed companies.

(v) Detail of Board Meetings

Seven Board Meetings were held during the year and the gap between two meetings did not exceed 120 days. The said meetings were held on May 14, 2015, May 29, 2015, August 13, 2015, November 13, 2015, December 1, 2015, February 12, 2016 and February 24, 2016. The necessary quorum was present for all the meetings.

a) During the year 2015-16, information as mentioned in Schedule II Part A of the SEBI Listing Regulations, has been placed before the Board for its consideration.

b) The terms and conditions of appointment of the Independent Directors are disclosed on the website of the company.

c) During the year, one meeting of the Independent Directors was held on February 1,2016. The Independent Directors, inter-alia, reviewed the performance of the Non Independent Directors, Chairman of the company and the Board as a whole.

d) The Board periodically reviews the compliance reports of all laws applicable to the company, prepared by the company.

e) The details of the familiarization programme of the independent directors are available on the website of the company **http://www.mgfltd.com**

f) The meetings of the Board of Directors are informed well in advance and are held at the Registered Office i.e. MGF House, 4/17-B, Asaf Ali Road, New Delhi. The notice confirming the minutes of the previous meeting and the detailed agenda for the ensuing meeting is sent invariably at least seven days in advance to all the Directors. In

terms of the company's Corporate Governance policy, all significant and material information are placed before the Board to enable them to discharge their responsibilities. As per the directions of the Chairman, the Company Secretary who is also the Compliance Officer, convene the meetings.

Departmental heads of the company, in case they are required, are invited to attend the Board Meetings, to make presentations and provide clarifications. It is ensured that there are minimum number of four meetings of the Board of Directors every year to review the quarterly performance and financial results of the company.

(vi) Number of Board Meetings:

During the financial year from April 1, 2015 to March 31, 2016, the Board of Directors met 7 (seven) times on the following dates:-

S.No.	Date of Meeting	Board Strength	No.of Directors present
1.	May 14, 2015	6	6
2.	May 29, 2015	6	6
3.	August 13, 2015	6	5
4.	November 13, 2015	6	6
5.	December 1, 2015	6	6
6.	February 12, 2016	6	6
7.	February 24, 2016	6	5

(vii) Attendance of Directors:

Sl No	Name of the Director	No. of Board Meetings held	No. of Board Meetings Attended	Attendance at the last Annual General Meeting	No. of Directorship*** in other Boards as on March 31, 2016	No. of Memberships in all Committees of the Board as on March 31, 2016
1.	Sh.Rajiv Gupta*	7	7	N.A.*	12	4
2.	Mrs.Arti Gupta	7	6	N.A*	7	1
3.	Sh.Arun Mitter**	7	7	Present	19	8
4.	Sh. Bharat Kumar	7	7	Present	2	2
5.	Sh. Onkar Nath Aggarwal	7	7	N.A*.	10	1
6.	Sh. Abhiram Seth	7	6	N.A*	10	3

N.A* - Not Attended.

* Sh. Rajiv Gupta, resigned from the Audit Committee on August 4, 2016.

** Sh. Arun Mitter resigned from Nomination & Remuneration Committee on May 28, 2016.

- None of the directors holds office as a director, including as alternate director, in more than twenty companies at the same time. None of them has directorships in more than ten public companies.
- As per the declarations received, none of the directors serve as an independent director in more than seven listed companies. Further, the whole time director in the company does not serve as an independent director in more than three listed companies.
- None of the Directors was a member in more than 10 committees, nor a Chairman in more than 5 committees across all companies in which he was a director.
- Memberships in only Audit Committee and Stakeholders Relationship Committee in Public Limited Companies in accordance with Regulation 26 (1) (a) of SEBI(LODR) Regulations,2015 Membership/Chairmanship only includes Audit Committee and Stakeholders' Relationship Committee in Indian Public Limited companies. Members of the

Board of the company do not have members of more than ten Board level committees or Chairman of more than five such committees.

The important decisions taken at the committee meetings are communicated to the concerned departments. The Company Secretary attends the committee meetings and advises on compliances with applicable laws and governance.

(viii) Evaluation of Directors and the Board

The Board of Directors has carried out an annual evaluation of its own performance, board committees and individual directors pursuant to the provisions of the Act and the corporate governance requirements as prescribed by Regulation 17 of SEBI (LODR) Regulations,2015 ("SEBI Listing Regulations")

The performance of the board was evaluated by the end after seeking inputs from all the directors on the basis of the criteria such as the board composition and structure, effectiveness of board processes, information and functioning, etc

The performance of the committees was evaluated by the board after seeking inputs from the committee members on the basis of the criteria such as the composition of committees, effectiveness of committee meeting, etc

The Board and the nomination and remuneration committee reviewed the performance of the individual directors on the basis of the criteria such as the contribution of the individual director to the board and committee meetings like preparedness on the issues to be discussed, meaningful and constructive contribution and inputs in meetings, etc. In addition, the chairman was also evaluated on the key aspects of his role.

In a separate meeting of independent directors, performance of non independent directors, performance of the board as a whole and performance of the chairman was evaluated, taking into account the views of executive directors and non executive directors. The same was discussed in the board meeting that followed the meeting of the independent directors, at which the performance of the board , its committees and individual directors was also discussed. Performance evaluation of independent directors was done by the entire board, excluding the independent director being evaluated.

(ix) Meeting Fee to Directors:

Sitting Fee was paid to Non-Executive Directors only for attending Board Meetings and no meeting fee was paid for attending committee meetings. Further, the Executive Directors are not paid any fees for attending Board or Committee Meetings.

3. Governance Codes

(i) Code of Business Conduct & Ethics

In compliance of Regulation 17(5)(a) read with Regulation 26(3) of SEBI(LODR) Regulations,2015 has affirmed compliance of the Code of Conduct applicable to the Board of Directors and Senior Management team. The said code is also available on the company's website viz. **www. mgfltd.com**

A declaration from the Managing Director that all the Board Members and Senior Managerial Personnel have affirmed that they have complied with the Code of Conduct for the financial year ended March 31, 2016 which forms part of the Annual Report. The duties of the Independent Directors as laid down in the Companies Act,2013 has been suitably explained in the Code of Conduct where necessary.

(ii) Insider Trading Code

In accordance with SEBI(Prevention of Insider Trading)Regulations,2015, the company has a code of conduct for Prevention of Insider Trading. All the Directors, employees and Senior Management and other employees who could have access to the Unpublished Price Sensitive Information(UPSI) of the company are governed by this code. The Company Secretary is the Compliance Officer for monitoring adherence to the said regulation.

4. Board Committees:

To enable better and more focused attention on the affairs of the company, the Board has delegated responsibility to the Company Secretary to prepare a ground work for decision and report at the subsequent Board Meeting.

The Board is further assisted by various committees, namely, Audit Committee, Nomination& Remuneration Committee, Stakeholders Relationship Committee, Risk Management Committee and the Corporate Social Responsibility (CSR) Committee.

To comply with the requirements of Regulation 18 to 22 of SEBI(LODR) Regulations,2015, the composition , broad terms of reference and attendance of director of each committee is given hereunder:-

(i) Audit Committee

As on the date of this report, this Committee is comprising of Sh. Arun Mitter, Sh. Bharat Kumar, Sh. Abhiram Seth and Sh. Onkar Nath Aggarwal.

Chairman:

Sh. Bharat Kumar, Non Executive Independent Director, is the Chairman of the Audit Committee.

Broad Terms of Reference of the Audit Committee

i) To oversee the company's financial reporting process and the disclosure of its financial statements are sufficient and credible;

ii) Recommending the appointment of statutory auditors, fixation of audit fee and approval for payment. Discussions with Statutory Auditors before the audit commences, about the nature and scope of audit as well as post audit discussions to ascertain any area of concern.

iii) Reviewing with the management, the quarterly, half yearly and annual financial statements before submission to the Board for approval, with particular reference to:-

a) Matter required to be included in the Directors' Responsibility Statement & to be Included in the Board's report in terms of section 134(3) (c) of the Companies Act, 2013

b) Changes, if any, in accounting policies and practices and reasons for the same.

c) To approve/modify the transactions with the related parties and also review the statement of significant related party transactions submitted by the management.

d) Whether the audit tests are appropriate and scientifically carried out.

iv) Compliance with listing and other legal requirements relating to financial statements.

v) Qualifications in the draft audit report. If any.

vi) Ensuring compliance with regulatory guidelines.

vii) Reviewing with the management the adequacy of Internal Control Systems and ensuring suitable follow up action, where required.

viii) To fix record date/book closure of share/debenture transfer book of the company from time to time.

ix) Evaluating the internal financial control and risk management policies/system of the company.

x) To appoint representatives to attend the general meeting of other companies in which the company is holding shares;

xi) To change the signatories for availment of various facility from bank/financial institutions.

xii) To review whistle blower mechanism of the company as per Whistle Blower Policy.

xiii) To review and scrutinize the loans, investments and guarantees.

xiv) To recommend to the Board the appointment, remuneration and terms of appointment of Cost Auditors and also review the Cost Audit Report.

xv) To recommend to the Board the appointment, remuneration and terms of appointment of Internal Auditor and also review the Internal Audit Report.

xvi) Any other matter referred to by the Board of Directors.

During the year ended March 31, 2016, the Committee met six times on May 14, 2015, May 29, 2015, August 13, 2015, November 13, 2015, December 1, 2015 and February 12, 2016.

Sh,.M.K. Madan, Compliance Officer is the convener of the Audit Committee.

Attendance of the Directors in the Audit Committee Meeting:

SNo.	Name of Director	No. of Audit Committee Meetings held	No. of Meetings attended
1.	Sh. Bharat Kumar	6	6
2.	Sh. Rajiv Gupta*	6	6
3.	Sh. Arun Mitter	6	6
4.	Sh. Abhiram Seth	6	5
5.	Sh. Onkar Nath Aggarwal	6	6

**Sh. Rajiv Gupta resigned from Audit Committee resigned on August 4, 2016.

None of the Directors on the Board is a member of more than 10 committees or Chairman of more than 5 committees across all the companies in which he is a Director. None of the Directors who serve as a Whole Time Director in any listed company serve as Independent Director in more than three listed companies.

(ii) Stakeholders Relationship Committee.

This committee comprises of Sh. Rajiv Gupta, Chairman & Managing Director & CEO, Mrs. Arti Gupta, Joint Managing Director, Sh. Arun Mitter, Executive Director, Sh. Bharat Kumar, Non Executive Independent Director and Sh. Abhiram Seth, Non Executive Independent Director.

Chairman

Sh. Abhiram Seth, Non Executive Independent Director is the Chairman of the Committee

Mr. M.K.Madan, Compliance Officer is the convener of the Committee.

Terms of Reference

The terms of reference of the Committee includes enquiring into and redressing complaints of shareholders and investors and to resolve the grievances of the stakeholders of the company.

Attendance of Directors in the Stakeholder Relationship Committee Meetings:

The Stakeholders Relationship Committee met four times during the year on July 16, 2015, October 15, 2015, January 14, 2016, and March 31, 2016. The attendance for the meetings is as under:-

S No.	Name of Director	No. of meetings held	No. of meetings attended
1.	Sh. Rajiv Gupta	4	4
2.	Mrs.Arti Gupta	4	4
3.	Sh .Arun Mitter	4	4
4.	Sh. Bharat Kumar	4	4
5.	Sh. Abhiram Seth	4	4

None of the Directors on the Board is a member of more than 10 committees or Chairman of more than 5 committees across all the companies in which he is a Director. None of the Directors who serve as a Whole Time Director in any listed company serve as Independent Director in more than three listed companies.

The Board has delegated the powers of Share Transfer/ Transmissions to a committee. The said committee attends to Share Transfer formalities weekly/fortnightly

(iii) Nomination and Remuneration Committee

Membership:

Nomination and Remuneration Committee comprises of Sh. Rajiv Gupta, Chairman & Managing Director & CEO of the company, Sh. Bharat Kumar, Non Executive Independent Director, Sh.Abhiram Seth, Non Executive Independent Director and Sh.Onkar Nath Aggarwal, Non Executive Independent Director.

Chairman

Sh. Abhiram Seth, Non Executive Independent Director is the Chairman of the Committee.

Sh. M.K. Madan, Compliance Officer, is the convener of the Committee.

Broad Terms of reference of the Nomination and Remuneration Committee:

i) to deal with matters related to remuneration by way of salary, perquisites, benefits, etc to the Managing Director/Joint Managing Director/ Whole Time Director of the Company.

ii) to set guidelines for the salary and perks payable to senior employees of the company.

During the year ended March 31, 2016, the Nomination and Remuneration Committee met two times i.e. August 13, 2015 and February 24, 2016

Attendance of the Directors in the Nomination and Remuneration Committee Meeting

S.No.	Name of Director	No. of Meetings held	No. of Meetings attended
1	Sh. Rajiv Gupta	2	2
2.	Sh. Arun Mitter*	2	2
3.	Sh. Bharat Kumar	2	2
4.	Sh.Abhiram Seth	2	1
5.	Sh.Onkar Nath Aggarwal	2	2

* Sh. Arun Mitter resigned from Remuneration & Nomination Committee on May 28, 2016 as per Clause 19(1) of SEBI(LODR) Regulations, 2015.

None of the Directors on the Board is a member of more than 10 Committees or Chairman of more than 5 Committees across all the companies in which he is a Director. None of the Directors who serve as a Whole Time Director in any listed company serve as Independent Director in more than three listed companies.

Policy for appointment and remuneration

In terms of section 178(3) of the Companies Act,2013 and Regulation 19 SEBI(LODR) Regulations,2015 and as per the Listing Agreement, entered into by the company with the Stock Exchanges, as amended from time to time, the policy on nomination and remuneration of Directors, Key Managerial Personnel(KMP), Senior Management and other employees of the company has been formulated by the Nomination and Remuneration Committee of the company and approved by the Board of Directors. The relevant extract of the aforesaid policy are given below:-

a. Identify persons who are qualified to become Directors, Key Managerial Personnel (KMP), Senior Management and other employees in accordance with the criteria laid down, and recommend to the Board, their appointment and removal.

b. Carry on the evaluation of every director including Independent Directors, Key Managerial Personnel, Senior Management and other employees performance.

c. Formulate criteria for determining qualifications, positive attributes and independence of a Director.

d. Recommend to the Board a policy, relating to the remuneration of the Directors, Key Managerial Personnel, Senior Management and other employees.

e. Undertake any other matters as the Board may decide from time to time.

The company follows a market linked remuneration policy, which is aimed at enabling the company to attract and retain the best talent. Compensation is also linked to individual and team performance as they support the achievement of corporate goals. The company does not have an Employee Stock Option Policy.

(a) Remuneration Paid during the year ended March 31, 2016, are as under:-

EXECUTIVE DIRECTORS & KMP

Name of Director	Basic Salary & Allowances	Perquisites	Contribution to Provident Fund	Total (₹)
SSh. Rajiv Gupta Chairman & Managing Director &CEO	1776000	384764	266400	2427164
Smt. Arti Gupta Joint Managing Director	1680000	314772	252000	2246772
Sh. Arun Mitter Executive Director	2352000	293664	176400	2822064
Sh. M.K. Madan Vice President & Company Secretary & CFO	1063000	196800	82200	1342000
Total	**6871000**	**1190000**	**777000**	**8838000**

NON EXECUTIVE INDEPENDENT DIRECTORS

Name of Director	*Sitting fee for attending the Board Meetings during the year ended March 31, 2016 (Amount in ₹)
Sh. Bharat Kumar	35075
Sh. Abhiram Seth	30075
Sh. Onkar Nath Aggarwal	35075
Total	**100225**

* including service tax
No sitting fee for attending any committee meeting was paid.

iv) Risk Management Committee

Membership:

Risk Management Committee comprises of Sh. Bharat Kumar, Non Executive Independent Director, Sh. Arun Mitter, Executive Director and Sh. Abhiram Seth, Non Executive Independent Director.

Chairman:

Sh. Bharat Kumar, Non Executive Independent Director is the Chairman of Risk Management Committee.

Sh. M.K. Madan, Compliance Officer, is the convener of the Committee.

Broad Terms of reference of the Risk Management Committee

i) To oversee the responsibility with regard to the identification, evaluation and mitigation of operational strategic and external environment risk.

ii) The Committee shall be responsible for reviewing and approving the risk disclosure statement in any public documents/disclosure.

iii) It will coordinate its activities with the Audit Committee in instances where there is any overlap with the audit activities.

During the year ended March 31, 2016, the Risk Management Committee met four times on July 17, 2015, October 15, 2015, January 15, 2016 and March 17, 2016.

Attendance of the Directors in the Risk Management Committee

S.No.	Name of Director	No. of Meetings held	No. of Meetings attended
1.	Sh. Bharat Kumar	4	4
2.	Sh. Arun Mitter	4	4
3.	Sh. Abhiram Seth	4	4

None of the Directors on the Board is a member of more than 10 committees or Chairman of more than 5 committees across all the companies in which he is a Director. None of the Directors who serve as a Whole Time Director in any listed company serve as Independent Director in more than three listed companies.

v) Corporate Social Responsibility(CSR) Committee

Pursuant to Section 135 of the Companies Act, 2013, a Corporate Social Responsibility (CSR) Committee was formed by the Board of Directors and it consists of three Directors, namely Sh. Abhiram Seth, Non Executive Independent Director, Sh. Arun Mitter, Executive Director and Sh. Onkar Nath Aggarwal, Non Executive Independent Director.

Chairman

Sh. Abhiram Seth, Non Executive Independent Director, is the Chairman of the of the Committee.

Sh. M.K. Madan, Compliance Officer, is the convener of the Committee

Terms of Reference of the Corporate Social Responsibility

i) To formulate and recommend to the Board, a CSR Policy which shall indicate the activities to be undertaken by the company as specified in Schedule VI of the Companies Act, 2013.

ii) To recommend the amount of expenditure to be incurred on the activities referred in CSR Policy.

iii) To monitor the CSR Policy of the company from time to time etc.

iv) **Corporate Social Responsibility (CSR) Policy**

As a part of its initiative under the "Corporate Social Responsibility"(CSR) drive, the company has undertaken projects in the area of promoting education, renovation of school building and running of school and libraries etc. This is in accordance with Schedule VII of the Companies Act, 2013 and the company's CSR policy. As per the provisions of Section 135 of the Companies Act,2013, the company is not falling in the criteria as is prescribed in the said section and as such, CSR is not applicable during this year. However, in continuing with the plan as per last year, the company has incurred Rs.14.02 lacs on promoting education.

During the year, One meeting of the Corporate Social Responsibility(CSR) Committee of Board of Directors was held on March 31, 2016.

Meeting and attendance

Sl No	Name of the Member	No. of meeting held	No of meeting attended
1.	Sh. Abhiram Seth	1	1
2.	Sh. Arun Mitter	1	1
3.	Sh. Onkar Nath Aggarwal	1	1

None of the Directors on the Board is a member of more than 10 committees or Chairman of more than 5 committees across all the companies in which he is a Director. None of the Directors who serve as a Whole Time Director in any listed company serve as Independent Director in more than three listed companies.

Details of investors complaints received during the year ended March 31, 2016

S.No	Nature of complaints	Received	Resolved	Pending
1.	Non receipt of dividend warrant(s)	1	1	-
2.	Non receipt of share certificates after transfer/exchange/sub-division/ consolidation/merger, etc/issue of duplicate share certificate	2	2	-
3.	Non receipt of Annual Report	1	1	-
	Total	4	4	-

Number of complaints pending with the company

All the members requests/complaints received during the financial year ended March 31, 2016 by the company and/or their Registrar i.e. M/s Alankit Assignments Limited were replied / resolved to their satisfaction.

Number of shares pending for transfer:

No shares were pending for transfer as on March 31, 2016.

8. Affirmations and Disclosures

Details of capital market non compliance if any,

There was no non compliance by the company of any legal requirements; nor has there been any penalty/stricture imposed on the company by any stock exchange, SEBI or any statutory authority on any matter related to capital markets during the last three years.

Compliance Certificate

The CEO and CFO have certified to the Board with regard to the financial statements and other matters as required under regulation 17(8) read with Part B of Schedule II of the SEBI Listing Regulations, 2015.

Related Party transactions (RPTs)

Your company enters into various transactions with related parties as defined under Section 2(76) of the Companies Act,2013 in its ordinary course of business. All the RPTs are undertaken in compliance with the provisions set out in Companies Act, 2013 and Regulation 23 of SEBI(LODR) Regulations, 2015. The Audit Committee and the Board of Directors of the company have formulated the policy on dealing with RPTs and a policy on materiality of RPTs which is uploaded on the website of the company. There were no materially significant transactions with related parties during the financial year.

None of the transactions with related parties falls under the scope of section 188(1) of the Act. Information on transactions with related parties pursuant to section 134(3)(h) of the Act read with rule 8(2) of the Companies (Accounts) Rules,2014 are given in the notes forming part of the Financial Statement Refer Note No. 25 (b).

a. Whistle Blower Policy

The company has implemented Whistle Blower Policy and it is hereby affirmed that no personnel have been denied access to the Audit Committee.

b. Risk Management

Business risk evaluation and management is an on going process within the company. The assessment is periodically examined by the Board.

c. Disclosure of Accounting Treatment

There is no deviation in following the treatment prescribed in any Accounting Standards(AS) in the preparation of financial statements of the company.

d. Non mandatory requirements

Adoption of non mandatory requirements in compliance of Regulation 27(1) of SEBI(LODR) Regulations,2015 is being reviewed by the Board from time to time.

e. Going Concern

The directors are satisfied that the company has adequate resources to continue its business for the foreseeable future and consequently consider it appropriate to adopt the Going Concern Basis in preparing the financial statements.

9. Management:

(i) Management Discussion and Analysis Report:

The Company has provided a detailed Management Discussion and Analysis Report in **Annexure 'B'** forming part of the Director's Report.

10. Recording Minutes of proceedings at Board and Committee meetings

The Company Secretary records the minutes of the proceedings of each Board and Committee meeting. Draft minutes are circulated to all the members of the Board/Committee for their comments. The minutes are entered in the Minutes Book within 30(thirty) days from the conclusion of the meeting.

11. **Particulars of Past three AGMs:**

Last three Annual General Meetings were held at The Executive Club, 439, Village Shahoorpur, P.O. Fatehpur Beri, New Delhi-110030 on the following time and dates:-

AGM. No.	Year	Date	Time	Special Resolutions passed required for
83rd	2013	September 26, 2013	11.30 A.M	NIL
84th	2014	September 18, 2014	11.30 A.M.	To continue to hold office of Chairman & Managing Director and Joint Managing Director upto March 31, 2017 and June 4, 2017 respectively under Sections 152, 196 of the Companies Act, 2013 and their office shall henceforth be liable to determination of retirement of Directors by rotation.
85th	2015	September 29, 2015	12.15 P.M.	Appointment of an Independent Director under Sections 149,150, 152 and other applicable provisions of the Companies Act, 2013, variation in terms of Remuneration payable to CMD, JMD and ED under Section 196, 197 and 198 and 203 read with Schedule V and other applicable provisions of the Companies Act, 2013, amendment in Articles of Association pursuant to the provisions of section 14 and all other applicable provisions, if any of the Companies Act, 2013 and appointment of Cost Accountant being Cost Auditors under Section 148 of the Companies Act, 2013.

12. Whistle Blower Policy/Vigil Mechanism

In compliance of Regulation 22 of SEBI(LODR) Regulations,2015, Whistle Blower Policy is available on the company's website viz, **mgfltd.com**.

i) The company believes in the conduct of affairs in a fair and transparent manner adopting highest standards of professionalism, honesty, integrity and it is committed to developing a culture where every employee is safe to raise concerns about any poor or unacceptable practice and any event of misconduct.

ii) Section 177 read with Rule 7 of the Companies(Meetings of Board and its Powers), 2014 and Regulation 22(2) of SEBI(LODR Regulations,2015 has established the Whistle Blower Policy for Directors and employees to report concerns about unethical behavior actual or suspected fraud or violation of any of law or company's conduct of conduct, mismanagement, gross waste or misappropriation of company's funds.

iii) Where violation does not affect an individual directly but is detrimental to the organization interest and also where individuals hesitate to report such violation out of fear and indifference, the Whistle Blower Policy provide a way for an individual to report violation without fear of victimization.

iv) Whistle Blower is protected from any kind of discrimination, harassment, victimization or any other unfair employment practice.

v) The Audit Committee has been authorised to decide the case and recommend action which is deemed fit considering the gravity of the matter after completion of investigating proceedings within four weeks to the Chairman of the Audit Committee.

vi) Any two members of the Audit Committee will report to the Chairman of the action to be taken.

vii) The Director in all cases and employee in appropriate or exceptional cases shall have direct access with the Chairman of the Audit Committee.

13. CODE OF CONDUCT FOR DISCLOSURE UNDER SEBI (PROHIBITION OF INSIDER TRADING)REGULATIONS,2015

Code of Conduct for Disclosure under SEBI(Prohibition of Insider Trading)Regulations,2015 is available on the company's website **mgfltd.com**

14. Code of Conduct for Directors and Senior Management

The Board of Directors of the company has adopted a Code of Conduct for directors and senior management and the same is available on the website of the company i.e.**http// www.mgfltd.com.**.

15. Shareholder Information :

Annual General Meeting	:	86th Annual General Meeting
Day & Date	:	Wednesday, September 28, 2016
Time	:	12.15. P.M.
Venue	:	The Executive Club, 439, Village Shahoorpur, P.O. Fatehpur Beri, New Delhi-110030

16. Financial Calendar :

(Tentative schedule)

Financial reporting for the quarter ended June 30, 2016	Within 45 days of the close of the quarter i.e. August 14, 2016
Financial reporting for the quarter ended September 30, 2016	Within 45 days of the close of the quarter i.e. November 15, 2016
Financial reporting for the quarter ended December 31, 2016	Within 45 days of the close of the quarter i.e. February 15, 2017
Financial reporting for the quarter ended March 31, 2017	Within 60 days of the close of the quarter i.e. May 30, 2017

a. Means of Communication:

Quarterly/Half Yearly Financial Results of the company are forwarded to Bombay Stock Exchange and National Stock Exchange of India and published in Financial Express and Mahalaxmi newspapers. Half-yearly report is not sent to each household of members as the results of the company is published in the newspapers. In addition to the above, the results are also available on the company's website: **http://www.mgfltd.com** for the information of all the members.

Company has not made any presentation to any Institutional Investors/Analyst during the year.

Company has its own website and all the vital information relating to the company is displayed on the website. Address of the website is **http://www.mgfltd.com**

17. Shareholders' Information

i) Annual General Meeting : **Wednesday, September 28, 2016 at 12.15 P.M.**

ii) Date of Book Closure : **Friday, September 23, 2016 to Wednesday, September 28, 2016 (both days inclusive)**

18. Registrar and Share Transfer Agents :

In compliance with SEBI directives, M/s Alankit Assignments Ltd, 2E/21, Alankit House, Jhandewalan Extension, New Delhi-110055. Tel No.011- 42541953/63 are carrying on assignment of both physical and demat mode.

However, keeping in view the convenience of members, documents relating to the shares are continued to be received by the company at its Registered Office, at MGF House, 4/17-B, Asaf Ali Road, New Delhi-110002, Telephone Nos. 23272216-18, 23278001-02.

19. Nomination Facility:

Members are eligible to file their nominations against shareholdings. Nomination Forms are available at the Registered Office i.e. MGF House, 4/17-B, Asaf Ali Road, New Delhi-110002. Those interested in getting the facility of nominations may write to the Company Secretary for a copy of the prescribed Nomination Form.

20. Share Transfer System:

If the documents are clear in all respects, completion of transfer of shares in physical mode generally taken is less than 15 days. The Share Transfer Committee has delegated the responsibility of share transfers to an officer of the company to expedite share transfers. Shares under demat and physical mode are transferred by the Registrar and Share Transfer Agent normally within 15 days.

21. Under Demat and Physical Mode:

Alankit Assignments Limited,
Alankit Heights ,1E/13,
Jhandewalan Extension,
New Delhi – 110 055.
Phones: 011-42541953/63

The undernoted officials of the company have been designated for speedy redressal of member's/ investor's requests/queries.

22. Compliance Officer:

Sh. M. K. Madan
Vice President & Company Secretary & CFO
(ACS-2951)
Phone No. 011-23276872

23. Company Secretary:

Sh. M.K.Madan
Vice President & Company Secretary & CFO
(ACS-2951)

24. Address for Correspondence:

Registered Office:

The Motor & General Finance Limited
MGF House,4/17B,
Asaf Ali Road,
New Delhi – 110 002.
Ph: 23272216-18, 23278001-02 Fax: 23274606
E-mail : **mgfltd@hotmail.com**
Website : **www.mgfltd.com**
CIN No.: **L74899DL1930PLC000208**

25. Listing on Stock Exchanges:

Bombay Stock Exchange Ltd
Phiroz Jee Jee Bhoy Towers,
Dalal Street, Mumbai – 400 001
Ph : 022-22721234/33
Fax : 91-22-22721278/1557/3354/3577

National Stock Exchange of India Limited

Exchange Plaza,
Plot No.C/1 G Block 5th Floor,
Bandra Kurla Complex,
Bandra, Mumbai - 400051.
Ph : 022-26598235/36
Fax : 022-66418124, 66418125, 66418126

Stock Code of the Company:

Bombay Stock Exchange(BSE), Mumbai

Electronic Mode	:	**INE 861B01015**
Scrip Name	:	**The Motor & General Finance Ltd**
Scrip Code	:	**501343**

National Stock Exchange of India(NSE)

Electronic Mode	:	**INE 861B01015**
Scrip Name	:	**The Motor & General Finance Ltd**
Scrip Code	:	**Motogenfin**
Equity shares in Demat Form	:	**INE 861B01015**
Depository Connectivity	:	**NSDL and CDSL**

26. Market Price Data: (As obtained from BSE & NSE)

	(BSE)		(NSE)	
Month & Year	High	Low	High	Low
April, 2015	49.30	42.55	49.90	42.80
May, 2015	47.45	40.85	49.45	41.10
June, 2015	46.20	40.90	46.20	40.60
July, 2015	49.00	41.00	47.25	41.05
Aug, 2015	47.60	40.65	48.25	40.85
Sep, 2015	46.00	42.65	46.00	38.95
Oct, 2015	44.90	39.20	43.40	39.20
Nov, 2015	42.50	38.00	44.00	38.75
Dec, 2015	43.55	38.05	43.50	37.90
Jan, 2016	45.95	38.05	42.75	37.30
Feb, 2016	52.80	37.60	42.95	35.00
Mar, 2016	46.00	36.00	43.55	36.000

27. Category of Shareholding as on March 31, 2016

S.No	Category	No. of Shares held	% of Shareholding
A	**Promoters ***	12435494	64.221
B	**Non Promoter Holding**		
	Mutual Funds and UTI	-	-
	Banks, Financial Institutions, Insurance Companies(Central/State Government Institutions/Non Government Institutions)	6466	0.033
C	**Others**		
	Private Corporate Bodies	374360	1.933
	Indian Public	5323456	27.492
	NRIs/OCBs/FIIs/Trust/Custodian	1223819	6.320
	Total	**19363595**	**100.00**

* includes persons acting in concert.

28. Distribution of Company's Shareholding as on March 31, 2016:

Category	Shareholders			No. of Shares(Rs. 10/- per share)			Percentage(%)		
	Physical	Demat	Total	Physical	Demat	Total	Physical	Demat	Total
Upto 5000	5072	3932	9004	548167	441654	9898210	2.83	2.28	5.11
5001 – 10000	213	309	522	155702	254899	4106010	0.80	1.32	2.12
10001 – 20000	96	187	283	135315	284382	4196970	0.70	1.47	2.17
20001 – 30000	40	72	112	98447	189421	2878680	0.51	0.98	1.49
30001 – 40000	21	32	53	74907	115489	1903960	0.39	0.59	0.98
40001 – 50000	11	29	40	50405	134023	1844280	0.26	0.69	0.95
50001 – 100000	23	48	71	148568	352498	5010660	0.77	1.82	2.59
100001 & above	15	67	82	1062540	15317178	163797180	5.49	79.10	84.59
Total	**5491**	**4676**	**10167**	**2274051**	**17089544**	**19363595**	**11.75%**	**88.25%**	**100.00%**

Compliance:

A certificate has been obtained from the Statutory Auditors of the company regarding compliance of conditions of Corporate Governance and is attached to this report.

By Order of the Board
for **THE MOTOR & GENERAL FINANCE LIMITED**

Place: New Delhi
Date: August 4, 2016

Rajiv Gupta
Chairman & Managing Director
& Chief Executive Officer(CEO)
DIN:00022964

Arti Gupta
Joint Managing Director
DIN:00023237

AUDITORS'S CERTIFICATE ON THE COMPLIANCE OF CONDITIONS OF CORPORATE GOVERNANCE LAID DOWN IN REGULATION 15(2) READ WITH PART E OF SCHEDULE V TO THE SEBI(LODR) REGULATIONS, 2015

To the Members of

The Motor & General Finance Limited

We have examined the compliance of conditions of Corporate Governance by The Motor & General Finance Limited('the Company') for the year ended March 31,2016 as stipulated in Clause 49 of the Listing Agreement('Listing Agreement') of the company with the stock exchanges and relevant provisions as specified in regulations 17 to 27, clause (b) to (i) of sub regulation (2) of regulation 46 and paragraph C, D and E of Schedule V of the Securities and Exchange Board of India(Listing Obligations and Disclosure requirements)Regulations,2015(Listing Regulations).

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to procedures and implementation thereof, adopted by the company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion of the financial statements of the company.

In our opinion, and to the best of our information and according to the explanations given to us, we certify that the company has complied with the conditions of Corporate Governance as specified in Clause 49 of the Listing Agreement and in regulation 17 to 27, clauses (b) to (i) of sub-regulation (2) of Regulation 46 and paragraph C, D and E of Schedule V of the aforementioned Agreement/Regulations.

We further state that such compliance is neither an assurance as to the future viability of the company nor the efficiency or effectiveness with which the management has conducted the affairs of the company.

For **S.N. DHAWAN & CO**
Chartered Accountants
Firm No.000050N

(N.C. SETIA)
Partner
Membership No.012533

Place: New Delhi
Date: August 4, 2016

ANNEXURE 'B' TO THE DIRECTOR'S REPORT

MANAGEMENT'S DISCUSSION AND ANALYSIS:

INDUSTRY STRUCTURE AND BUSINESS DEVELOPMENTS

The Company has received the completion certificate in respect of construction of project at Shalimar Place, Shalimar Bagh, New Delhi. Company's main focus at present is to achieve maximum return on the investment .

OPPORTUNITIES & THREATS, RISKS & CONCERNS, PERFORMANCE AND OUTLOOK

FINANCIAL

The financial performance of the company are given as under:-

(₹ in lacs)

Financial Results	**Year ended March 31, 2016**	Year ended March 31, 2015
Gross Profit before depreciation, finance cost and provisioning	938.22	919.54
Less: Finance Cost	(550.10)	(701.47)
Less: Depreciation including impairment and property reserves	(99.74)	(90.14)
Profit /(Loss) before provisions, exceptional items and tax	288.38	127.93
Less : Provision for diminution in value of investments	(94.40)	(214.57
Profit /(Loss) before, exceptional items and tax	193.98	(86.64)
Less: Excess depreciation of earlier years written back	-	11.54
Provision for tax	(75.00)	(70.00)
Excess/(short)provision of tax of earlier years	1.50	(26.94)
Deferred tax	20.82	76.04
Net Profit(/Loss) for the year	141.30	(96.00)

RISK & CONCERNS

Your company has implemented a mechanism for risk management and has formulated a Risk Management Policy. The policy provides for identification of risks and mitigation measures. The Audit Committee is informed on the risk assessment and minimization mechanism adopted by the company. The procedures are periodically reviewed to ensure that management control risk through means of property defined frame work.

INTERNAL CONTROL SYSTEM AND THEIR ADEQUACY

Your company maintains an adequate and effective Internal Controls System commensurate with its size. The Internal Control System provides a reasonable assurance to the effect that the transactions are executed with the authorizations and are recorded in all material respects to permit preparation of financial statements in conformity with established accounting principles and that the assets are secured and safeguarded any misuse or loss. The internal control system is supplemented through an extensive internal audit programme and periodic review by the Management and Audit Committee. The company has in place adequate internal financial controls and during the year, such controls were tested and no reportable material weakness was observed. Besides, the management has also put in place system for review and monitoring of non performing assets of the company for effecting recoveries.

HUMAN RESOURCES

Your company always regards human resources as its most valuable asset and continuously evolves policies and process to attract and retain its substantial pool of managerial resources through friendly work environment that encourages initiatives by individuals and recognizes their performance.

DISCLAIMER

Certain Statements in the Management Discussion and Analysis describing the company's views about the industry, expectations, objectives, etc may be understood within the meaning of applicable laws and regulations. Factors like changes in Government regulations, tax laws and other factors as such industrial relations and economic developments etc. may further influence the company's operations or performance.

COMPLIANCE CERTIFICATE BY CHIEF EXECUTIVE OFFICER AND CHIEF FINANCIAL OFFICER UNDER REGULATION 17(8) OF SEBI (LODR) REGULATIONS, 2015

A. They have reviewed financial statements and the cash flow statement for the year and that to the best of our knowledge and belief that:-

1. These statements do not contain any materially untrue statement or omit any material fact or contain statement that might be misleading.
2. These statements together present a true and fair view of the listed entity's affairs and are in compliance with existing accounting standards, applicable laws and regulations.

B. There are to the best of their knowledge and belief, no transactions entered into by the listed entity during the year ended March 31, 2016 which are fraudulent, illegal or in violation of the company's Code of Conduct.

C. They accepted responsibility for establishing and maintaining internal controls for financial reporting and that they have evaluated the effectiveness of internal control systems of the listed entity pertaining to financial reporting and they have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, if which they are aware and the steps they have taken or purpose to take to rectify these deficiencies.

D. They have indicated to the auditors and the Audit Committee

(1) significant changes in internal controls over financial reporting during the year.

(2) significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and

(3) instances of significant fraud of which they have become aware and the involvement therein, if any, of the management or an employee having a significant role in the entity's internal control systems over financial reporting.

for THE MOTOR & GENERAL FINANCE LTD

(RAJIV GUPTA)
CHAIRMAN & MANAGING DIRECTOR
& CHIEF EXECUTIVE OFFICER(CEO)
DIN:00022964

for THE MOTOR & GENERAL FINANCE LTD

(M.K. MADAN)
VICE PRESIDENT & CO.SECRETARY
& CHIEF FINANCIAL OFFICER
(ACS-2951)

Place: New Delhi
Date: August 4, 2016

D E C L A R A T I O N

As provided under Regulation 34(3) and 53(f) and read with Para D of Schedule V of SEBI(LODR) Regulations, 2015,the Board Members and the Senior Management Personnel have confirmed compliance with the Code of Conduct for the year ended March 31, 2016.

For THE MOTOR & GENERAL FINANCE LTD

(RAJIV GUPTA)
CHAIRMAN & MANAGING DIRECTOR
& CHIEF EXECUTIVE OFFICER (CEO)
DIN:00022964

Place : New Delhi
Date : August 4, 2016

Annexure 'B1'

Form No. AOC-2

(Pursuant to clause (h) of sub-section (3) of Section 134 of the Act and Rule 8(2) of the Companies (Accounts)Rules,2014)

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section(1) of section 188 of the Companies Act,2013 including certain arms length transactions under third proviso thereto

1. Details of contracts or arrangements or transactions not at arm's length basis.
   All the transactions entered into by the company during the year with related parties were on an arm's length basis.
2. Details of material contracts or arrangements or transactions at arm's length basis.
   The transactions entered into by the company during the year with related parties on an arm's length basis were not material in nature.

(RAJIV GUPTA)

Place : New Delhi **CHAIRMAN & MANAGING DIRECTOR & CEO**
Date : August 4, 2016 **DIN:00022964**

Annexure 'C'

Form No.MGT-9

EXTRACT OF ANNUAL RETURN

As on Financial Year ended on March 31, 2016

(Pursuant to Section 92(3) of the Companies Act, 2013 and Rule 12(1) of the Companies (Management & Administration) Rules, 2014

i. Registration & Other Details

1.	CIN	:	L74899DL1930PLC000208
2.	Registration Date	:	March 20,1930
3.	Name of the Company	:	The Motor & General Finance Ltd
4.	Category/sub-category of the company	:	Company Limited by Shares/Indian Non Government Company
5.	Address of the Registered Office & contact details	:	MGF House, 4/17-B, Asaf Ali Road, New Delhi-110002 Phone No.011-23272216-18/23278001-02, Fax No.23274606

II. **Principal Business Activities of the Company**

(All the business activities contributing 10% or more of the total turnover of the company shall be stated) Leasing & Development of real estate

III. Particulars of Holding, Subsidiary and Associate Companies

Sl No.	Name and address of the company	CIN/GIN	Holding /Subsidiary /Associate	% of shares held	Applicable section
1	Jayabharat Credit Ltd	L66000MG1943PLC003899	Associate	43.45	2(6)
2	India Lease Development Ltd	L74899DL1984PLC019218	Associate	31.35	2(6)

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

I. Category-wise Share holding

Category Code	Category of Shareholder	No.of Shares held of the beginning of the year (As on April 1, 2015)				No.of Shares held of the beginning of the year (As on April 1, 2016)				% Change during the year
(I)	(II)	(V)		(IV)		(V)		(IV)		
(A)	***Shareholding of Promoter and Promoter Group 2**									
(1)	**Indian**									
	(a) Individual / Hindu Undivided Family	4846383	796195	5642578	29.14%	5123288	796195	5919483	30.57%	1.43%
	(b) Central Government / State Government(s)	-	-	-	-					-
	(c) Bodies Corporate	6576011	0	6576011	33.96%	6516011	0	6516011	33.65%	-0.31%
	(d) Financial Institutions / Banks	-	-	-	-					-
	(e) Any other (specify)	-	-	-	-					-
		-	-	-					-	
	Sub - Total (A) (1)	**11422394**	796195	**12218589**	63.10%	**11639299**	796195	**12435494**	64.22	1.12%
(2)	**Foreign**									
	(a) Individual (Non Resident Individual / Foreign Individual	-	-	-	-					-
	(b) Bodies Corporate	-		-	-					-
	(c) Institutions	-		-	-					-
	(d) Any other (specify)	-		-	-					-
	Sub -Total (A) (2)	**-**		**-**	**-**					**-**
	Total Shareholding of Promoter and Promoter Group (A) = (A) (1) + (A) (2)	**11422394**	796195	**12218589**	63.10%	**11639299**	796195	**12435494**	64.22	1.12%
(B)	**Public Shareholding3**									
(1)	**Institutions**									
	(a) Mutual Funds / UTI	-		-						
	(b) Financial Institutions / Banks	5328	1138	6466	0.03%	5328	1138	6466	0.03%	0.00%
	(c) Central Government/ State Government(s)	-		-						
	(d) Venture Capital Funds	-		-						
	(e) Insurance Companies	-		-						
	(f) Foreign Institutional Investors	514447	0	514447	2.66%	514447	0	514447	2.66%	0.00%
	(g) Foreign Venture Capital Investors	-		-						
	(h) Any other (specify) **Sub - Total (B) (1)**	**519775**	1138	**520913**	2.69%	**519775**	1138	**520913**	2.69%	0.00%
(2)	**Non - Institutions**									
	(a) Bodies Corporate	386539	44912	431451	2.23%	332448	41912	374360	1.93%	1.04%
	(b) Individual :-									
	(i) Individual shareholders holding nominal share capital upto Rs.1 lakh.	1760927	1213851	2974778	15.36%	1939058	1266515	3205573	16.55	1.19%
	(ii) Individual shareholders holding nominal share capital in excess of Rs.1 lakh.	2205667	246832	2452499	12.67%	1961550	156333	2117883	10.94%	1.73%
	(c) Any other (specify)									
	(i) NRI	180100	6981	187081	0.97%	118107	6981	125088	0.65	0.32%
	(ii) TRUST	573307	0	573307	2.96%	573307	0	573307	2.96%	0.00%
	(iii) CUSTODIAN	0	4977	4977	0.03%	0	4977	4977	0.03%	0.00%
	Sub - Total (B) (2)	**5106540**	1517553	**6624093**	34.21%	**4930470**	1476718	**6407188**	33.09	0.21%
	Total Public Shareholding (B) = (B) (1) + (B) (2)	**5626315**	1518691	**7145006**	36.90%	**5450245**	1477856	**6928101**	35.78	-0.14%
	Total (A) + (B)	**17048709**	2314886	**19363595**	100.00%	**17089544**	2274051	**19363595**	100%	0.00%
(C)	**Shares held by Custodians and against which Depository Receipts have been issued**									
C1	Promoter and Promoter group	0	0	0	0.00%	0	0	0	0.00%	0.00%
C2	Public 0 0	0	0.00%	0	0	0	0.00%	0.00%		
	TOTAL C = C1+C2	**0**	0	**0**	0.00%	**0**	0	**0**	0.00%	0.00%
	Grand Total (A)+(B)+(C)	**17048709**	2314886	**19363595**	100.00%	**17089544**	2274051	**19363595**	100%	0.00%%

ii. Shareholding of Promoters :-

Sl No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No.of shares	% of total shares of the company	% of shares/ pledged/ encumbered to total shares	No.of shares	% of total shares of the co	% of shares pledged/ encumbered total shares	
1	ANJALI GUPTA / ARTI GUPTA	78106	0.40%	0.00%	78106	0.40%	0.00%	0.00%
2	ARTI GUPTA / RAJIV GUPTA	981000	5.07%	0.00%	981000	5.07%	0.00%	0.00%
3	ARTI GUPTA / RAJIV GUPTA (D/O.LATE RAM PRAKASH)	208774	1.08%	0.00%	208774	1.08%	0.00%	0.00%
4	ARTI GUPTA / ANJALI GUPTA	447607	2.31%	0.00%	447607	2.31%	0.00%	0.00%
5	ARUN MITTER	10606	0.05%	0.00%	10606	0.05%	0.00%	0.00%
6	ISHAN VERMA	100000	0.52%	0.00%	100000	0.52%	0.00%	0.00%
7	KRISHNAV VERMA	100000	0.52%	0.00%	100000	0.52%	0.00%	0.00%
8	RAJIV GUPTA / ARTI GUPTA	1993580	10.30%	0.00%	2270485	11.73%	0.00%	1.43%
9	SAIESHA GUPTA	100000	0.52%	0.00%	100000	0.52%	0.00%	0.00%
10	SHRADHA GUPTA	100000	0.52%	0.00%	100000	0.52%	0.00%	0.00%
11	SHILPA GUPTA	131089	0.68%	0.00%	131089	0.68%	0.00%	0.00%
12	SIDDHARTH GUPTA	137389	0.71%	0.00%	137389	0.71%	0.00%	0.00%
13	SUMANA VERMA	500000	2.58%	0.00%	500000	2.58%	0.00%	0.00%
14	USHA MITTER	1092	0.01%	0.00%	1092	0.01%	0.00%	0.00%
15	VED PRAKASH GUPTA HUF	200348	1.03%	0.00%	200348	1.03%	0.00%	0.00%
16	VISHWA MITTER	2520	0.01%	0.00%	2520	0.01%	0.00%	0.00%
17	VISHWA MITTER HUF	814	0.00%	0.00%	814	0.00%	0.00%	0.00%
18	ABHIRAM SETH	10245	0.05%	0.00%	10245	0.05%	0.00%	0.00%
19	ABHIRAM SETH	53	0.00%	0.00%	53	0.00%	0.00%	0.00%
20	ISHIKA SETH	43431	0.22%	0.00%	43431	0.22%	0.00%	0.00%
21	ISHIKA SETH	3245	0.02%	0.00%	3245	0.02%	0.00%	0.00%
22	NEERU AGGARWAL / SHARAD AGGARWAL	140084	0.72%	0.00%	140084	0.72%	0.00%	0.00%
23	PUNAM AGGARWAL	11127	0.06%	0.00%	11127	0.06%	0.00%	0.00%
24	RADHIKA SETH	147181	0.76%	82.10%	147181	0.76%	82.10%	0.00%
25	RADHIKA SETH / ABHIRAM SETH	6319	0.03%	63.30%	6319	0.03%	63.30%	0.00%
26	SHARAD AGGARWAL	133120	0.69%	0.00%	133120	0.69%	0.00%	0.00%
27	TANMAYE SETH	9895	0.05%	0.00%	9895	0.05%	0.00%	0.00%
28	UMA AGGARWAL	44953	0.23%	0.00%	44953	0.23%	0.00%	0.00%
29	BAHUBALI SERVICES LIMITED	4094800	21.15%	0.00%	4094800	21.15%	0.00%	0.00%
30	GEE GEE HOLDINGS (P) LIMITED	319517	1.65%	0.00%	319517	1.65%	0.00%	0.00%
31	GROSVENOR ESTATES (P) LIMITED	300000	1.55%	0.00%	300000	1.55%	0.00%	0.00%
32	INDIA LEASE DEVELOPMENT LIMITED	800000	4.13%	0.00%	800000	4.13%	0.00%	0.00%
33	RAM PRAKASH & CO.(P) LTD	648321	3.35%	0.00%	648321	3.35%	0.00%	0.00%
34	MGF ESTATES (P) LIMITED	413373	2.13%	0.00%	413373	2.13%	0.00%	0.00%
	TOTAL	12218589	63.10%	145.41%	12435494	64.22%	145.41%	1.43%

iii Change in Promoters' Shareholding (please specify, If there is no change)

Sl No.	Particulars	Shareholding of the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the co
8	**RAJIV GUPTA / ARTI GUPTA**				
	At the beginning of the year	1993580	**10.30%**	1993580	**10.30%**
	Off/Market purchase during the year	276905	**1.43%**	276905	**1.43%**
	At the end of the year	2270485	**11.73%**	2270485	**11.73%**

iv Shareholding Pattern of top ten (10) shareholders

(Other than Directors, Promoters and Holders of GDRs and ADRs)

Sl No.	Particulars	Shareholding of the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the co
1	**ASHOK VISWANATHAN**	**600000**	**3.10**	**605610**	**3.13**
2	**DAULAT RAM COLLEGE SOCIETY**	**514447**	**2.96**	**573307**	**2.96**
3	**ATYANT CAPITAL MANAGEMENT LTD**	**514431**	**2.66**	**514447**	**2.66**
4	**VENKATARAMAN S**	**292050**	**1.51**	**292050**	**1.51**
5	**HINDUSTAN COMM.INV.TRUST LTD**	**200000**	**1.03**	**200000**	**1.03**
6	**SUJATA SHARMA**	**125304**	**0.65**	**125304**	**0.65**
7	**SHANTA K MOHAN**	**119338**	**0.62**	**119338**	**0.62**
8	**SIDDHANT AGGARWAL**	**110000**	**0.57**	**110000**	**0.57**
9	**RAJ GUPTA**	**109686**	**0.50**	**109686**	**0.57**
10	**RAGHAV AGGARWAL**	**100000**	**0.38**	**100000**	**0.52**

v Shareholding of Directors and Key Managerial Personnel

Sl No.	Particulars	Shareholding of the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the co
8	**RAJIV GUPTA / ARTI GUPTA**				
	At the beginning of the year	1993580	**10.30%**	1993580	**10.30%**
	Off/Market purchase during the year	276905	**1.43%**	276905	**1.43%**
	At the end of the year	2270485	**11.73%**	2270485	**11.73%**

V INDEBTEDNESS

Indebtedness of the Company including interest outstanding/ accrued but not due for payment

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Secured Loans				
i) **Term loan**	303753415	-	-	**303753415**
ii) **Working Capital Term Loan**	119926754	-	-	**119926754**
iii) **Vehicle Loan**	7687050	-	-	**7687050**
Unsecured Loans	**-**	**64300000**	**-**	**64300000**
Advances amount outstanding due to related parties	**-**	**-**	**125700000**	**125700000**
Security Deposits Outstanding	**-**	**-**	**74768000**	**74768000**
Total	**431367219**	**64300000**	**200468000**	**696135219**

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

Remuneration to Managing Director, Whole-time Director and KMP(Company Secretary)

Name of Director	Basic salary & allowance	Perquisites	Contribution to Provident Fund	Total(Rs)
Sh. Rajiv Gupta Chairman & Managing Director & CEO	1776000	384764	266400	2427164
Smt. Arti Gupta Joint Managing Director	1680000	314772	252000	2246772
Sh. Arun Mitter Executive Director	2352000	293664	176400	2822064
Sh. M.K. Madan, Vice President & Company Secretary & CFO	1063000	196800	82200	1342000

Comparison of Remuneration of the Key Managerial Personnel(s) against the performance of the company

The company had paid the minimum remuneration to the Managerial Personnel in accordance with Paragraph A of Section II of Part II of Schedule V of the Companies Act, 2013 and as such, the same is not comparable with the operations of the company and for the purpose of median remuneration of the employees.

VII. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES:

Type		Section of the Companies Act	Brief Description	Details of Penalty/Punishment /Compounding feed imposed	Authority (RD/NCLT/Court	Appeal made, if any (give Details)
A.	Company Penalty	-	-	-	-	-
	Punishment	-	-	-	-	-
	Compounding	-	-	-	-	-
B.	Directors Penalty	-	-	-	-	-
	Punishment	-	-	-	-	-
	Compounding	-	-	-	-	-
C.	Other officers in default Penalty	-	-	-	-	-
	Punishment	-	-	-	-	-
	Compounding	-	-	-	-	-

Annexure 'D'

Form No. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31st March, 2016

[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

To,
The Members,
The Motor & General Finance Limited
MGF House, 4/17-B,
Asaf Ali Road,
New Delhi-110002

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by The Motor & General Finance Limited bearing CIN-L74899DL1930PLC000208 (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on our verification of the company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the company, its officers, agents and authorized representatives during the conduct of secretarial audit, We hereby report that in our opinion, the company has, during the audit period covering the financial year ended on 31st March, 2016 complied with the statutory provisions listed hereunder and also that the company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the company for the financial year ended on 31st March, 2016 according to the provisions of:

(i) The Companies Act, 2013 ('the Act') and the rules made there under;

(ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;

(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

(iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings; - **Not applicable to the company during the period of audit.**

(v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-

(a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

(b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

(c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;

(d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; - **Not applicable to the company during the period of audit**

(e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; - **Not applicable to the company during the period of audit**

(f) The Securities and Exchange Board of India (Registrar to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;

(g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; - **Not applicable to the company during the period of audit** and

(h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; - **Not applicable to the company during the period of audit**

We have also examined compliance with the applicable clauses of the following:

(i) Secretarial Standards issued by The Institute of Company Secretaries of India;

(ii) The Listing Agreements entered into by the company with Bombay Stock Exchange Limited, National Stock Exchange of India Limited read with the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirement) Regulations, 2015.

During the period under review the company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

We further report that

The Board of Directors of the company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. No change in the composition of the Board of Directors took place during the period under review.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

We further report that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

For Anjali Yadav & Associates

Anjali Yadav
Proprietor
FCS No.: 6628
C P No.: 7257

Place: New Delhi
Date: July 28, 2016

This Report is to be read with our letter of even date which is annexed as **Annexure 'A'** and forms an integral part of this Report.

Annexure 'A'

To,
The Members,
The Motor & General Finance Limited
MGF House, 4/17-B,
Asaf Ali Road,
New Delhi-110002

Our report of even date is to be read along with this letter.

1. Maintenance of Secretarial record is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the Secretarial records. The verification was done on test check basis to ensure that correct facts are reflected in Secretarial records. We believe that the process and practices, we followed provide a reasonable basis of our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Where ever required, we have obtained the Management representation about the Compliance of laws, rules and regulations and happening of events etc.
5. The Compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedure on test check basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

For Anjali Yadav & Associates

Anjali Yadav
Proprietor
FCS No. 6628
C P No. 7257

Place : New Delhi
Date : July 28, 2016

Annexure 'E'

Report on Corporate Social Responsibility (CSR)

[Pursuant to clause 3 (o) of Section 134 of the Act and Rule 9 of the Companies (Corporate Social Responsibility) Rules, 2014]

1. A brief outline of the Company's CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programs. The Board of Directors have adopted the CSR policy to undertake school development activities so that it is in a position to promote education to young children and conservation and renovation of school building and class rooms differently.

2. The CSR Committee comprises of three directors, namely Sh. Abhiram Seth, Sh. Arun Mitter and Sh. Onkar Nath Aggarwal(appointed as an Independent Director on March 31, 2015). Out of three directors, two directors are independent Directors. Sh. Abhiram Seth, Independent Director, is the chairman of the Corporate Social Responsibility Committee.

3. Average net profits of the company for last three financial years
4. Prescribed CSR Expenditure (two per cent of the amount as in item 3 above)
5. Details of CSR spent during the financial year

} Not Applicable (Refer Para 28(iv) of Director Report)

(a) Total amount to be spent for the financial year - Nil

(b) Amount unspent, if any; - Nil

(c) Manner in which the amount spent during the financial year is detailed below.

(1) S. No	(2) CSR project or activity identified	(3) Sector in which the Project is covered	(4) Projects or programs (1) Local area or other(2) Specify the State and district where projects or programs was undertaken	(5) Amount outlay (budget) project or programs wise	(6) Amount spent on the projects or programs Sub – heads: (1) Direct expenditure on projects or programs (2) Overheads	(7) Cumulative expenditure upto to the reporting period	(8) Amount spent : Direct or through implementing agency*
1	Promoting education	Education	Local area	-	Direct expenditure	Rs.14.02 lacs	Direct

6. We state that the implementation and monitoring of the CSR policy , is in compliance with CSR objectives and policy of the company .

Sd/-
(ABHIRAM SETH)
CHAIRMAN OF CSR COMMITTEE

INDEPENDENT AUDITOR'S REPORT

To the Members of

The Motor & General Finance Limited

Report on the Standalone Financial Statements

We have audited the accompanying standalone financial statements of **The Motor & General Finance Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2016, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Standalone Financial Statements

The company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these standalone financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the standalone financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by company's Directors, as well as evaluating the overall presentation of the standalone financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2016 and its profit and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the 'Annexure-A' a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143 (3) of the Act, we report that:
   - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
   - (b) In our opinion, proper books of account as required by law have been kept by the company so far as it appears from our examination of those books;
   - (c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;

(d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;

(e) On the basis of written representations received from the directors as on March 31, 2016, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2016, from being appointed as a director in terms of Section 164 (2) of the Act;

(f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B"; and

(g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

i. The company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note no. 25 to the financial statements;

ii. The company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses; and

iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

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For S. N. Dhawan & Co.
Chartered Accountants
Firm's Registration. No.: 000050N

(N.C. Setia)
Partner
Membership No. 012533

Place: New Delhi
Date: May 28, 2016

Annexure - A to the Independent Auditor's Report

(Referred to in paragraph 1 under the heading "Report on Other Legal and Regulatory Requirements" of our report of even date)

i) (a) The company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

(b) According to the information and explanations given to us physical verification of fixed assets is being conducted in a phased manner by the management under a programme designed to cover all the fixed assets over a period of three years, which, in our opinion, is reasonable having regard to the size of the company and the nature of its assets. Discrepancies noticed on such verification were not material and have been properly dealt with in the books of account.

(c) According to the information and explanations given to us and on the basis of our examination of the records of the company, the title deeds of immovable properties are held in the name of the company.

ii) According to the information and explanations given to us the inventories comprises of stock in trade of commercial project which have been physically verified by the management at reasonable intervals during the year. The discrepancies noticed on physical verification of inventories as compared to book records were not material and the same have been properly dealt with in the books of account.

iii) According to the information and explanations given to us and based on our examination of the documents and records, the company has granted unsecured loans to the companies, firms, limited liability partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013, in respect of such loans;

a) Terms and conditions of loans so granted are not, prima facie, prejudicial to the interest of the Company.

b) According to the information and explanations given to us, no repayment schedule has been specified and accordingly the question of regularity in repayment of principal amount does not arise. However the interest is being paid regularly.

c) As stated above no repayment schedule have been specified, therefore there are no amount which is overdue for more than 90 days.

iv) In our opinion and according to information and explanations given to us, the Company has, in respect of loans, investments, guarantees, and security, complied with the provisions of section 185 and 186 of the Act.

v) The company has not accepted any deposits within the meaning of sections 73 to 76 of the Act. Therefore, the provisions of paragraph 3 (v) of the Order are not applicable to the Company under.

vi) The company has made and maintained cost accounts and records specified by the Central Government under section 148(1) of the Companies Act, 2013. However, we have not made a detailed examination of these accounts and records with a view to determine whether they are accurate or complete.

vii) (a) According to the information and explanations given to us and the records of the company examined by us, in our opinion, the company is generally regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, service tax, value added tax and other material statutory dues to the appropriate authorities and no undisputed amounts payable in respect of above were in arrears, as at March 31, 2016, for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us, there are no dues of income-tax, sales-tax, service tax, or value added tax which have not been deposited on account of any dispute except for the following:-

Name of the statute	Nature of dues/Year	Amount in Rs.	Forum where dispute is pending
Electricity Act	Electricity charges (1993-94 & 2004)	69,24,304	BSES Yamuna Power Ltd.
Employee State Insurance Corporation Act, 1948	ESIC's Dues (1989-2010)	74,75,606	ESIC Court
Finance Act	Service tax (2008-09)	1,03,51,192	Commissioner of Service Tax

viii) In our opinion and according to the information and explanations given to us, the company has not defaulted in repayment of loans or borrowings to a financial institution, banks, and government. The company has not issued any debentures during the year.

ix) In our opinion and according to the information and explanations given to us, the company has not raised any moneys by way of initial public offer or further public offer (including debt instruments). The term loans raised were applied for the purposes for which they have been raised.

x) Based on our audit procedures and as per the information and explanations given by the management, we report that no fraud by the company or on the company, by its officers or employees, has been noticed or reported during the year.

xi) According to the information and explanations given to us and based on our examination of the books of account and other records of the company, the managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of section 197 read with the schedule V to the Act.

xii) According to the information and explanations given to us, the company is not a Nidhi company. Therefore, the provisions of Clause 3(xii) of the Order are not applicable to the company.

xiii) Based on our audit procedures and as per the information and explanations provided by the management, in our opinion, the company has entered into transactions with related parties in compliance with the provisions of section 177 and 188 of the Act, where applicable and the details of such transactions have been disclosed in the notes to the financial statements as required by the applicable accounting standards.

xiv) According to the information and explanations given to us and based on our examination of records, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Therefore, the provisions of clause 3(xiv) of the Order are not applicable to the company.

xv) According to the information and explanations given to us and based on our examination of documents and records, the company has not entered into any non-cash transactions with directors or persons connected with him. Therefore, the provisions of clause 3(xv) of the Order are not applicable to the company.

xvi) The company is not required to be registered under section 45-IA of Reserve Bank of India Act, 1934. Therefore, the provisions of clause 3(xvi) of the Order are not applicable to the company.

For S. N. Dhawan & Co.
Chartered Accountants
Firm's Registration. No.: 000050N

(N. C. Setia)
Partner
Membership No. 012533

Place: New Delhi
Date: May 28, 2016

Annexure - B to the Independent Auditor's Report

(Referred to in paragraph 2(h) under the heading "Report on Other Legal and Regulatory Requirements" of our report of even date)

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of **The Motor & General Finance Limited** ("the Company"), as of March 31, 2016 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

Our responsibility is to express an opinion on the company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI.

For S. N. Dhawan & Co.
Chartered Accountants
Firm's Registration. No.: 000050N

(N. C. Setia)
Partner
Membership No. 012533

Place: New Delhi
Date: May 28, 2016

BALANCE SHEET AS AT MARCH 31, 2016

PARTICULARS		Note No.	As at 31.03.2016 ₹	As at 31.03.2015 ₹
EQUITY AND LIABILITIES				
Shareholders' funds				
a)	Share capital	2	**193,635,950**	193,635,950
b)	Reserves and surplus	3	**702,926,419**	685,815,588
			896,562,369	879,451,538
Non-current liabilities				
a)	Long-term borrowings	4	**385,881,506**	424,652,187
b)	Other long term liabilities	5	**74,768,000**	85,693,000
c)	Long-term provisions	6	**9,460,244**	8,745,444
			470,109,750	519,090,631
Current liabilities				
a)	Short-term borrowings	7	**64,300,000**	63,000,000
b)	Other current liabilities	8	**247,219,055**	224,116,816
c)	Short-term provisions	9	**6,879,256**	6,511,999
			318,398,311	293,628,815
	TOTAL		**1,685,070,430**	1,692,170,984
ASSETS				
Non-current assets				
a)	Fixed assets			
	Tangible assets	10	**270,429,925**	279,559,433
b)	Non current investments	11	**275,089,692**	284,529,489
c)	Deferred tax assets (net)	12	**14,709,334**	12,626,884
d)	Other non-current assets	13	**29,762,677**	31,044,448
			589,991,628	607,760,254
Current assets				
a)	Stock in trade	14	**890,228,235**	889,373,472
b)	Trade receivables	15	**13,930,905**	2,182,231
c)	Cash and bank balances	16	**15,031,095**	6,874,932
d)	Short -term loans and advances	17	**165,000,000**	173,800,000
e)	Other current assets	18	**10,888,567**	12,180,095
			1,095,078,802	1,084,410,730
	TOTAL		**1,685,070,430**	1,692,170,984
Summary of significant accounting policies		1		
Other notes to financial statements		25		

The accompanying notes 1 to 25 form an integral part of the financial statements.

As per our report of even date attached

for S.N.Dhawan & Co.
Chartered Accountants
Firm's Reg No. 000050N

(N.C. Setia)
Partner
M.No. 012533

Place: New Delhi
Dated: May 28, 2016

RAJIV GUPTA
Chairman & Managing Director &
Chief Executive Officer
DIN : 00022964

ARUN MITTER
Executive Director
DIN : 00022941

ONKAR NATH AGGARWAL
Director
DIN : 00629878

ARTI GUPTA
Joint Managing Director
DIN : 00023237

BHARAT KUMAR
Director
DIN: 00990117

M.K. MADAN
Vice President & Company
Secretary & Chief Financial Officer
ACS 2951

STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED MARCH 31, 2016

PARTICULARS	Note No.	Year Ended 31.03.2016 ₹	Year Ended 31.03.2015 ₹
INCOME			
Revenue from operations	19	**138,273,671**	115,959,102
Other income	20	**60,550,796**	80,835,475
Total (A)		**198,824,467**	196,794,577
EXPENSES			
Finance costs	21	**55,010,628**	70,147,312
Employee benefits expenses	22	**28,636,734**	25,952,065
Operating, administrative and other expenses	23	**76,365,444**	78,888,134
Depreciation and amortization expenses	24	**9,973,708**	9,013,757
Total (B)		**169,986,514**	184,001,268
Profit/(Loss) before provisions, exceptional Items, extra ordinary items and tax (A-B)		**28,837,953**	12,793,309
Provision for diminution in value of Investments		**(9,439,797)**	(21,456,726)
Profit/(Loss) before exceptional Items, extra ordinary items and tax		**19,398,156**	(8,663,417)
Exceptional items			
Excess depreciation of earlier years written back		**-**	1,153,702
Profit/(Loss) before tax for the year		**19,398,156**	(7,509,715)
Tax Expenses:			
Current Tax		**(7,500,000)**	(7,000,000)
Deferred Tax		**2,082,450**	7,603,690
Excess/(Short) provision of earlier years		**149,565**	(2,693,578)
Profit/(Loss) after tax for the year		**14,130,171**	(9,599,603)
Earnings Per Share (Face Value - Rs. 10 per share)			
Basic		**0.73**	(0.50)
Diluted		**0.73**	(0.50)
Summary of significant accounting policies	1		
Other notes to financial statements	25		

The accompanying notes 1 to 25 form an integral part of the financial statements.

As per our report of even date attached

for S.N.Dhawan & Co.
Chartered Accountants
Firm's Reg No. 000050N

(N.C. Setia)
Partner
M.No. 012533

Place: New Delhi
Dated: May 28, 2016

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CASH FLOW STATEMENT FOR YEAR ENDED MARCH 31, 2016

		Year Ended March 31, 2016 ₹	Year Ended March 31, 2015 ₹
A.	**CASH FLOW FROM OPERATING ACTIVITIES**		
	Profit Before Tax	**19,398,156**	(7,509,715)
	Adjustments for:		
	Depreciation/Amortisation	**9,973,708**	7,860,055
	Profit on sale of Fixed Assets	**(38,026,065)**	(35,595,919)
	Profit on sale of investments	**-**	(552,656)
	Addition/(Reversal) of Provision for Doubtful Debts and, shortfall in Investments	**9,439,797**	21,456,726
	Finance costs	**55,010,628**	70,147,312
	Interest Income	**(13,920,972)**	(31,441,503)
	Provision for Gratuity	**1,025,673**	950,529
	Provision for Leave Encashment	**56,384**	93,486
	Operating Profit Before Working Capital Changes	**42,957,309**	25,408,315
	Increase/(Decrease) in other Long term Liabilities	**(10,925,000)**	22,800,000
	Increase/(Decrease) in other Current Liablities	**20,129,045**	(249,062,321)
	(Increase)/Decrease in Long Term Loans & Advances	**-**	414,350,000
	(Increase)/Decrease in Trade Receivables	**(11,748,674)**	(2,182,231)
	(Increase)/Decrease in Short Term Loans and Advances	**8,800,000**	(173,800,000)
	(Increase)/Decrease in Other Non Current Assets	**292,804**	(132,269)
	(Increase)/Decrease in Other Current Assets	**1,306,243**	8,818,754
	(Increase)/Decrease Stock in Trade	**(854,763)**	(4,179,870)
	Net Cash Used in Operations	**49,956,964**	42,020,378
	Income Tax Paid	**(6,361,468)**	(15,281,854)
	Net Cash Flow From Operating Activities	**43,595,496**	26,738,524
B.	**CASH FLOWS FROM INVESTING ACTIVITIES**		
	Purchase of Fixed Assets	**(37,475)**	(16,896,670)
	Sale of Fixed Assets	**40,200,000**	38,116,150
	Sale/(Addition) in Investment	**-**	1,150,000
	Interest Received	**13,906,257**	32,413,685
	Net Cash Flow From Investing Activities	**54,068,782**	54,783,165
C.	**CASH FLOWS FROM FINANCING ACTIVITIES**		
	Increase/(Decrease) in Long Term Borrowings	**(38,770,681)**	187,208,903
	Increase/(Decrease) in Short Term Borrowings	**5,669,629**	(186,539,425)
	Finance costs	**(55,323,621)**	(87,899,527)
	Dividend	**(1,083,442)**	(3,775)
	Net Cash Flow From Financing Activities	**(89,508,115)**	(87,233,824)
	NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	**8,156,163**	(5,712,135)
	Opening Cash and Cash Equivalents	**6,874,932**	12,587,067
	Closing Cash and Cash Equivalents	**15,031,095**	6,874,932

Note:

1	Components of Cash and Cash Equivalents:	**March 31, 2016**	March 31, 2015
	Cash and Cheques in Hand	**1,286,987**	97,153
	Balances with Banks	**13,744,108**	6,777,779
		15,031,095	6,874,932

2 Previous year figures have been re-grouped/re-arranged/re-classified wherever necessary to make them comparable with the current year figures.

As per our report of even date attached

for S.N.Dhawan & Co.
Chartered Accountants
Firm's Reg No. 000050N

(N.C. Setia)
Partner
M.No. 012533

Place: New Delhi
Dated: May 28, 2016

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Chairman & Managing Director &
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M.K. MADAN
Vice President & Company
Secretary & Chief Financial Officer
ACS 2951

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

(Annexed to and forming part of the financial statements for the year ended March 31, 2016)

i) Accounting Conventions

The financial statements are prepared on accrual basis of accounting under the historical cost convention in accordance with Generally Accepted Accounting Principles in India (GAAP), Accounting Standards specified under Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014, the relevant provisions of the Companies Act, 2013 and guidelines issued by Securities and Exchange Board of India, to the extent applicable.

ii) Fixed Assets

Fixed Assets have been stated at cost less accumulated depreciation and impairment, if any. Cost refers to cost of acquisitions/revalued cost.

iii) Investments

Long Terms Investments are valued at cost. Cost refers to actual cost of acquisition / carrying cost. Provision for diminution is made to recognise a decline, other than temporary, in the value of such investments. Cost refers to actual cost of acquisition / carrying cost. Current Investments are valued at lower of cost or market value. Investments in Immovable Properties are valued at cost.

iv) Stock in Trade-Projects

Valued at lower of cost or net realizable value. Stock in trade includes total amount of expenditure incurred upto the date of certificate of completion. Subsequent expenditure which relates to an item of capital nature is added into the cost of stock in trade.

v) Depreciation

a) Depreciation on fixed assets is provided on the Written Down Value (WDV) method based on the useful lives and residual value of the assets as prescribed in Schedule II to the Companies Act, 2013.

Based on internal assessment and technical evaluation, the management has assessed useful lives of two buildings as 80 years and 75 years, which is different from the useful lives as prescribed under Part C of Schedule II of the Companies Act, 2013.

b) No depreciation is provided in respect of Investments in Land and Buildings held as Investments, as the amount set aside under Property Reserve is considered adequate to cover such depreciation.

c) Depreciation on Land & Buildings is provided on composite cost, where cost of Land is not separately ascertained.

vi) Revenue Recognition

a) Rental income from leased properties, interest income is recognised on accrual basis.

b) Insurance claims are accounted for on receipt basis.

c) Dividend in accounted for on accrual basis when the right to receive dividend is established.

vii) Retirement Benefits

a) Provision for Gratuity payable to eligible employees is made on actual basis as per payment of Gratuity Act, 1972 or on actuarial valuation whichever is higher.

b) Provision for leave encashment is made on actuarial valuation.

c) Provident Fund contribution for all employees is charged to Statement of Profit & Loss each year.

viii) Deferred Tax

Deferred Tax is recognised, subject to consideration of prudence, on timing differences, representing the difference between the taxable income/ (loss) and the accounting income/ (loss) that originated in one period and are capable of reversal in one or more subsequent periods. Deferred Tax assets and liabilities are measured using tax rates and the tax laws that have been enacted or substantively enacted by the Balance Sheet date. Deferred Tax assets viz. unabsorbed depreciation and carry forward losses are recognised if there is 'virtual certainty' that sufficient future taxable income will be available against which such deferred tax assets can be realised.

ix) Income Tax

The current tax under Indian Income tax relates to Minimum Alternate Tax(MAT) as per the provisions of Section 115JB, if it is expected to be recovered in future years then the same has been recognized as MAT credit entitlement.

x) Impairment of Assets

The carrying amounts of assets are reviewed at each Balance Sheet date to ascertain impairment based on internal/external factors. An impairment loss is recognised when the carrying amount of an asset exceeds its realizable value. The realizable value is greater of the assets net selling price and value in use.

xi) Provisions, Contingent Liabilities and Contingent Assets

Provisions are recognized for liabilities that can be measured only by using a substantial degree of estimation, if

a) the Company has a present obligation as a result of past event,

b) a probable outflow of resources is expected to settle the obligation and

c) the amount of obligation can be reliably estimated.

Reimbursements expected in respect of expenditure required to settle a provision is recognised only when it is virtually certain that the reimbursement will be received.

Contingent liability is disclosed in the case of

a) a present obligation arising from the past event, when it is not probable that an outflow of resources will be required to settle the obligation.

b) a possible obligation, of which the probability of outflow of resources is remote.

Contingent Assets are neither, recognised nor disclosed.

Provisions, Contingent Liabilities and Contingent Assets are reviewed at each Balance Sheet date.

2. SHARE CAPITAL

	As at 31.03.2016 ₹	As at 31.03.2015 ₹
Authorised		
50,000,000 (Previous Year 50,000,000) Equity Shares of ₹10/- each	**500,000,000**	500,000,000
Issued, subscribed and paid up		
19,363,595 (Previous year 19,363,595) Equity Shares of ₹10/- each fully paid up	**193,635,950**	193,635,950

a.) The Company has one class of equity shares having a par value of ₹10 per Share. Each Shareholder is eligible for one vote per share held. The dividend proposed (if any) by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend(if any). In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the company after distribution of all preferential amounts, in proportion to their shareholding.

b.) Reconciliation of the shares outstanding at the beginning and at the end of the year

	As at 31.03.2016		As at 31.03.2015	
	Nos.	**₹**	Nos.	₹
Equity Shares				
At the beginning of the year	**19,363,595**	**193,635,950**	19,363,595	193,635,950
Add: Issued during the year	**-**	**-**	-	-
Outstanding at the end of the year	**19,363,595**	**193,635,950**	19,363,595	193,635,950

c.) Details of shareholders holding more than 5% shares in the Company

	As at 31.03.2016		As at 31.03.2015	
	Nos.	**% holding**	Nos.	% holding
Equity shares of ₹ 10/- each fully paid up				
Bahubali Services Limited	**4,094,800**	**21.15**	4,094,800	21.15
Shri Rajiv Gupta & Smt. Arti Gupta	**2,270,485**	**11.73**	1,993,580	10.30
Smt. Arti Gupta & Shri Rajiv Gupta	**981,000**	**5.07**	981,000	5.07

3. RESERVES AND SURPLUS

	As at 31.03.2016 ₹	As at 31.03.2015 ₹
Capital Reserve	**610,050**	610,050
Securities Premium Account	**88,840,900**	88,840,900
Revaluation Reserve		
Opening balance	**259,537,826**	262,153,487
Less: Transferred to General Reserve	**-**	2,615,661
Closing balance	**259,537,826**	259,537,826
Property Reserve		
Opening balance	**58,907,207**	57,057,165
Add: Transferred from depreciation & amortization	**2,980,660**	3,153,498
	61,887,867	60,210,663
Less: deductions during the year	**-**	1,303,456
Closing balance	**61,887,867**	58,907,207
General Reserve		
Opening balance	**426,839,650**	424,223,989
Add: Transferred from Revaluation Reserve	**-**	2,615,661
Closing balance	**426,839,650**	426,839,650
Surplus/ (deficit) in statement of profit & loss		
Opening balance	**(148,920,045)**	(139,320,442)
Add: profit/(loss) for the year	**14,130,171**	(9,599,603)
Closing balance	**(134,789,874)**	(148,920,045)
Total	**702,926,419**	685,815,588

4. LONG TERM BORROWINGS

	As at 31.03.2016 ₹	As at 31.03.2015 ₹
Secured		
Term Loan		
From Bank (Kotak Mahindra Bank Limited)	**260,200,000**	302,000,000
Working Capital Loan		
From others (Kotak Mahindra Investment Limited)	**119,926,754**	115,000,000
Vehicle Loan		
From others (Kotak Mahindra Prime Limited)	**5,754,752**	7,652,187
Total	**385,881,506**	424,652,187

Notes:-

a) Term Loans from Kotak Mahindra Bank Limited are secured by way of mortgage of one of company's properties and hypothecation of trade receivables including all present and future lease rentals and personal guarantee of two directors. The principal of term loans are repayable by way of monthly instalments and the rate of interest ranging from 13 % to 12.25%. Loan repayable in FY 2017-18 ₹ 49,700,000/- FY 2018-19 ₹ 57,000,000/-, FY 2019-20 ₹ 59,800,000/-, FY 2020-21 ₹ 68,800,000/-, FY 2021-22 ₹ 24,900,000/- .

b) Working Capital Loan from Kotak Mahindra Investments Limited is secured against the securities of mutual funds, shares etc. held by the directors and there family members and group entities. The loan is repayable in sixty months and the rate of interest is ranging from 12.25 to 11.00%.

c) Vehicle Loan from Kotak Mahindra Prime Limited is secured against hypothecation of vehicle and personal guarantee of one of the director of the Company. The principal amount of loans are repayable by way of monthly instalments and the rate of interest is 9.8 %. Loan repayable in FY 2017-18 ₹ 2,083,714/- FY 2018-19 ₹ 2,288,279/-, FY 2019-20 ₹ 1,382,760/- .

5. OTHER LONG TERM LIABILITIES

Security deposits	**74,768,000**	85,693,000
Total	**74,768,000**	85,693,000

6. LONG TERM PROVISIONS

For gratuity	**8,585,096**	7,927,404
For leave encashment	**875,148**	818,040
Total	**9,460,244**	8,745,444

7.	SHORT TERM BORROWINGS	As at 31.03.2016 ₹	As at 31.03.2015 ₹
	Unsecured		
	Inter corporate deposits from related parties		
	- Bahubali Services Ltd.	**64,300,000**	63,000,000
	Total	**64,300,000**	63,000,000
8.	**OTHER CURRENT LIABILITIES**		
	Current maturities of long term borrowings	**43,697,434**	39,327,805
	Other liabilities	**70,462,251**	62,905,480
	Advances from related parties	**125,700,000**	115,200,000
	Bank book overdraft	**3,191,538**	1,119,264
	Interest accrued but not due on Loans	**1,788,279**	2,101,272
	Unclaimed dividend *	**2,379,553**	3,462,995
	Total	**247,219,055**	224,116,816
	* There are no amount due and outstanding to be credited to Investors Education and Protection Fund		
9.	**SHORT TERM PROVISIONS**		
	For gratuity	**6,389,904**	6,021,923
	For leave encashment	**489,352**	490,076
	Total	**6,879,256**	6,511,999

10 : FIXED ASSETS

(₹)

PARTICULARS	GROSS BLOCK				DEPRECIATION					NET BLOCK	
	As at 01.04.2015	Additions during the year	Deductions	As at 31.03.2016	Up to 01.04.2015	Additions	Deductions	Adjustments	Up to 31.03.2016	As at 31.03.2016	As at 31.03.2015
Other Fixed Assets											
Land											
Freehold	131,205,451	-	-	**131,205,451**	-	-	-	-	**-**	**131,205,451**	131,205,451
Leasehold	111,443,394	-	-	**111,443,394**	-	-	-	-	**-**	**111,443,394**	111,443,394
Land & Buildings											
Freehold	40,572,320	-	4,160,100	**36,412,220**	31,758,932	251,149	1,986,165	-	**30,023,916**	**6,388,304**	8,813,388
Leasehold	36,000,000	-	-	**36,000,000**	30,476,016	301,610	-	-	**30,777,626**	**5,222,374**	5,523,984
Two Wheelers	249,622	-	-	**249,622**	174,998	19,364	-	-	**194,362**	**55,260**	74,624
Vehicles	23,168,772	-	-	**23,168,772**	10,259,851	4,081,463	-	-	**14,341,314**	**8,827,458**	12,908,921
Furniture & Fixtures	1,465,032	-	-	**1,465,032**	1,096,526	121,248	-	-	**1,217,774**	**247,258**	368,506
Office Machines	4,750,178	-	-	**4,750,178**	4,483,331	17,549	-	-	**4,500,880**	**249,298**	266,847
Computer	1,553,155	13,475	-	**1,566,630**	1,407,710	53,690	-	-	**1,461,400**	**105,230**	145,445
Electric Fittings, Equipment & Fans etc.	23,510,041	-	-	**23,510,041**	17,759,443	1,487,608	-	-	**19,247,051**	**4,262,990**	5,750,598
Lifts	3,891,729	-	-	**3,891,729**	3,686,090	2,936	-	-	**3,689,026**	**202,703**	205,639
Air Conditioners & Coolers	15,405,622	24,000	-	**15,429,622**	12,552,986	656,431	-	-	**13,209,417**	**2,220,205**	2,852,636
Total	**393,215,316**	**37,475**	**4,160,100**	**389,092,691**	**113,655,883**	**6,993,048**	**1,986,165**	**-**	**118,662,766**	**270,429,925**	279,559,433
Previous year	388,313,919	16,896,670	11,995,273	393,215,316	118,424,368	5,860,259	9,475,042	(1,153,702)	113,655,883	279,559,433	

11. NON-CURRENT INVESTMENTS

PARTICULARS	VALUE As at 31.03.2016 ₹	As at 31.03.2015 ₹
1. EQUITY SHARES FULLY PAID UP		
NON TRADE- Long Term		
Quoted		
2,172,300 (2,172,300) equity shares of Rs. 10/- each of Jayabharat Credit Limited *	**29,316,380**	29,316,380
4,608,840 (4,608,840) equity shares of Rs. 10/- each of India Lease Development Limited *	**61,189,351**	61,189,351
1,200(1,200) equity shares of Rs. 10/- each of Metal Box India Limited	**17,100**	17,100
4,700 (4,700) equity shares of Rs. 10/- each of Rajasthan Breweries Ltd	**140,836**	140,836
15,000 (15,000) equity shares of Rs. 10/- of Sri Ramakrishna Mills(CBE) Limited	**450,641**	450,641
10,000 (10,000) equity shares of Rs. 10/- each of MTZ (India) Limited	**500,000**	500,000
450 (450) equity shares of Rs. 10/- each of Mawana Sugars Limited	**9,000**	9,000
	91,623,308	91,623,308
Less: Provision for diminution in value of Investments	**31,688,003**	22,248,206
	59,935,305	69,375,102
* Companies under the same management		
Unquoted		
2. SHARES IN COOPERATIVE SOCIETIES		
50 (50) shares of ₹ 10 each in Atlanta Premises Cooperative Society Ltd.	**500**	500
	500	500
3. INVESTMENT IN IMMOVABLE PROPERTIES		
Building on Leasehold Land	**191,696,057**	191,696,057
Building on Freehold Land	**23,457,830**	23,457,830
	215,153,887	215,153,887
TOTAL	**275,089,692**	284,529,489

NOTES:		**Cost**	**Market Value**
i)	Aggregate value of quoted long term investments	**91,623,308**	**59,935,305**
		(91,623,308)	(69,375,102)
ii)	Aggregate value of Investment in unquoted investments	**215,154,387**	**-**
		(215,154,387)	(-)
iii)	Investments are valued at cost		

		As at 31.03.2016 ₹	As at 31.03.2015 ₹
12.	**DEFERRED TAX ASSETS/ (LIABILITIES) (NET)**		
	Depreciation	**(1,168,559)**	(2,628,109)
	Provision for leave encashment	**451,104**	404,208
	Provision for gratuity	**4,950,735**	4,310,342
	Provision for diminution in the value of investments	**10,476,054**	6,874,696
	Business loss	**-**	3,665,747
	Total	**14,709,334**	**12,626,884**
13.	**OTHER NON CURRENT ASSETS**		
	Considered good		
	Security deposits	**3,090,039**	3,249,564
	Fixed deposits with banks having maturities of more than twelve months*	**-**	133,279
	Advance tax/tax deducted at source (net of provisions)	**26,672,638**	27,661,605
	Total	**29,762,677**	**31,044,448**

* lodged as margin for issuing bank guarantees to government authorities.

		As at 31.03.2016 ₹	As at 31.03.2015 ₹
14.	**STOCK IN TRADE**		
	Commercial project	**890,228,235**	889,373,472
	Total	**890,228,235**	889,373,472
15.	**TRADE RECEIVABLES**		
	Unsecured and Considered Good)		
	Outstanding for a period exceeding six months from the date due for payment	**2,007,192**	-
	Others	**11,923,713**	2,182,231
	Total	**13,930,905**	2,182,231
16.	**CASH AND BANK BALANCES**		
	Cash & cash equivalents		
	Cash in hand and stamps	**1,086,987**	97,153
	Cheques in hand	**200,000**	**-**
	With Scheduled Banks in:		
	Current accounts	**3,738,565**	5,181,575
	Other bank balances		
	Fixed deposits having maturities upto twelve months *	**10,005,543**	1,596,204
	Total	**15,031,095**	6,874,932

NOTES:

Balance in current accounts include ₹ 2,379,553/- (Previous Year ₹ 3,462,995/-) earmarked against unclaimed dividend.

* Include ₹ 476,663/- (Previous Year ₹ 331,230/-) lodged as margin for issuing bank guarantees to government authorities.

17.	**SHORT TERM LOANS AND ADVANCES**		
	Inter Corporate Deposits		
	(Unsecured and Considered Good)		
	Deposits with related parties		
	Jaya Bharat Credit Limited	**165,000,000**	173,800,000
	Total	**165,000,000**	173,800,000
18.	**OTHER CURRENT ASSETS**		
	(Unsecured, Considered Good)		
	Interest accrued on inter corporate deposits	**5,858,651**	5,816,947
	Interest accrued but not due on fixed deposits	**31,055**	26,989
	Advances recoverable in cash or in kind or for value to be received	**4,998,861**	6,336,159
	Total	**10,888,567**	12,180,095

		Year Ended 31.03.2016 ₹	Year Ended 31.03.2015 ₹
19.	**REVENUE FROM OPERATIONS**		
	Rent from investments in immovable properties	**138,273,671**	115,959,102
	Total	**138,273,671**	115,959,102
20.	**OTHER INCOME**		
	Interest received :		
	Fixed deposits with banks	**286,167**	234,504
	Intercorporate deposits	**13,038,657**	31,035,203
	Others	**596,148**	171,796
	Miscellaneous income	**7,252,759**	7,915,268
	Additional compensation received against land acquisition	**-**	3,830,129
	Profit on sale of fixed assets/leased assets	**38,026,065**	35,595,919
	Profit on sale of properties held in investments	**-**	552,656
	Bad debts realised	**1,351,000**	1,500,000
	Total	**60,550,796**	80,835,475
21.	**FINANCE COSTS**		
	Interest expenses	**55,010,628**	64,248,412
	Other borrowing costs	**-**	5,898,900
	Total	**55,010,628**	70,147,312
22.	**EMPLOYEE BENEFITS EXPENSE**		
	Salaries, wages, allowances, bonus	**22,918,047**	20,086,315
	Company's contribution to provident fund / other funds	**1,998,637**	1,700,144
	Retrenchment compensation	**-**	230,160
	Gratuity paid/provided	**1,179,712**	1,355,789
	Staff welfare	**2,540,338**	2,579,657
	Total	**28,636,734**	25,952,065

22.1 Liability for Employee's Leave Encashment has been determined by an actuary, appointed for the purpose, in conformity with the principles set out in the Accounting Standard 15 (Revised) and the details are given as under:

		Leave Encashment	
A.	**Assumptions**		
	Particulars	**31.03.2016**	31.03.2015
	Discount Rate	**7.60%**	7.80%
	Rate of Return on Plan Assets	**-**	-
	Salary Escalation	**5.67%**	5.67%
B.	**Changes in Benefit Obligations**		
	Liability at beginning of the year	**1,308,117**	1,214,631
	Interest Cost	**102,033**	109,317
	Current Service Cost	**Nil**	Nil
	Benefit Paid	**(65,700)**	(44,708)
	Actuarial(gain)/ Loss on obligation	**20,050**	28,877
	Liability at the end of the year	**1,364,500**	1,308,117
C.	**Fair Value of Plan Asset**		
	Fair Value of Plan Assets at beginning of the year	**Nil**	Nil
	Expected Return on Plan Assets	**Nil**	Nil
	Contributions	**Nil**	Nil
	Benefits Paid	**Nil**	Ni
	Actuarial Gain / (Loss) on Plan Assets	**Nil**	Nil
	Fair value of Plan Assets at the end of the year	**Nil**	Nil
	Funded Status	**(1,364,500)**	(1,308,117)
D.	**Expenses recognised in the Statement of Profit & Loss**		
	Current Service Cost	**-**	-
	Interest Cost	**102,033**	109,317
	Net Actuarial (Gain)/ Loss for the period	**20,050**	28,877
	Expenses Recognised in Statement of Profit & Loss	**122,083**	138,194
E.	**Balance Sheet Reconciliation**		
	Opening Net Liability	**1,308,117**	1,214,631
	Expenses charged to Statement of Profit & Loss	**122,083**	138,194
	Benefit Paid	**(65,700)**	(44,708)
	Closing Liability as at 31.03.2016	**1,364,500**	1,308,117

22.2 The Company has charged ₹ **1,179,712/-** (previous year ₹ 1,355,789/-) to Statement of Profit & Loss for the year ended 31st March, 2016 towards Gratuity Liability as per Payment to Gratuity Act, 1972. The closing Gratuity liability (current & non current) as on 31st March, 2016 is ₹ **14,975,000/-**(previous year ₹ 13,949,327/-).

		Year Ended 31.03.2016 ₹	Year Ended 31.03.2015 ₹
23.	**OPERATING ADMINISTRATIVE AND OTHER EXPENSES**		
	Rent	**411,657**	1,180,605
	Rates & taxes and ground rent	**26,509,188**	17,798,932
	Auditors remuneration towards :		
	Audit fees	**325,000**	325,000
	Tax audit	**75,000**	75,000
	Certification	**75,000**	75,000
	Service tax	**68,875**	58,711
	Transport, travelling and motor car expenses	**8,746,932**	9,499,003
	Brokerage, commission and service charges	**800,000**	2,200,000
	Donations	**279,000**	1,845,859
	Corporate social responsibility expenses	**1,402,000**	1,540,000
	Insurance	**997,948**	809,348
	Bank charges	**108,697**	169,231
	General expenses	**9,911,449**	9,545,575
	Electricity expenses	**6,308,863**	6,450,511
	Legal & professional charges	**7,880,939**	5,451,521
	Postage, telegram & telephone expenses	**1,317,645**	1,205,048
	Printing & stationary	**1,697,235**	2,154,616
	Repairs to buildings	**3,057,281**	1,115,657
	Repairs to others	**2,969,833**	3,325,458
	Amount irrecoverable written off	**26,935**	10,113,239
	Sundry expenses	**3,395,967**	3,949,820
	Total	**76,365,444**	78,888,134
24.	**DEPRECIATION AND AMORTIZATION EXPENSE**		
	Depreciation	**6,993,048**	5,860,259
	Property reserve	**2,980,660**	3,153,498
	Total	**9,973,708**	9,013,757

25. OTHER NOTES TO FINANCIAL STATEMENTS

i) **CONTINGENT LIABILITIES:** **(Amount in ₹)**

	Particulars	March 31, 2016	March 31, 2015
a)	Guarantees given to Sales Tax and other authorities, on behalf of the Company (against pledge of fixed deposits)	**476,663**	464,509
b)	Other disputed demands not acknowledged as debts		
	i) Electricity Charges (BSES)	**6,924,304**	6,924,304
	ii) Service Tax	**10,351,192**	10,351,192
	iii) Employee's State Insurance Corporation	**7,475,606**	7,475,606

ii) In view of the Company's substantial holding in Jayabharat Credit Limited (JBCL) and to preserve company's reputation and image, the Board of Directors of the Company, on the legal opinion obtained, had taken a conscious decision to give Inter-Corporate Deposit (ICD), at the rate of interest mutually agreed in the financial year 2010-11 to meet the contingency in repayment of public deposits and banks of JBCL. The amount due as on March 31, 2016 is ₹ 16.50 crores (Previous Year ended March 31, 2015 ₹ 17.38 crores). The Company has taken steps to realize the balance outstanding amount at the earliest.

iii) **Deferred Taxation**

In accordance with AS-22 on "Accounting for Taxes on Income", the Company has recognized deferred tax assets on such timing differences based on the future income available so that such deferred tax assets can be reversed. Deferred Tax Assets have been recognized on account of timing difference arising between book depreciation and tax depreciation, provision for leave encashment, gratuity, diminution in the value of investments and carry forward of business losses.

iv) **Current Taxation:-**

a) Provision for income tax (MAT) for the year has been made after considering relief available under the Income Tax Act, 1961.

b) Income tax assessments up to the financial year 2012-13 (Assessment Year 2013-14) have been completed and there are no pending demands against the Company.

v) **Segment information**:-

The Company's business activities predominantly relate to leasing and development of premises. Accordingly revenue from the leasing of premises comprises the primary basis of segmental reporting. Hence segmental reporting as defined in Accounting Standard – 17 is not applicable.

vi) Balance in parties accounts whether in debit or credit are subject to confirmation.

vii) Disclosure of details pertaining to related party transactions entered into during the year in terms of Accounting Standard -18 "Related Party Disclosures" are given below:

a) List of Related Parties

i) Under Common Control

India Lease Development Limited, Jayabharat Credit Limited, Bahubali Services Limited, MGF Estate Private Limited, MGF Securities Private Limited, Cards Services India Private Limited, Associated Traders & Engineers Private Limited ,Local Goods Carriers Private Limited, Ram Prakash & Co. Private Limited, Grosvenor Estates Private Limited and GEE GEE Holdings Private Limited.

ii) Key Management Personnel

Shri Rajiv Gupta (Chairman & Managing Director & Chief Executive Officer)

Smt Arti Gupta (Joint Managing Director)

Shri Arun Mitter (Executive Director)

Shri M.K. Madan (Vice President & Company Secretary & Chief Financial Officer)

b) Details of transactions entered into with related parties:

(Amount in ₹)

Particulars	Under Common Control	Key Management Personnel
ICD taken	**5,100,000**	-
	(17,000,000)	
ICD Repaid	**3,800,000**	-
	(120,100,000)	
ICD given	**9,440,000**	-
	(57,450,000)	
ICD given received back	**18,240,000**	
	(298,000,000)	
Interest Received on ICD	**13,038,657**	-
	(31,035,203)	
Interest paid on ICDs	**Nil**	-
	(9,637,062)	
Advances taken	**48,050,000**	
	(326,150,000)	**-**
Advances repaid	**37,550,000**	
	(571,525,000)	
Remuneration	-	**8,838,000**
		(6,005,982)
Outstanding Balance as on 31-3-2016		
ICD receivable from Jayabharat Credit Limited		
(including interest)	**170,858,651**	-
	(179,616,947)	
ICD payable to Bahubali Services Limited	**64,300,000**	-
	(63,000,000)	
Advances payable	**125,700,000**	-
	(115,200,000)	

(Previous year's figures are given in bracket)

viii) **Details of Remuneration to Key Management Personnel:**

i) **Remuneration** **(Amount in ₹)**

	2015-16	2014-15
Salary, Wages allowance & Bonus	**6,871,000**	4,628,250
Contribution to Provident Fund	**777,000**	486,270
Perquisites	**1,190,000**	891,462
Total	**8,838,000**	6,005,982

ii) Directors Sitting Fees

Sundry Expenses include ₹ **100,225/-** (Previous Year ₹ 212,472/-) paid towards Directors' Sitting Fees for attending Board Meetings. No Meeting Fee was paid for attending Committee Meetings.

iii) **Directors Travelling**

Transport, Travelling and Motor Car Expenses include ₹ **126,155/-** (Previous Year ₹ 203,887/-) for Directors Travelling.

ix) **Earnings Per Share/(Loss) (E.P.S)**

		2015-16	2014-15
a)	Net Profit/(Loss) for the year attributable to Equity Shareholders (amount in ₹)	**14,130,171**	(9,599,603)
b)	Weight Average Number of Equity Shares (nos.)	**19,363,595**	19,363,595
c)	Basic Earnings per Share	**0.73**	(0.50)
d)	Diluted Earnings per Share	**0.73**	(0.50)
e)	Nominal value per Share	**10.00**	10.00

x) **Corporate Social Responsibility**

As per the provisions of section 135 of the Companies Act, 2013, the Company is not falling in the criteria as is prescribed in the said section and as such, CSR is not applicable during this year. However, in continuing with the plan as per last year, the company has incurred ₹ **1,402,000** on promoting of education.

xi) **Disclosure required under section 186(4) of the Companies Act 2013 :-**

(Amount in ₹)

a) Particulars of loan given

S. No.	**Name**	**Outstanding Principal Balance as on March 31, 2016***
1	Jayabharat Credit Limited	**16,50,00,000**
	*refer note no 25 (ii).	

b) Particulars of Investment Made **(Amount in ₹)**

Name of entity	**No. of equity shares of ₹10/-each**	**Amount as at March 31, 2016**
Jayabharat Credit Ltd	2,172,300	29,316,380
India Lease Development Ltd	4,608,840	61,189,351
Metal Box India Ltd	1,200	17,100
Rajasthan Breweries Ltd	4,700	140,836
Sri Ramakrishna Mills(CBE) Ltd	15,000	450,641
MTZ (India) Ltd	10,000	500,000
Mawana Sugars Ltd	450	9,000

xii) There is no amount due to the Micro Small and Medium Enterprises in terms of "The Micro Small and Medium Enterprises Development Act, 2006"

xiii) The assets and liabilities are classified between current and non current considering 12 months period as operating cycle.

xiv) Previous year figures have been regrouped/rearranged wherever considered necessary.

As per our report of even date attached

for S.N.Dhawan & Co.
Chartered Accountants
Firm's Reg No. 000050N

(N.C. Setia)
Partner
M.No. 012533

Place: New Delhi
Dated: May 28, 2016

RAJIV GUPTA
Chairman & Managing Director &
Chief Executive Officer
DIN : 00022964

ARUN MITTER
Executive Director
DIN : 00022941

ONKAR NATH AGGARWAL
Director
DIN : 00629878

ARTI GUPTA
Joint Managing Director
DIN : 00023237

BHARAT KUMAR
Director
DIN: 00990117

M.K. MADAN
Vice President & Company
Secretary & Chief Financial Officer
ACS 2951

INDEPENDENT AUDITOR'S REPORT

To the Members of

The Motor & General Finance Limited

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of **The Motor & General Finance Limited** ("the Company") and its associate comprising of the Consolidated Balance Sheet as at March 31, 2016, the Consolidated Statement of Profit and Loss, the Consolidated Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

Management's Responsibility for the Consolidated Financial Statements

The Company's Board of Directors is responsible for the preparation of these consolidated financial statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as "the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Company including its associate in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. The respective Board of Directors of the companies included in the consolidated financial statement are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and its associates for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Company, as aforesaid.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit.

While conducting the audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Board of Directors, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Other Matter

The consolidated financial statements also include the share of one associates having net loss of Rs. 147.43 lacs for the year ended 31st March, 2016, as considered in the consolidated financial statements, The financial statements of this associates have been audited by other auditor whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of this entity, and our report in terms of sub sections (3) and (11) of Section 143 of the act, in so far as it relates to the aforesaid entity, is based solely on the reports of the other auditor.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditor.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Company & its associate as at March 31, 2016, and their consolidated loss and their consolidated cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143 (3) of the Act, we report, to the extent applicable, that:
   - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements;
   - (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors;
   - (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements;
   - (d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
   - (e) On the basis of written representations received from the directors of the Company as on March 31, 2016 and taken on record by the Board of Directors of the Company and the reports of the other statutory auditor of its associate companies , none of the other directors is disqualified as on March 31, 2016 from being appointed as a director in terms of Section 164(2) of the Act;
   - (f) With respect to the adequacy of the internal financial controls over financial reporting of the Group and the operating effectiveness of such controls, refer to our separate Report in "Annexure A"; and
   - (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
     - i. The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Company and its associates, Refer Note no. 25(ii) to the consolidated financial statements;
     - ii. The Company and its associates did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses; and
     - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company and its associates.

For S. N. Dhawan & Co.
Chartered Accountants
Firm's Registration. No.: 000050N

(N.C. Setia)
Partner
Membership No. 012533

Place: New Delhi
Date: May 28, 2016

Annexure - A to the Independent Auditor's Report

(Referred to in paragraph 1(f) under the heading "Report on Other Legal and Regulatory Requirements" of our report of even date on the consolidated financial statements)

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended March 31, 2016, We have audited the internal financial controls over financial reporting of **The Motor & General Finance Limited** ("the Company") and its associates, which are companies incorporated in India as of that date.

Management's Responsibility for Internal Financial Controls

The respective board of directors of the Company and its associates, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by other auditors in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company and its associates, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI.

Other Matters

Our aforesaid reports under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting in so far as it relates to one associate which are companies incorporated in India, is based on the corresponding reports of other auditor of such companies incorporated in India.

For S. N. Dhawan & Co.
Chartered Accountants
Firm's Registration. No.: 000050N

(N.C. Setia)
Partner
Membership No. 012533

Place: New Delhi
Date: May 28, 2016

CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2016

PARTICULARS	Note No.	As at 31.03.2016 ₹	As at 31.03.2015 ₹
EQUITY AND LIABILITIES			
Shareholders' funds			
a) Share capital	2	**193,635,950**	193,635,950
b) Reserves and surplus	3	**679,148,945**	676,634,107
		872,784,895	870,270,057
Non-current liabilities			
a) Long-term borrowings	4	**385,881,506**	424,652,187
b) Other long term liabilities	5	**74,768,000**	85,693,000
c) Long-term provisions	6	**9,460,244**	8,745,444
		470,109,750	519,090,631
Current liabilities			
a) Short-term borrowings	7	**64,300,000**	63,000,000
b) Other current liabilities	8	**247,219,055**	224,116,816
c) Short-term provisions	9	**6,879,256**	6,511,999
		318,398,311	293,628,815
TOTAL		**1,661,292,956**	1,682,989,503
ASSETS			
Non-current assets			
a) Fixed assets			
Tangible assets	10	**270,429,925**	279,559,433
b) Non current investments	11	**251,312,218**	275,348,008
c) Deferred tax assets (net)	12	**14,709,334**	12,626,884
d) Other non-current assets	13	**29,762,677**	31,044,448
		566,214,154	598,578,773
Current assets			
a) Stock in trade	14	**890,228,235**	889,373,472
b) Trade receivables	15	**13,930,905**	2,182,231
c) Cash and bank balances	16	**15,031,095**	6,874,932
d) Short -term loans and advances	17	**165,000,000**	173,800,000
e) Other current assets	18	**10,888,567**	12,180,095
		1,095,078,802	1,084,410,730
TOTAL		**1,661,292,956**	1,682,989,503
Summary of significant accounting policies	1		
Other notes to financial statements	25		

The accompanying notes 1 to 25 form an integral part of the financial statements.

As per our report of even date attached

for S.N.Dhawan & Co.
Chartered Accountants
Firm's Reg No. 000050N

(N.C. Setia)
Partner
M.No. 012533

Place: New Delhi
Dated: May 28, 2016

RAJIV GUPTA
Chairman & Managing Director &
Chief Executive Officer
DIN : 00022964

ARTI GUPTA
Joint Managing Director
DIN : 00023237

ARUN MITTER
Executive Director
DIN : 00022941

BHARAT KUMAR
Director
DIN: 00990117

ONKAR NATH AGGARWAL
Director
DIN : 00629878

M.K. MADAN
Vice President & Company
Secretary & Chief Financial Officer
ACS 2951

CONSOLIDATED STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED MARCH 31, 2016

PARTICULARS	Note No.	Year Ended 31.03.2016 ₹	Year Ended 31.03.2015 ₹
INCOME			
Revenue from operations	19	**138,273,671**	115,959,102
Other income	20	**60,550,796**	80,835,475
Total (A)		**198,824,467**	196,794,577
EXPENDITURE AND CHARGES			
Finance costs	21	**55,010,628**	70,147,312
Employee benefits expenses	22	**28,636,734**	25,952,065
Operating, administrative and other expenses	23	**76,365,444**	78,888,134
Depreciation and amortization expenses	24	**9,973,708**	9,013,757
Total (B)		**169,986,514**	184,001,268
Profit/(Loss) before provisions, exceptional Items, extra ordinary items and tax (A-B)		**28,837,953**	12,793,309
Provision for diminution in value of Investments		**(9,439,797)**	(21,456,726)
Profit/(Loss) before exceptional Items, extra ordinary items and tax		**19,398,156**	(8,663,417)
Exceptional items			
Excess depreciation of earlier years written back		**-**	1,153,702
Profit/(Loss) before tax for the year		**19,398,156**	(7,509,715)
Tax Expenses:			
Current Tax/MAT		**(7,500,000)**	(7,000,000)
Deferred Tax		**2,082,450**	7,603,690
Excess/(Short) provision of earlier years		**149,565**	(2,693,578)
Profit/(Loss) after tax for the year		**14,130,171**	(9,599,603)
Share in profit/(loss) of Associates		**(14,595,993)**	(12,547,058)
Net Profit/(Loss) after share of Profit/(Loss) of Associates		**(465,822)**	(22,146,661)
Earnings Per Share (Face Value - Rs. 10 per share)			
Basic		**(0.02)**	(1.14)
Diluted		**(0.02)**	(1.14)
Summary of significant accounting policies	1		
Other notes to financial statements	25		

The accompanying notes 1 to 25 form an integral part of the financial statements.

As per our report of even date attached

for S.N.Dhawan & Co.
Chartered Accountants
Firm's Reg No. 000050N

(N.C. Setia)
Partner
M.No. 012533

Place: New Delhi
Dated: May 28, 2016

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CONSOLIDATED CASH FLOW STATEMENT FOR YEAR ENDED MARCH 31, 2016

		Year Ended March 31, 2016 ₹	Year Ended March 31, 2015 ₹
A.	**CASH FLOW FROM OPERATING ACTIVITIES**		
	Profit Before Tax	**19,398,156**	(7,509,715)
	Adjustments for:		
	Depreciation/Amortisation	**9,973,708**	7,860,055
	Profit on sale of Fixed Assets	**(38,026,065)**	(35,595,919)
	Profit on sale of investments	**-**	(552,656)
	Addition/(Reversal) of Provision for Doubtful Debts and, shortfall in Investments	**9,439,797**	21,456,726
	Finance costs	**55,010,628**	70,147,312
	Interest Income	**(13,920,972)**	(31,441,503)
	Provision for Gratuity	**1,025,673**	950,529
	Provision for Leave Encashment	**56,384**	93,486
	Operating Profit Before Working Capital Changes	**42,957,309**	25,408,315
	Increase/(Decrease) in other Long term Liabilities	**(10,925,000)**	22,800,000
	Increase/(Decrease) in other Current Liabilities	**20,129,045**	(249,062,321)
	(Increase)/Decrease in Trade Receivables	**(11,748,674)**	(2,182,231)
	(Increase)/Decrease in Long Term Loans and Advances	**-**	414,350,000
	(Increase)/Decrease in Short Term Loans and Advances	**8,800,000**	(173,800,000)
	(Increase)/Decrease in Other Non Current Assets	**292,804**	(132,269)
	(Increase)/Decrease in Other Current Assets	**1,306,243**	8,818,754
	(Increase)/Decrease Stock in Trade	**(854,763)**	(4,179,870)
	Net Cash Used in Operations	**49,956,964**	42,020,378
	Income Tax Paid	**(6,361,468)**	(15,281,854)
	Net Cash Flow From Operating Activities	**43,595,496**	26,738,524
B.	**CASH FLOWS FROM INVESTING ACTIVITIES**		
	Purchase of Fixed Assets	**(37,475)**	(16,896,670)
	Sale of Fixed Assets	**40,200,000**	38,116,150
	Sale/(Addition) in Investment	**-**	1,150,000
	Interest Received	**13,906,257**	32,413,685
	Net Cash Flow From Investing Activities	**54,068,782**	54,783,165
C.	**CASH FLOWS FROM FINANCING ACTIVITIES**		
	Increase/(Decrease) in Long Term Borrowings	**(38,770,681)**	187,208,903
	Increase/(Decrease) in Short Term Borrowings	**5,669,629**	(186,539,425)
	Finance costs	**(55,323,621)**	(87,899,527)
	Dividend	**(1,083,442)**	(3,775)
	Net Cash Flow From Financing Activities	**(89,508,115)**	(87,233,824)
	NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	**8,156,163**	(5,712,135)
	Opening Cash and Cash Equivalents	**6,874,932**	12,587,067
	Closing Cash and Cash Equivalents	**15,031,095**	6,874,932

Note:

1	Components of Cash and Cash Equivalents:	**March 31, 2016**	March 31, 2015
	Cash and Cheques in Hand	**1,286,987**	97,153
	Balances with Banks	**13,744,108**	6,777,779
		15,031,095	6,874,932

2 Previous year figures have been re-grouped/re-arranged/re-classified wherever necessary to make them comparable with the current year figures

As per our report of even date attached

for S.N.Dhawan & Co.
Chartered Accountants
Firm's Reg No. 000050N

(N.C. Setia)
Partner
M.No. 012533

Place: New Delhi
Dated: May 28, 2016

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M.K. MADAN
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ACS 2951

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

(Annexed to and forming part of the consolidated financial statements for the year ended March 31, 2016)

i) Accounting Conventions

The consolidated financial statements are prepared on accrual basis of accounting under the historical cost convention in accordance with Generally Accepted Accounting Principles in India (GAAP), Accounting Standards specified under Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014, the relevant provisions of the Companies Act, 2013 and guidelines issued by Securities and Exchange Board of India, to the extent applicable.

ii) Fixed Assets

Fixed Assets have been stated at cost less accumulated depreciation and impairment, if any. Cost refers to cost of acquisitions/revalued cost.

iii) Investments

Long Terms Investments are valued at cost. Cost refers to actual cost of acquisition / carrying cost. Provision for diminution is made to recognise a decline, other than temporary, in the value of such investments. Cost refers to actual cost of acquisition / carrying cost. Current Investments are valued at lower of cost or market value. Investments in Immovable Properties are valued at cost.

iv) Stock in Trade-Projects

Valued at lower of cost or net realizable value. Stock in trade includes total amount of expenditure incurred upto the date of certificate of completion. Subsequent expenditure which relates to an item of capital nature is added into the cost of stock in trade.

v) Depreciation

a) Depreciation on fixed assets is provided on the written down value (WDV) method based on the useful lives and residual value of the assets as prescribed in Schedule II to the Companies Act, 2013.

Based on internal assessment and technical evaluation, the management has assessed useful lives of two buildings as 80 years and 75 years, which is different from the useful lives as prescribed under Part C of Schedule II of the Companies Act, 2013.

b) No depreciation is provided in respect of Investments in Land and Buildings held as Investments, as the amount set aside under Property Reserve is considered adequate to cover such depreciation.

c) Depreciation on Land & Buildings is provided on composite cost, where cost of Land is not separately ascertained

vi) Revenue Recognition

a) Rental income from leased properties, interest income is recognised on accrual basis.

b) Insurance claims are accounted for on receipt basis.

c) Dividend in accounted for on accrual basis when the right to receive dividend is established.

vii) Retirement Benefits

a) Provision for Gratuity payable to eligible employees is made on actual basis as per payment of Gratuity Act, 1972 or on actuarial valuation whichever is higher.

b) Provision for leave encashment is made on actuarial valuation.

c) Provident Fund contribution for all employees is charged to Statement of Profit & Loss each year.

viii) Deferred Tax

Deferred Tax is recognised, subject to consideration of prudence, on timing differences, representing the difference between the taxable income/ (loss) and the accounting income/ (loss) that originated in one period and are capable of reversal in one or more subsequent periods. Deferred Tax assets and liabilities are measured using tax rates and the tax laws that have been enacted or substantively enacted by the Balance Sheet date. Deferred Tax assets viz. unabsorbed depreciation and carry forward losses are recognised if there is 'virtual certainty' that sufficient future taxable income will be available against which such deferred tax assets can be realised.

ix) Income Tax

The current tax under Indian Income tax relates to Minimum Alternate Tax(MAT) as per the provisions of Section 115JB, if it is expected to be recovered in future years then the same has been recognized as MAT credit entitlement.

x) Impairment of Assets

The carrying amounts of assets are reviewed at each Balance Sheet date to ascertain impairment based on internal/external factors. An impairment loss is recognised when the carrying amount of an asset exceeds its realizable value. The realizable value is greater of the assets net selling price and value in use.

xi) Provisions, Contingent Liabilities and Contingent Assets

Provisions are recognized for liabilities that can be measured only by using a substantial degree of estimation, if

a) the Company has a present obligation as a result of past event,

b) a probable outflow of resources is expected to settle the obligation and

c) the amount of obligation can be reliably estimated.

Reimbursements expected in respect of expenditure required to settle a provision is recognised only when it is virtually certain that the reimbursement will be received.

Contingent liability is disclosed in the case of

a) a present obligation arising from the past event, when it is not probable that an outflow of resources will be required to settle the obligation.

b) a possible obligation, of which the probability of outflow of resources is remote.

Contingent Assets are neither, recognised nor disclosed.

Provisions, Contingent Liabilities and Contingent Assets are reviewed at each Balance Sheet date.

2. SHARE CAPITAL

	As at 31.03.2016 ₹	As at 31.03.2015 ₹
Authorised		
50,000,000 (Previous Year 50,000,000) Equity Shares of ₹10/- each	**500,000,000**	500,000,000
Issued, subscribed and paid up		
19,363,595 (Previous year 19,363,595) Equity Shares of ₹10/- each fully paid up	**193,635,950**	193,635,950

a.) The Company has one class of equity shares having a par value of ₹10 per Share. Each Shareholder is eligible for one vote per share held. The dividend proposed (if any) by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend(if any). In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

b.) Reconciliation of the shares outstanding at the beginning and at the end of the year

	As at 31.03.2016		As at 31.03.2015	
	Nos.	₹	Nos.	₹
Equity Shares				
At the beginning of the year	**19,363,595**	**193,635,950**	19,363,595	193,635,950
Add: Issued during the year	**-**	**-**	-	-
Outstanding at the end of the year	**19,363,595**	**193,635,950**	19,363,595	193,635,950

c.) Details of shareholders holding more than 5% shares in the Company

	As at 31.03.2016		As at 31.03.2015	
	Nos.	% holding	Nos.	% holding
Equity shares of ₹ 10/- each fully paid up				
Bahubali Services Limited	**4,094,800**	**21.15**	4,094,800	21.15
Shri Rajiv Gupta & Smt. Arti Gupta	**2,270,485**	**11.73**	1,993,580	10.30
Smt. Arti Gupta & Shri Rajiv Gupta	**981,000**	**5.07**	981,000	5.07

3. RESERVES AND SURPLUS

	As at 31.03.2016 ₹	As at 31.03.2015 ₹
Capital Reserve	**610,050**	610,050
Securities Premium Account	**88,840,900**	88,840,900
Revaluation Reserve		
Opening balance	**259,537,826**	262,153,487
Less: Transferred to General Reserve	**-**	2,615,661
Closing balance	**259,537,826**	259,537,826
Property Reserve		
Opening balance	**58,907,207**	57,057,165
Add: Transferred from depreciation & amortization	**2,980,660**	3,153,498
	61,887,867	60,210,663
Less: deductions during the year	**-**	1,303,456
Closing balance	**61,887,867**	58,907,207
General Reserve		
Opening balance	**430,205,227**	424,223,989
Add/(less): Accumulated share in profit/(loss) of associates	**-**	3,365,577
Add: Transferred from Revaluation Reserve	**-**	2,615,661
Closing balance	**430,205,227**	430,205,227
Surplus/ (deficit) in statement of profit & loss		
Opening balance	**(161,467,103)**	(139,320,442)
Add: profit/(loss) for the year	**(465,822)**	(22,146,661)
Closing balance	**(161,932,925)**	(161,467,103)
Total	**679,148,945**	676,634,107

4. LONG TERM BORROWINGS

	As at 31.03.2016 ₹	As at 31.03.2015 ₹
Secured		
Term Loan		
From Bank (Kotak Mahindra Bank Limited)	**260,200,000**	302,000,000
Working Capital Loan		
From others (Kotak Mahindra Investment Limited)	**119,926,754**	115,000,000
Vehicle Loan		
From others (Kotak Mahindra Prime Limited)	**5,754,752**	7,652,187
Total	**385,881,506**	424,652,187

Notes:-

a) Term Loans from Kotak Mahindra Bank Limited are secured by way of mortgage of one of company's properties and hypothecation of trade receivables including all present and future lease rentals and personal guarantee of two directors. The principal of term loans are repayable by way of monthly instalments and the rate of interest ranging from 13 % to 12.25%. Loan repayable in FY 2017-18 ₹ 49,700,000/- FY 2018-19 ₹ 57,000,000/-, FY 2019-20 ₹ 59,800,000/-, FY 2020-21 ₹ 68,800,000/-, FY 2021-22 ₹ 24,900,000/- .

b) Working Capital Loan from Kotak Mahindra Investments Limited is secured against the securities of mutual funds, shares etc. held by the directors and there family members and group entities. The loan is repayable in sixty months and the rate of interest is ranging from 12.25 to 11.00%.

c) Vehicle Loan from Kotak Mahindra Prime Limited is secured against hypothecation of vehicle and personal guarantee of one of the director of the Company. The principal amount of loans are repayable by way of monthly instalments and the rate of interest is 9.8 %. Loan repayable in FY 2017-18 ₹ 2,083,714/- FY 2018-19 ₹ 2,288,279/-, FY 2019-20 ₹ 1,382,760/- .

5. OTHER LONG TERM LIABILITIES

Security deposits	**74,768,000**	85,693,000
Total	**74,768,000**	85,693,000

6. LONG TERM PROVISIONS

For gratuity	**8,585,096**	7,927,404
For leave encashment	**875,148**	818,040
Total	**9,460,244**	8,745,444

7.	SHORT TERM BORROWINGS	As at 31.03.2016 ₹	As at 31.03.2015 ₹
	Unsecured		
	Inter corporate deposits from related parties		
	- Bahubali Services Ltd.	**64,300,000**	63,000,000
	Total	**64,300,000**	63,000,000
8.	**OTHER CURRENT LIABILITIES**		
	Current maturities of long term borrowings	**43,697,434**	39,327,805
	Other liabilities	**70,462,251**	62,905,480
	Advances from related parties	**125,700,000**	115,200,000
	Bank book overdraft	**3,191,538**	1,119,264
	Interest accrued but not due on Loans	**1,788,279**	2,101,272
	Unclaimed dividend *	**2,379,553**	3,462,995
	Total	**247,219,055**	224,116,816
	* There are no amount due and outstanding to be credited to Investors Education and Protection Fund		
9.	**SHORT TERM PROVISIONS**		
	For gratuity	**6,389,904**	6,021,923
	For leave encashment	**489,352**	490,076
	Total	**6,879,256**	6,511,999

10 : FIXED ASSETS

(₹)

PARTICULARS	GROSS BLOCK				DEPRECIATION					NET BLOCK	
	As at 01.04.2015	Additions during the year	Deductions	As at 31.03.2016	Up to 01.04.2015	Additions	Deductions	Adjustments	Up to 31.03.2016	As at 31.03.2016	As at 31.03.2015
Other Fixed Assets											
Land											
Freehold	131,205,451	-	-	**131,205,451**	-	-	-	-	**-**	**131,205,451**	131,205,451
Leasehold	111,443,394	-	-	**111,443,394**	-	-	-	-	**-**	**111,443,394**	111,443,394
Land & Buildings											
Freehold	40,572,320	-	4,160,100	**36,412,220**	31,758,932	251,149	1,986,165	-	**30,023,916**	**6,388,304**	8,813,388
Leasehold	36,000,000	-	-	**36,000,000**	30,476,016	301,610	-	-	**30,777,626**	**5,222,374**	5,523,984
Two Wheelers	249,622	-	-	**249,622**	174,998	19,364	-	-	**194,362**	**55,260**	74,624
Vehicles	23,168,772	-	-	**23,168,772**	10,259,851	4,081,463	-	-	**14,341,314**	**8,827,458**	12,908,921
Furniture & Fixtures	1,465,032	-	-	**1,465,032**	1,096,526	121,248	-	-	**1,217,774**	**247,258**	368,506
Office Machines	4,750,178	-	-	**4,750,178**	4,483,331	17,549	-	-	**4,500,880**	**249,298**	266,847
Computer	1,553,155	13,475	-	**1,566,630**	1,407,710	53,690	-	-	**1,461,400**	**105,230**	145,445
Electric Fittings, Equipment & Fans etc.	23,510,041	-	-	**23,510,041**	17,759,443	1,487,608	-	-	**19,247,051**	**4,262,990**	5,750,598
Lifts	3,891,729	-	-	**3,891,729**	3,686,090	2,936	-	-	**3,689,026**	**202,703**	205,639
Air Conditioners & Coolers	15,405,622	24,000	-	**15,429,622**	12,552,986	656,431	-	-	**13,209,417**	**2,220,205**	2,852,636
Total	**393,215,316**	**37,475**	**4,160,100**	**389,092,691**	**113,655,883**	**6,993,048**	**1,986,165**	**-**	**118,662,766**	**270,429,925**	279,559,433
Previous year	388,313,919	16,896,670	11,995,273	393,215,316	118,424,368	5,860,259	9,475,042	(1,153,702)	113,655,883	279,559,433	

11. NON-CURRENT INVESTMENTS

PARTICULARS	VALUE					
		As at 31.03.2016 ₹			As at 31.03.2015 ₹	
1. EQUITY SHARES FULLY PAID UP						
NON TRADE- Long Term						
Quoted						
2,172,300 (2,172,300) equity shares of Rs. 10/- each of Jayabharat Credit Limited* (Net of capital reserve of Rs 26,762,078)		56,078,458			29,316,380	
Accumulated share in adjusted profit/(loss) at the beginning of the year	-			36,986,787		
Share in adjusted profit/(loss) during the year	(14,743,251)	(14,743,251)	**41,335,207**	(10,224,709)	26,762,078	56,078,458
4,608,840 (4,608,840) equity shares of Rs. 10/- each of India Lease Development Limited *		25,245,792			61,189,351	
(Goodwill of Rs. 3,477,745/- as on date of becoming Associate company) ** (Net of goodwill of Rs 35,943,559)	-			(33,621,210)		
Share in adjusted profit/(loss) during the year	147,258	147,258	**25,393,050**	(2,322,349)	(35,943,559)	25,245,792
1,200(1,200) equity shares of Rs. 10/- each of Metal Box India Limited			**17,100**			17,100
4,700 (4,700) equity shares of Rs. 10/- each of Rajasthan Breweries Ltd			**140,836**			140,836
15,000 (15,000) equity shares of Rs. 10/- of Sri Ramakrishna Mills(CBE) Limited			**450,641**			450,641
10,000 (10,000) equity shares of Rs. 10/- each of MTZ (India) Limited			**500,000**			500,000
450 (450) equity shares of Rs. 10/- each of Mawana Sugars Limited			**9,000**			9,000
			67,845,834			82,441,827
Less: Provision for diminution in value of Investments			**31,688,003**			22,248,206
			36,157,831			60,193,621
* Companies under the same management						
Unquoted						
2. SHARES IN COOPERATIVE SOCIETIES						
50(50) shares of Rs. 10 each in Atlanta Premises Cooperative Society Ltd.			**500**			**500**
			500			**500**

11. NON-CURRENT INVESTMENTS (CONTD...)

3. INVESTMENT IN IMMOVABLE PROPERTIES

Building on Leasehold Land	**191,696,057**	**191,696,057**
Building on Freehold Land	**23,457,830**	**23,457,830**
	215,153,887	**215,153,887**
TOTAL	**251,312,218**	**275,348,008**

NOTES:

		Cost	Market Value
i)	Aggregate value of quoted long term investments	**67,845,834**	**59,935,305**
		(82,441,827)	(69,375,102)
ii)	Aggregate value of Investment in unquoted investments	**215,154,387**	**-**
		(215,154,387)	(-)
iii)	Investments are valued at cost		

		As at 31.03.2016 ₹	As at 31.03.2015 ₹
12.	**DEFERRED TAX ASSETS/ (LIABILITIES) (NET)**		
	Depreciation	**(1,168,559)**	(2,628,109)
	Provision for leave encashment	**451,104**	404,208
	Provision for gratuity	**4,950,735**	4,310,342
	Provision for diminution in the value of investments	**10,476,054**	6,874,696
	Business loss	**-**	3,665,747
	Total	**14,709,334**	**12,626,884**
13.	**OTHER NON CURRENT ASSETS**		
	Considered good		
	Security deposits	**3,090,039**	3,249,564
	Fixed deposits with banks having maturities of more than twelve months*	**-**	133,279
	Advance tax/tax deducted at source (net of provisions)	**26,672,638**	27,661,605
	Total	**29,762,677**	**31,044,448**

* lodged as margin for issuing bank guarantees to government authorities.

		As at 31.03.2016 ₹	As at 31.03.2015 ₹
14.	**STOCK IN TRADE**		
	Commercial project	**890,228,235**	889,373,472
	Total	**890,228,235**	889,373,472
15.	**TRADE RECEIVABLES**		
	Unsecured and Considered Good)		
	Outstanding for a period exceeding six months from the date due for payment	**2,007,192**	-
	Others	**11,923,713**	2,182,231
	Total	**13,930,905**	2,182,231
16.	**CASH AND BANK BALANCES**		
	Cash & cash equivalents		
	Cash in hand and stamps	**1,086,987**	97,153
	Cheques in hand	**200,000**	**-**
	With Scheduled Banks in:		
	Current accounts	**3,738,565**	5,181,575
	Other bank balances		
	Fixed deposits having maturities upto twelve months *	**10,005,543**	1,596,204
	Total	**15,031,095**	6,874,932

NOTES:

Balance in current accounts include ₹ **2,379,553/-** (Previous Year ₹ 3,462,995/-) earmarked against unclaimed dividend.

* Include ₹ **476,663/-** (Previous Year ₹ 331,230/-) lodged as margin for issuing bank guarantees to government authorities.

17.	**SHORT TERM LOANS AND ADVANCES**		
	Inter Corporate Deposits		
	(Unsecured and Considered Good)		
	Deposits with related parties		
	Jaya Bharat Credit Limited	**165,000,000**	173,800,000
	Total	**165,000,000**	173,800,000
18.	**OTHER CURRENT ASSETS**		
	(Unsecured, Considered Good)		
	Interest accrued on inter corporate deposits	**5,858,651**	5,816,947
	Interest accrued but not due on fixed deposits	**31,055**	26,989
	Advances recoverable in cash or in kind or for value to be received	**4,998,861**	6,336,159
	Total	**10,888,567**	12,180,095

		Year Ended 31.03.2016 ₹	Year Ended 31.03.2015 ₹
19.	**REVENUE FROM OPERATIONS**		
	Rent from investments in immovable properties	**138,273,671**	115,959,102
	Total	**138,273,671**	115,959,102
20.	**OTHER INCOME**		
	Interest received :		
	Fixed deposits with banks	**286,167**	234,504
	Intercorporate deposits	**13,038,657**	31,035,203
	Others	**596,148**	171,796
	Miscellaneous income	**7,252,759**	7,915,268
	Additional compensation received against land acquisition	**-**	3,830,129
	Profit on sale of fixed assets/leased assets	**38,026,065**	35,595,919
	Profit on sale of properties held in investments	**-**	552,656
	Bad debts realised	**1,351,000**	1,500,000
	Total	**60,550,796**	80,835,475
21.	**FINANCE COSTS**		
	Interest expenses	**55,010,628**	64,248,412
	Other borrowing costs	**-**	5,898,900
	Total	**55,010,628**	70,147,312
22.	**EMPLOYEE BENEFITS EXPENSE**		
	Salaries, wages, allowances, bonus	**22,918,047**	20,086,315
	Company's contribution to provident fund / other funds	**1,998,637**	1,700,144
	Retrenchment compensation	**-**	230,160
	Gratuity paid/provided	**1,179,712**	1,355,789
	Staff welfare	**2,540,338**	2,579,657
	Total	**28,636,734**	25,952,065

22.1 Liability for Employee's Leave Encashment has been determined by an actuary, appointed for the purpose, in conformity with the principles set out in the Accounting Standard 15 (Revised) and the details are given as under:

		Leave Encashment	
A.	**Assumptions**		
	Particulars	**31.03.2016**	31.03.2015
	Discount Rate	**7.60%**	7.80%
	Rate of Return on Plan Assets	**-**	-
	Salary Escalation	**5.67%**	5.67%
B.	**Changes in Benefit Obligations**		
	Liability at beginning of the year	**1,308,117**	1,214,631
	Interest Cost	**102,033**	109,317
	Current Service Cost	**Nil**	Nil
	Benefit Paid	**(65,700)**	(44,708)
	Actuarial(gain)/ Loss on obligation	**20,050**	28,877
	Liability at the end of the year	**1,364,500**	1,308,117
C.	**Fair Value of Plan Asset**		
	Fair Value of Plan Assets at beginning of the year	**Nil**	Nil
	Expected Return on Plan Assets	**Nil**	Nil
	Contributions	**Nil**	Nil
	Benefits Paid	**Nil**	Ni
	Actuarial Gain / (Loss) on Plan Assets	**Nil**	Nil
	Fair value of Plan Assets at the end of the year	**Nil**	Nil
	Funded Status	**(1,364,500)**	(1,308,117)
D.	**Expenses recognised in the Statement of Profit & Loss**		
	Current Service Cost	**-**	-
	Interest Cost	**102,033**	109,317
	Net Actuarial (Gain)/ Loss for the period	**20,050**	28,877
	Expenses Recognised in Statement of Profit & Loss	**122,083**	138,194
E.	**Balance Sheet Reconciliation**		
	Opening Net Liability	**1,308,117**	1,214,631
	Expenses charged to Statement of Profit & Loss	**122,083**	138,194
	Benefit Paid	**(65,700)**	(44,708)
	Closing Liability as at 31.03.2016	**1,364,500**	1,308,117

22.2 The Company has charged ₹ **1,179,712/-** (previous year ₹ 1,355,789/-) to Statement of Profit & Loss for the year ended 31st March, 2016 towards Gratuity Liability as per Payment to Gratuity Act, 1972. The closing Gratuity liability (current & non current) as on 31st March, 2016 is ₹ **14,975,000/-**(previous year ₹ 13,949,327/-).

		Year Ended 31.03.2016 ₹	Year Ended 31.03.2015 ₹
23.	**OPERATING ADMINISTRATIVE AND OTHER EXPENSES**		
	Rent	**411,657**	1,180,605
	Rates & taxes and ground rent	**26,509,188**	17,798,932
	Auditors remuneration towards :		
	Audit fees	**325,000**	325,000
	Tax audit	**75,000**	75,000
	Certification	**75,000**	75,000
	Service tax	**68,875**	58,711
	Transport, travelling and motor car expenses	**8,746,932**	9,499,003
	Brokerage, commission and service charges	**800,000**	2,200,000
	Donations	**279,000**	1,845,859
	Corporate social responsibility expenses	**1,402,000**	1,540,000
	Insurance	**997,948**	809,348
	Bank charges	**108,697**	169,231
	General expenses	**9,911,449**	9,545,575
	Electricity expenses	**6,308,863**	6,450,511
	Legal & professional charges	**7,880,939**	5,451,521
	Postage, telegram & telephone expenses	**1,317,645**	1,205,048
	Printing & stationary	**1,697,235**	2,154,616
	Repairs to buildings	**3,057,281**	1,115,657
	Repairs to others	**2,969,833**	3,325,458
	Amount irrecoverable written off	**26,935**	10,113,239
	Sundry expenses	**3,395,967**	3,949,820
	Total	**76,365,444**	78,888,134
24.	**DEPRECIATION AND AMORTIZATION EXPENSE**		
	Depreciation	**6,993,048**	5,860,259
	Property reserve	**2,980,660**	3,153,498
	Total	**9,973,708**	9,013,757

25. OTHER NOTES TO FINANCIAL STATEMENTS

i) Principles of consolidation

The consolidated financial statements have been prepared on the following basis :

a. Investment in Associate Companies has been accounted under the equity method as per Accounting Standard (AS) 23 - "Accounting for Investments in Associates in Consolidated Financial Statements". The difference between the cost of investment in the associates and the share of net assets at the time of acquisition of shares in the associates is identified in the financial statements as Goodwill or Capital Reserve as the case may be. The share of profit/loss of associate companies is accounted under 'Equity method' as per which the share of profit/loss of the associate company has been adjusted to the cost of investment

b. The consolidated financial statements have been prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented to the extent possible, in the same manner as the Company's separate financial statements.

c. The consolidated financial statements include the financial statements of The Motor & General Finance Limited ("Parent company) and its associates (collectively known as "the group"):

Name of Associates Companies and % of holding	Country of Incorporation
Jay Bharat Credit Limited (43.45%)	India
India Lease Development Limited (31.35%)	India

ii) **CONTINGENT LIABILITIES:** **(Amount in ₹)**

	Particulars	March 31, 2016	March 31, 2015
a)	Guarantees given to Sales Tax and other authorities, on behalf of the Company (against pledge of fixed deposits	**476,663**	464,509
b)	Other disputed demands not acknowledged as debts		
	i) Electricity Charges (BSES)	**6,924,304**	6,924,304
	ii) Service Tax	**10,351,192**	10,351,192
	iii) Employee's State Insurance Corporation	**7,475,606**	7,475,606

iii) In view of the Company's substantial holding in Jayabharat Credit Limited (JBCL) and to preserve company's reputation and image, the Board of Directors of the Company, on the legal opinion obtained, had taken a conscious decision to give Inter-Corporate Deposit (ICD), at the rate of interest mutually agreed in the financial year 2010-11 to meet the contingency in repayment of public deposits and banks of JBCL. The amount due as on March 31, 2016 is ₹ 16.50 crores (Previous Year ended March 31, 2015 ₹ 17.38 crores). The Company has taken steps to realize the balance outstanding amount at the earliest.

iv) **Deferred Taxation**

In accordance with AS-22 on "Accounting for Taxes on Income", the Company has recognized deferred tax assets on such timing differences based on the future income available so that such deferred tax assets can be reversed. Deferred Tax Assets have been recognized on account of timing difference arising between book depreciation and tax depreciation, provision for leave encashment, gratuity, diminution in the value of investments and carry forward of business losses.

v) **Current Taxation:-**

a) Provision for income tax (MAT) for the year has been made after considering relief available under the Income Tax Act, 1961.

b) Income tax assessments up to the financial year 2012-13 (Assessment Year 2013-14) have been completed and there are no pending demands against the Company.

vi) **Segment information**:-

The Company's business activities predominantly relate to leasing and development of premises. Accordingly revenue from the leasing of premises comprises the primary basis of segmental reporting. Hence segmental reporting as defined in Accounting Standard – 17 is not applicable.

vii) Balance in parties accounts whether in debit or credit are subject to confirmation.

viii) Disclosure of details pertaining to related party transactions entered into during the year in terms of Accounting

Standard -18 "Related Party Disclosures" are given below:

a) List of Related Parties

i) Under Common Control

India Lease Development Limited, Jayabharat Credit Limited, Bahubali Services Limited, MGF Estate Private Limited, MGF Securities Private Limited, Cards Services India Private Limited, Associated Traders & Engineers Private Limited Local Goods Carriers Private Limited, Ram Prakash & Co. Private Limited, Grosvenor Estates Private Limited and GEE GEE Holdings Private Limited.

ii) Key Management Personnel

Shri Rajiv Gupta (Chairman & Managing Director & Chief Executive Officer)

Smt Arti Gupta (Joint Managing Director)

Shri Arun Mitter (Executive Director)

Shri M.K. Madan (Vice President & Company Secretary & Chief Financial Officer)

b) Details of transactions entered into with related parties:

(Amount in ₹)

Particulars	Under Common Control	Key Management Personnel
ICD taken	**5,100,000**	-
	(17,000,000)	
ICD Repaid	**3,800,000**	-
	(120,100,000)	
ICD given	**9,440,000**	-
	(57,450,000)	
ICD given received back	**18,240,000**	
	(298,000,000)	
Interest Received on ICD	**13,038,657**	-
	(31,035,203)	
Interest paid on ICDs	**Nil**	-
	(9,637,062)	
Advances taken	**48,050,000**	
	(326,150,000)	**-**
Advances repaid	**37,550,000**	
	(571,525,000)	
Remuneration	-	**8,838,000**
		(6,005,982)
Outstanding Balance as on 31-3-2016		
ICD receivable from Jayabharat Credit Limited		
(including interest)	**170,858,651**	-
	(179,616,947)	
ICD payable to Bahubali Services Limited	**64,300,000**	-
	(63,000,000)	
Advances payable	**125,700,000**	-
	(115,200,000)	

(Previous year's figures are given in bracket)

ix) **Details of Remuneration to Key Management Personnel:**

i) **Remuneration** **(Amount in ₹)**

	2015-16	2014-15
Salary, Wages allowance & Bonus	**6,871,000**	4,628,250
Contribution to Provident Fund	**777,000**	486,270
Perquisites	**1,190,000**	891,462
Total	**8,838,000**	6,005,982

ii) Directors Sitting Fees

Sundry Expenses include ₹ **100,225/-** (Previous Year ₹ 212,472/-) paid towards Directors' Sitting Fees for attending Board Meetings. No Meeting Fee was paid for attending Committee Meetings.

iii) **Directors Travelling**

Transport, Travelling and Motor Car Expenses include ₹ **126,155/-** (Previous Year ₹ 203,887/-) for Directors Travelling.

x) In accordance with the requirement of Accounting Standard (AS-23) "Accounting for Investments in Associates in Consolidated Financial Statements " relevant disclosures relating to associate is as follows.

Name of Joint Venture	Country of incorporation	Proportion of ownership as on 31.03.2016	Proportion of ownership as on 31.03.2015
Jayabharat Credit Limited	**India**	**43.45%**	**43.45%**
India Lease Development Limited	**India**	**31.35%**	**31.35%**

xi) **Earnings Per Share/(Loss) (E.P.S)**

		2015-16	2014-15
a)	Net Profit/(Loss) for the year attributable to Equity Shareholders (amount in ₹)	**(465,822)**	**(22,146,661)**
b)	Weight Average Number of Equity Shares (nos.)	**19,363,595**	**19,363,595**
c)	Basic Earnings per Share	**(0.02)**	**(0.50)**
d)	Diluted Earnings per Share	**(0.02)**	**(0.50)**
e)	Nominal value per Share	**10.00**	**10.00**

xii) **Corporate Social Responsibility**

As per the provisions of section 135 of the Companies Act, 2013, the Company is not falling in the criteria as is prescribed in the said section and as such, CSR is not applicable during this year. However, in continuing with the plan as per last year, the company has incurred ₹ **1,402,000** on promoting of education.

xii) Disclosure required under section 186(4) of the Companies Act 2013 :-

(Amount in ₹)

a) Particulars of loan given

S. No.	Name	Outstanding Principal Balance as on March 31, 2016*
1	Jayabharat Credit Limited	**165,000,000**

*refer note no 25 (ii).

b) Particulars of Investment Made **(Amount in ₹)**

Name of entity	No. of equity shares of ₹10/-each	Amount as at March 31, 2016
Jayabharat Credit Ltd	2,172,300	29,316,380
India Lease Development Ltd	4,608,840	61,189,351
Metal Box India Ltd	1,200	17,100
Rajasthan Breweries Ltd	4,700	140,836
Sri Ramakrishna Mills(CBE) Ltd	15,000	450,641
MTZ (India) Ltd	10,000	500,000
Mawana Sugars Ltd	450	9,000

xiv) There is no amount due to the Micro Small and Medium Enterprises in terms of "The Micro Small and Medium Enterprises Development Act, 2006"

xv) The assets and liabilities are classified between current and non current considering 12 months period as operating cycle.

xvi) Additional information, as required under Schedule III to the Companies Act, 2013, of enterprises consolidated as Subsidiary/Associates/ Joint Ventures

Name of the Enterprise	Net Assets, i.e., total assets minus total liabilities		Share in profit or loss	
	As % of Consolidated net assets	Amount	As % of Consolidated profit & loss	Amount
1	2	3	4	5
Parent				
The Motor General & Finance Limited	102.72	896,562,369	3033.38	14,130,171
Associate (as per the equity method)				
Indian				
Jayabharat Credit Limited	10.90	95,141,570	(3165.00)	(14,743,251)
India Lease Development Limited	9.28	80,993,309	31.61	1,47,258

xvii) Previous year figures have been regrouped/rearranged wherever considered necessary.

As per our report of even date attached

for S.N.Dhawan & Co.
Chartered Accountants
Firm's Reg No. 000050N

(N.C. Setia)
Partner
M.No. 012533

Place: New Delhi
Dated: May 28, 2016

RAJIV GUPTA
Chairman & Managing Director &
Chief Executive Officer
DIN : 00022964

ARUN MITTER
Executive Director
DIN : 00022941

ONKAR NATH AGGARWAL
Director
DIN : 00629878

ARTI GUPTA
Joint Managing Director
DIN : 00023237

BHARAT KUMAR
Director
DIN: 00990117

M.K. MADAN
Vice President & Company
Secretary & Chief Financial Officer
ACS 2951

OFFICES

MUMBAI

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Regional Manager: Mr.Umesh Sanan

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Phones: 225332/227115

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(Kerala)
Phones: 2562906, 2562248

COIMBATORE

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New No. 106, Vivekanantha Road,
Ram Nagar, Coimbatore-641009
Phone: 0422-2236789

Notes

Notes

If undelivered please return to :

The Motor & General Finance Limited

Regd. Off. : 'MGF House', 4/17-B, Asaf Ali Road

New Delhi - 110 002.

Printed By : VIKRANT, vikrantcreations14@gmail.com

MGF

THE MOTOR & GENERAL FINANCE LIMITED

Registered Office: MGF HOUSE , 4/17-B, Asaf Ali Road, New Delhi-110002
Phone Nos.: 011-23272216-18, 011-23278001-02 Fax: 011-23274606
Website: http:/www.mgfltd.com Email-mgfltd@hotmail.com
CIN: L74899DL1930PLC000208

BALLOT FORM

Sr No……..

(1) Name and Registered Address of the Sole/First Named Shareholder :

(2) Name(s) of the Joint Holder(s) (if any) :

(3) Registered Folio No. DP ID No. and Client ID No. :

(4) Number of Share(s) held :

(5) User ID :

(6) Sequence No :

(7) EVSN(Electronic voting Sequence No.)

(8) I/We hereby exercise my/our vote(s) in respect of the Resolutions set out in the Notice of the Eighty Sixth Annual General Meeting(AGM) of the company to be held on Wednesday, September 28, 2016 at 12.15 P.M. by sending my/our asset or dissent to the said resolution by placing a tick (✓) mark at the appropriate box below :

Sr No.	Description	No.of Shares	I/We assent to the Resolution (FOR)	I/We dissent to the Resolution (AGAINST)
1.	Consider and adopt the Audited Financial Statements Standalone and Consolidate for the year ended March 31,2016 and the Report of the Directors and Auditors thereon.			
2.	Appoint a Director in the place of Sh. Rajiv Gupta(DIN:0022964) who retires by rotation and is eligible for re-appointment.			
3.	Appoint a Director in the place of Sh. Arun Mitter(DIN:00022941) who retires by rotation and is eligible for re-appointment.			
4.	Appoint Statutory Auditors and to fix their remuneration M/s S.N. Dhawan & Co, Chartered Accountants, New Delhi(ICAI Regd No.000050N) retires and are eligible for re-appointment .			
5.	Special Resolution for re-appointment of Sh. Rajiv Gupta (DIN:00022964), as Chairman & Managing Director & CEO and payment of remuneration.			
6.	Special Resolution for re-appointment of Smt. Arti Gupta(DIN:00023237) as Joint Managing Director and payment of remuneration.			
7.	Special Resolution for re-appointment of Sh. Arun Mitter(DIN:00022941), as Whole Time Director and payment of remuneration.			
8.	Special Resolution for Approval of charges for service of documents on the shareholders.			
9	Special Resolution for Change of Articles of Association.			
10.	Special Resolution for Related Parties Transactions .			
11.	Ordinary Resolution for Re-appointment of PCK & Associates, Cost Accountants(Firm Regd No.000514) for the year 2016-17.			

Place:
Date:

Signature of the Shareholder(s)

Note: Please read the instructions carefully before exercising your vote.

INSTRUCTIONS

1. This Ballot Form is provided for the benefit of Members who do not have access to e-voting facility.

2. A member can opt for only one mode of voting i.e. either through e-voting or by Ballot. If a Member casts votes by both modes, then voting done through e-voting shall prevail and Ballot shall be treated as invalid.

3. For details instructions on e-voting, please refer to the notes appended to the Notice of the AGM.

4. The Scrutinizer will collate the votes downloaded from the remote e-voting system and votes received through post to declare the final results for each of the Resolutions forming part of the Notice of the AGM.

Process and manner for Members opting to vote by using the Ballot Form:

1. Please complete and sign the Ballot Form (no other form or photocopy thereof is permitted) and send it so as to reach the Scrutinizer appointed by the Board of Directors of the company i.e. Ms Anjali Yadav, Practising Company Secretary (Membership No.FCS-6628/CP-7257),(B-6/32, Sector 15, Rohini, Delhi-110089) C/o The Motor & General Finance Limited, MGF House, 4/17-B, Asaf Ali Road, New Delhi-110002, Mobile No. +91 9810655161, **E-mail ID: anjaliyadav.associates@gmail.com.**

2. The Form should be signed by the Members as per the specimen signatures registered with the company/Depositories. In case of joint holding, the Form should be completed and signed by the first named member and in his/her absence, by the next named joint holder. A Power of Attorney(POA) holder may vote on behalf of a member, mentioning the registration number of the POA registered with the company or enclosing an attested copy of the POA. Exercise of vote by ballot is not permitted through proxy.

3. In case the shares are held by companies, trusts, societies, etc the duly completed Ballot Form should be accompanied by a certified true copy of the relevant Board Resolution/Authorisation.

4. Votes should be cast in case of each resolution, either in favour or against by putting the tick(✓) mark in the column provided in the Ballot.

5. The voting rights of members shall be in proportion of the share(s) held by them in the paid up equity share capital of the company as on September 21, 2016 and as per the Register of Members of the company.

6. Duly completed Ballot Form should reach the Scrutinizer not later than by Tuesday, the September 27, 2016 at 5.00 p.m. Ballot Form received after the said date and time will be strictly treated as if the reply from the member has not been received.

7. A member may request for a duplicate Ballot Form, if so required, however, duly filled in and signed duplicate form should reach the Scrutinizer not later than the date and time specified in Serial No.6 above.

8. Unsigned, incomplete, improperly or incorrectly tick marked Ballot Forms will be, rejected. Ballot Form will be if it is received torn, defaced or mutilated to an extent which makes it difficult for the Scrutinizer to identify either the member or as to whether the votes are in favour or against or of the signatures cannot be verified.

9. The decision of the Scrutinizer on the validity of the Ballot Form and other related matter shall be final.

10. The result shall be placed on the company's website **www.mgfltd.com** within two days of the AGM of the company on September 28, 2016 and communicated to BSE Limited and National Stock Exchange of India Limited (NSE), where the shares of the company are listed.

MGF

THE MOTOR & GENERAL FINANCE LIMITED

Registered Office: MGF HOUSE, 4/17-B, Asaf Ali Road, New Delhi-110002
Phone Nos.: 011-23272216-18, 011-23278001-02 Fax: 011-23274606
Website: http:/www.mgfltd.com Email-mgfltd@hotmail.com
CIN: L74899DL1930PLC000208

NOTICE

NOTICE is hereby given that the Eighty Sixth (86th) Annual General Meeting of the members of The Motor & General Finance Limited will be held at The Executive Club, 439, Village Shahoorpur, P.O. Fatehpur Beri, New Delhi-110030 on Wednesday, the September 28, 2016 at 12.15.P.M. to transact the following business:-

ORDINARY BUSINESS

1. To receive, consider and adopt:

   a. The Audited Financial Statements of the company for the financial year ended March 31, 2016 and the Reports of the Directors and the Auditors thereon;

   b. The audited consolidated financial statements of the company for the financial year ended March 31, 2016.

2. To appoint a Director in the place of Sh.Rajiv Gupta (DIN:00022964), Chairman & Managing Director &CEO who retires by rotation and being eligible, offers himself for re-appointment.

3. To appoint a Director in the place of Sh. Arun Mitter(DIN:00022941), Executive Director, who retires by rotation and being eligible, offers himself for re-appointment.

4. To appoint Staturory Auditors and to authorize Board to fix their remuneration. M/s S.N. Dhawan & Co, Chartered Accountants, New Delhi,(Firm Registration No.000050N) retires and are eligible to hold office for the third consecutive year(in the term of three consecutive years) and as such, on the recommendations of the Audit Committee, the Board of Directors have considered for reappointment to audit the accounts for the financial year ending March 31, 2017. As required under the provisions of Section 139 of the Companies Act,2013, the company has obtained written confirmation that their appointment, if made, would be in conformity within the limits specified in the said section.

SPECIAL BUSINESS

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

5. RE-APPOINTMENT OF SH. RAJIV GUPTA (DIN:00022964), CHAIRMAN & MANAGING DIRECTOR &CEO AND PAYMENT OF REMUNERATION

RESOLVED that pursuant to recommendation of the Nomination and Remuneration Committee and subject to the provisions of Section 196,197, 198,203 and other applicable provisions of the Companies Act, 2013 and the rules made thereunder(including any statutory modification or re-enactment thereof) read with Schedule V of the Companies Act,2013 and Article 77 of Articles of Association of the company, approval of the members by passing a Special Resolution at this meeting, on account of attainment of 70 years of age on August 13, 2016, be and is hereby accorded for the reappointment of Sh. Rajiv Gupta(DIN:00022964), Chairman & Managing Director & CEO for a period of three years(after cancellation and modification of the subsisting agreement according to which the re-appointment was made and approved by the members by Postal Ballot dated March 10, 2014 for a period of three years ending on March 31, 2017) from August 13, 2016 to August 12, 2019 whose period of office is liable to retirement by rotation as per Article 60(e) of the Articles of Association, as well as for the payment of salary and perquisites (hereinafter referred to as "remuneration") as are set out in the draft of the agreement entered into between the company and Sh. Rajiv Gupta (as a mark of identification signed by the Company Secretary) with liberty to the Board of Directors to alter and vary the terms and conditions of the said agreement as they may consider necessary and as may be agreed to by Sh. Rajiv Gupta within the overall limits as specified in Paragraph A of Section II of Part II of Schedule V of the Companies Act,2013 for the time being in force or any statutory modification(s) or re-enactment(s) thereof and/or any rules or regulations framed thereunder. The terms of reappointment and remuneration payable to Sh.Rajiv Gupta, hereinafter referred to as "Appointee", are set out in the Explanatory Statement and recommended by the Nomination & Remuneration Committee and approved by the Board subject to limits as specified under Schedule V of the Companies Act, 2013.

Further Resolved that the remuneration paid as per the terms and conditions approved by the members by Postal Ballot dated March 10,2014 for a period of three years ending on March 31, 2017 to Sh. Rajiv Gupta, Chairman & Managing Director &CEO requires some modifications and accordingly on the recommendations of the Nomination & Remuneration Committee the revised terms and conditions regarding perks from April 1, 2016 to August 12, 2016 shall be the same as to be paid on renewal of the term i.e. August 13, 2016 to August 12,2019 with a condition that the changed terms and conditions for perks for the period April 1, 2016 to August12, 2016 shall not override the total remuneration payable but will remain within the limits as specified under Schedule V of the Companies Act, 2013.

Resolved Further That in the event of any statutory amendment(s), modification(s) to the Act, Schedule V to the Act or any rules made under the Act or relaxation(s) by the Central Government, as may be applicable, the Board be and is hereby authorized to vary the remuneration, including salary, perquisites, allowance, etc. within such modified prescribed limit or ceiling as aforesaid subject to approval of the members of the company.

Resolved Further That the Board, be and is hereby authorized to do all such acts, deeds and things and execute all such documents, instruments and writings as may be required and to delegate all or any of its powers herein conferred to any Committee of Directors or Director(s) to give effect to the aforesaid resolution.

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

RE-APPOINTMENT OF SMT. ARTI GUPTA(DIN: 00023237), JOINT MANAGING DIRECTOR AND PAYMENT OF REMUNERATION

"Resolved that on the recommendations of Nomination and Remuneration Committee and in accordance with the provisions of Section 196, 197, 198,203 and other applicable provisions of the Companies Act,2013 and the rules made thereunder(including any statutory modification or re-enactment thereof) read with Schedule V of the Companies Act,2013 and Article 77 of Articles of Associations of the Company, approval of the members be and is hereby accorded for the re-appointment of Mrs. Arti Gupta (DIN: 00023237), as Joint Managing Director of the Company for a period of three years (after cancellation and modification of the subsisting agreement according to which the reappointment was made and approved by the members by Postal Ballot dated March 10, 2014 for a period of three years ending on June 4, 2017) from August 13, 2016 to August 12,2019 whose period of office is liable to retirement by rotation as per Article 60(e) of the Articles of Association, as well as for the payment of salary and perquisites (hereinafter referred to as " remuneration") as are set out in the draft of the agreement entered into between the company and Smt. Arti Gupta (as a mark of identification signed by the Company Secretary) with liberty to the Board of Directors to alter and vary the terms and conditions of the said agreement as they may consider necessary and as may be agreed to by Smt. Arti Gupta within the overall limits as specified in Paragraph A of Section II of Part II of Schedule V of the Companies Act, 2013 for the time being in force or any statutory modification(s) or re-enactment(s) thereof and/or any rules or regulations framed thereunder. The terms of reappointment and remuneration payable to Smt. Arti Gupta hereinafter referred to as "Appointee" are set out in the Explanatory Statement and recommended by the Nomination & Remuneration Committee and approved by the Board subject to limits as specified under Schedule V of the Companies Act, 2013.

Further Resolved that the remuneration paid as per the terms and conditions approved by the members by Postal Ballot dated March 10, 2014 for a period of three years ending on June 4, 2017 to Smt. Arti Gupta, Joint Managing Director requires some modifications and accordingly on the recommendations of the Nomination & Remuneration Committee the revised terms and conditions regarding perks from April 1,2016 to August 12,2016 shall be the same as to be paid on renewal of the term i.e. August 13, 2016 to August 12, 2019 with a condition that the changed terms and conditions for perks for the period April 1, 2016 to August 12, 2016 shall not override the total remuneration payable but will remain within the limits as specified under Schedule V of the Companies Act, 2013.

Also Resolved That in the event of any statutory amendment(s), modification(s) to the Act, Schedule V to the Act or any rules made under the Act or relaxation(s) by the Central Government, as may be applicable, the Board be and is hereby authorized to vary the remuneration, including salary, perquisites, allowance, etc. within such modified prescribed limit or ceiling as aforesaid subject to the approval of the members of the company .

Resolved Further That the Board, be and is hereby authorized to do all such acts, deeds and things and execute all such documents, instruments and writings as may be required and to delegate all or any of its powers herein conferred to any Committee of Directors or Director(s) to give effect to the aforesaid resolution.

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

RE-APPOINTMENT OF SH.ARUN MITTER (DIN:00022941), WHOLE TIME DIRECTOR DESIGNATED AS EXECUTIVE DIRECTOR AND PAYMENT OF REMUNERATION

RESOLVED that pursuant to recommendation of the Nomination and Remuneration Committee and subject to the provisions of Section 196,197, 198, 203 and other applicable provisions of the Companies Act,2013 and the rules made thereunder(including any statutory modification or re-enactment thereof) read with Schedule V of the Companies Act,2013 and Article 77 of Articles of Association of the company, approval of the members be and is hereby accorded for the reappointment of Sh. Arun Mitter (DIN: 00022941), Whole Time Director designated as Executive Director for a period of three years(after cancellation and modification of the subsisting agreement according to which the reappointment was made and approved by the members by Postal Ballot dated March 10,2014 for a period of three years ending on July 10, 2017) from August 13,2016 to August 12,2019 whose period of office is liable to retirement by rotation, as well as for the payment of salary and perquisites)(hereinafter referred to as " remuneration") as are set out in the draft of the agreement to be entered into between the company and Sh. Arun Mitter (as a mark of identification signed by the Company Secretary) with liberty to the Board of Directors to alter and vary the terms and conditions of the said agreement as they may consider necessary and as may be agreed to by Sh. Arun Mitter within the overall limits as specified in Paragraph A of Section II of Part II of Schedule V of the Companies Act, 2013 for the time being in force or any statutory modification(s) or re-enactment(s) thereof and/or any rules or regulations framed thereunder. The terms of reappointment and remuneration payable to Sh. Arun Mitter hereinafter referred to as "Appointee" are set out in the Explanatory Statement and recommended by the Nomination & Remuneration Committee and approved by the Board subject to limits as specified under Schedule V of the Companies Act, 2013.

Resolved Further That in the event of any statutory amendment(s), modification(s) to the Act, Schedule V to the Act or any rules made under the Act or relaxation(s) by the Central Government, as may be applicable, the Board be and is hereby authorized to vary the remuneration, including salary, perquisites, allowance, etc. within such modified prescribed limit or ceiling as aforesaid subject to the approval of the members of the company .

Resolved Further That the Board, be and is hereby authorized to do all such acts, deeds and things and execute all such documents, instruments and writings as may be required and to delegate all or any of its powers herein conferred to any Committee of Directors or Director(s) to give effect to the aforesaid resolution.

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

Approval of charges for service of documents on the shareholders

Resolved that pursuant to the provisions of Section 20 of the Companies Act,2013 and other applicable provisions, if any, of the said Act and relevant rules prescribed thereunder, whereby a document may be served on any shareholder by the company by sending it to him/her by post or by registered post or by speed post or by courier or by electronic or other mode as may be prescribed, the consent of the member(s) be and is hereby accorded to the company to charge from the member the fee in advance equivalent to the estimated actual expenses of delivery of the documents, pursuant to any request made by the shareholder for delivery of such document to him/her, through a particular mode of services mentioned above provided such request along with requisite fee has been duly received by the company at least one week in advance of the despatch of documents by the company and that no such request shall be entertained by the company post the despatch of such document by the company to the shareholder.

Resolved Further that for the purpose of giving effect to this resolution, Executive Director or Company Secretary of the company be and are hereby severally authorized to do all acts, deeds, matters and things as they may in their absolute discretion deem necessary, proper or desirable and to settle any question, difficulty, doubt that may arise in respect of the matter aforesaid and further to do all acts, deeds, matters and things may be necessary, proper or desirable or expedient to give effect to the above resolution.

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

Change of Articles of Association

Resolved that pursuant to Section 14 and all other applicable provisions, if any, of the Companies Act,2013,(the "Act") read with the Companies(Incorporation)Rules, 2014(including any statutory modification(s) or re-enactment thereof for the time being in force), Article 60(e) of the Articles of Association of the company be and is hereby altered in the manner set out herein below:-

In Article 60(e), the words " Managing Director and Joint Managing Director" be substituted by the words "Managing Director, Joint Managing Director and Whole Time Director".

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

Related Parties Transaction

Resolved that pursuant to the provisions of Section 188 and all other applicable provisions, if any, of the Companies Act,2013(the Act) read with Companies(Meetings of Board and its Powers)Rules, 2014 and read with Regulation 23 of SEBI(LODR) Regulations,2015 entered into with Stock Exchanges and subject to such approvals, consents, sanctions and permission as may be necessary, consent of the members be and is hereby accorded to the Board of Directors of the company to enter into the contracts and/or arrangements with the following Related Parties and its associate companies as defined under the Act, with respect to sale, purchase or supply of any goods or materials, selling or otherwise disposing of or buying, leasing of property of any kind, availing or rendering of any services or any other transactions of whatever nature, giving and taking of ICD's with the following Related Parties and its associates on such terms and conditions as may be mutually agreed upon between the Board of Directors of the company and the related parties and the company hereby approves, ratifies and confirms the said agreements entered into or to be entered into with the related parties with the total amount of related parties transactions not to exceed Rs.300 Crores:-

Sl No.	**Name of Related Party**	**Period of Contract**	**Particulars of Contract**	**Value** (Rs. In Crores)
1.	India Lease Development Ltd	**1st October, 2016 to 30th September, 2019**	Selling or otherwise disposing of, or buying/leasing of property of any kind and availing or rendering of any services or appointment to an office or place of profit ICDs taken/given, etc	20
2.	Jayabharat Credit Ltd	-do-	-do-	20
3.	Bahubali Services Ltd	-do-	-do-	60
4.	MGF Estates Pvt Ltd	-do-	-do-	10
5.	MGF Securities Pvt Ltd	-do-	-do-	10
6.	Cards Services India Pvt Ltd	-do-	-do-	10
7.	Associated Traders & Engineers Pvt Ltd	-do-	-do-	10
8.	Local Goods Carriers Pvt Ltd	-do-	-do-	10
9.	Ram Prakash & Co Pvt Ltd	-do-	-do-	20
10.	Grosvenor Estates Pvt Ltd	-do-	-do-	40
11.	Gee Gee Holdings Pvt Ltd	-do-	-do-	40
12.	Any other related party/ies not mentioned hereinabove and as defined under the Act	-do-	-do-	50

Resolved Further That approval of the members be and is hereby accorded to the Board of Directors(which expression shall include the Audit Committee or any other Committee thereof for the time being exercising the powers conferred by this resolution) of the company to approve transactions and the terms and conditions with any of the aforesaid related party/ies, and to take such steps as may be necessary for obtaining approvals, statutory, contractual or otherwise, in relation to the above and to settle all matters, arising out of and incidental thereto and to sign and execute all deeds, applications, documents, writings, that may be required, on behalf of the company and generally to do all acts, deeds, matters and things that may be necessary, proper, expedient or incidental thereto as the Board may in its absolute discretion deem fit, without being required to seek any further consent or approvals of the members otherwise to the end and intent that they shall be deemed to have given their approval thereto expressly by the authority of this resolution for the purpose of giving effect to this Resolution".

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

Appointment of PCK & Associates, Cost Accountants

Resolved that pursuant to section 148 and other applicable provisions of the Companies Act,2013 and the Companies(Audit and Auditors) Rules,2014, including any statutory modification or re-enactment thereof for the time being in force, M/s PCK & Associates, Cost Accountants(Firm Regd No.000514) being the Cost Auditors appointed by the Board of Directors of the company to conduct the cost audit for the financial year ending March 31, 2017, be paid the remuneration of ₹ 40,000(apart from service tax including cess as applicable). The action of the Board in the appointment & remuneration payable to M/s PCK & Associates, Cost Accountants, be and is hereby ratified.

By Order of the Board
For THE MOTOR & GENERAL FINANCE LIMITED

Place: New Delhi
Date: August 4, 2016

(M.K. MADAN)
VICE PRESIDENT& COMPANY SECRETARY &CFO
ACS-2951

Registered Office:
MGF House
4/17-B, Asaf Ali Road, New Delhi-110002
Phone No.011-23272216-18, 011-23278001-02, Fax No011-2374606
Website: http:/www.mgfltd.com Email-mgfltd@hotmail.com
CIN: L74899DL1930PLC000208

NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF/HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. A PERSON CAN ACT AS PROXY ON BEHALF OF MEMBER(S) UPTO AND NOT EXCEEDING FIFTY(50) AND HOLDING IN THE AGGREGATE NOT MORE THAN TEN PERCENT(10%) OF THE TOTAL SHARE CAPITAL OF THE COMPANY. FURTHER, A MEMBER HOLDING MORE THAN TEN PERCENT (10%) OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS MAY APPOINT A SINGLE PERSON AS PROXY AND SUCH PERSON SHALL NOT ACT AS PROXY FOR ANY OTHER PERSON OR MEMBER. THE INSTRUMENT APPOINTING PROXY MUST BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE TIME OF HOLDING THE MEETING. A PROXY FORM(FORM NO. MGT-11) IS ANNEXED TO THIS REPORT.

2. Explanatory Statement pursuant to section 102 of the Companies Act,2013 forms part of this notice.

3. Brief details of the retiring directors, who are being re-appointed are annexed hereto as per the requirements of Regulation 36(3) of SEBI(LODR) Regulations, 2015.

4. Pursuant to the provisions of section 91 of the Companies Act,2013, the Register of Members and Share Transfer Books will remain closed from Friday, September 23, 2016 to Wednesday, September 28, 2016(both days inclusive).

5. The Securities and Exchange Board of India(SEBI) has mandated the submission of Permanent Account Number(PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their Depository Participants with whom they are maintaining their Demat Accounts. Members holding shares in physical form can submit their PAN direct to the company or M/s Alankit Assignments Limited(STA).

   a) Pursuant to Section 108 of the Companies Act, 2013, read Companies (Management and Administration)Rules, 2014, and Regulation 44 of SEBI(LODR) Regulations, 2015, the company is pleased to provide to its members a facility to exercise their right to vote on resolutions proposed to be passed at the Meeting by electronic means. The members may cast their vote(s) using an electronic voting system from a place other than the venue of the meeting ('remote e-voting'). The company has arranged this facility in the CDSL platform.

   b) The members who have cast their vote(s) by remote e-voting may also attend the Meeting but shall not be entitled to cast their vote(s) again.

c) Members who have acquired shares after the despatch of Annual Report and before the book closure may approach the company for issuance of User ID and Password for excercising their votes by electronic means.

d) The e-voting period will commence on Sunday, the September 25, 2016 at 9.00.a.m. and will end on Tuesday, the September 27, 2016 at 5.00.p.m. The company has appointed M/s. Anjali Yadav & Associates, Practicing Company Secretary(FCS No.6628 CP No.7257)B-6/32, Sector 15, Rohini, Delhi-110089 as Scrutinizer to scrutinize e-voting and Insta Poll process in a fair and transparent manner. She has communicated her willingness to be appointed and will be available for the said purpose.

e) Once the vote on a resolution is cast by the shareholder, he shall not be allowed to change it subsequently.

f) The facility for voting through ballot papers shall be made available at the meeting and the members attending the meeting who have not already cast their vote by remote e-voting shall be able to exercise their right at the meeting.

g) The members who have cast their vote by remote e-voting prior to the meeting may also attend the meeting but shall not be entitled to vote again at the meeting.

Shareholders holding shares in physical form are requested to inform the company and those holding shares in demat form to inform the Depository Participant about any changes in their mailing address and also to quote Folio Numbers/Client ID/DPID, in all their correspondence with the company/depository participant.

h) Voting rights shall be reckoned on the paid up value of shares registered in the name of the member/beneficial owner(in case of electronic shareholding) as on the cut off date i.e. Wednesday, September 21, 2016.

6. Transfer of Unclaimed/Unpaid Dividends to the Investor Education and Protection Fund(IEPF)

As provided under the Companies Act, 2013, dividend remaining unclaimed for a period of seven years shall be transferred by the company to the IE&P Fund. In the interest of the investors, the company is in the practice of sending reminders to the investors concerned, before transfer of unclaimed dividend to the IE & P Fund. Unclaimed/ un-encashed dividends upto the year 2008-09 has been transferred to the IE&P Fund.

7. Documents referred to in the Notice and the explanatory statement shall be open for inspection by the members at the Registered Office of the company on all working days(Monday to Friday) from 10.00 a.m. to 1.00. p.m. except holidays, upto the date of the meeting.

8. Pursuant to Section 72 of the Companies Act,2013, members holding shares in physical form are advised to file nomination in the prescribed **Form SH 13** (a copy of which is available on the website of the company) with the company's share transfer agent. In respect of shares held in electronic/demat form, the members may please contact their respective depository participant.

9. Corporate members are requested to send in advance duly certified copy of the Board Resolution/Power of Attorney authorising their representative to attend and vote at the Annual General Meeting.

10. Members/Proxies are requested to bring the copies of annual reports to the meeting.

11. Please note that for security reasons, no article /baggage will be allowed at the venue of the meeting.

SHAREHOLDING INSTRUCTIONS FOR E-VOTING

12. The instructions for shareholders voting electronically are as under:

(i) The e-voting period begins on Sunday, the September 25, 2016 at 9.00 a.m. and ends on Tuesday, the September 27, 2016 at 5.00 p.m. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date i.e. Wednesday, the September 21, 2016, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

(ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.

(iii) The shareholders should log on to the e-voting website www.evotingindia.com.

(iv) Click on Shareholders.

(v) Now Enter your User ID

a. For CDSL: 16 digits beneficiary ID,

b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,

c. Members holding shares in Physical Form should enter Folio Number registered with the Company.

(vi) Next enter the Image Verification as displayed and Click on Login.

(vii) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.

(viii) If you are a first time user follow the steps given below:

	For Members holding shares in Demat Form and Physical Form
PAN	Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) • Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field. Sequence no is printed on the Proxy form. • In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.
Dividend Bank Details OR Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (v).

(ix) After entering these details appropriately, click on "SUBMIT" tab.

(x) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

(xi) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.

(xii) Click on the EVSN for the relevant <Company Name> on which you choose to vote.

(xiii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.

(xiv) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.

(xv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.

(xvi) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.

(xvii) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.

(xviii) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

(xix) **Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Please follow the instructions as prompted by the mobile app while voting on your mobile.**

(xx) **Note for Non – Individual Shareholders and Custodians**

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to **www.evotingindia.com** and register themselves as Corporates.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to **helpdesk.evoting@cdslindia.com**.
- After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
- The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

(xxi) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at **www.evotingindia.com**, under help section or write an email to **helpdesk.evoting@cdslindia.com**.

13. To avoid fraudulent transactions, the identity/signature of the members holding shares in electronic/demat form is verified with the specimen signatures furnished by NSDL/CDSL and that of members holding shares in physical form is verified as per the records of share transfer agent of the company (i.e. M/s Alankit Assignments Limited). Members are requested to keep the same updated.

14. To receive faster communication of all shareholders, including annual reports, the shareholders are requested to kindly register/update their email address with their respective depository participant, where shares are held in electronic form. If, however, shares are held in physical form, members are advised to register their email address with company's Registrar and Share Transfer Agents i.e. M/s Alankit Assignments Limited, Alankit Heights, 1E/13, Jhandewalan Extension, New Delhi-110055.

15. The entire Annual Report is also available at the company's website **www.mgfltd.com**

By Order of the Board
For THE MOTOR & GENERAL FINANCE LIMITED

Place: New Delhi
Date: August 4, 2016

(M.K. MADAN)
VICE PRESIDENT& COMPANY SECRETARY &CFO
ACS-2951

Registered Office:
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4/17-B, Asaf Ali Road, New Delhi-110002
Phone No.011-23272216-18, 011-23278001-02, Fax No011-2374606
Website: http:/www.mgfltd.com Email-mgfltd@hotmail.com
CIN: L74899DL1930PLC000208

EXPLANATORY STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013.

The following Statement sets out all material facts relating to the Special Business mentioned in the accompanying Notice dated August 4, 2016

Item No.5

Sh. Rajiv Gupta(DIN:00022964) on the recommendations of the Nomination and Remuneration Committee was re-appointed as Chairman & Managing Director & CEO from April 1, 2014 to March 31, 2017. In view of his attaining the age of 70 years on August 13, 2016, the old agreement was cancelled and modified and fresh agreement has been entered into for the reappointment for a period of three years from August 13, 2016 to August 12, 2019.

Further the terms and conditions regarding perks from April 1, 2016 to August 12, 2016 requires some modification with a proviso that any change in the perks will not override the provisions of section 196, 197, 198, 203 and other applicable provisions of the Companies Act, 2013 and the rules made thereunder(including any statutory modification or re-enactment thereof) read with Schedule V of the Companies Act, 2013.

Sh. Rajiv Gupta was appointed Chairman and Managing Director &CEO by the members by Special Resolution to hold office upto March 31, 2017 and continuation of his employment as Chairman & Managing Director &CEO requires the approval of members by way of Special Resolution.

Section 196(3) of the Companies Act, 2013, inter-alia, provides that no company shall continue the employment of a person who has attained the age of 70 years, as Managing Director, Whole Time Director or Manager unless it is approved by the members by passing a Special Resolution.

Sh. Rajiv Gupta, is Bachelor in Engineering from IIT, Delhi and has been at the helm of affairs of the company and has rich and varied experience in the industry. He has been involved in the operations of the company since November,1969 and has known intimately all the intricacies. It would be in the interest of the company to continue the employment of Sh. Rajiv Gupta as Chairman & Managing Director & CEO designated as CMD &CEO.

The Board in its meeting held on August 4, 2016 concurring to the recommendations of the Nomination and Remuneration Committee, on his attaining the age of 70 years on August 13, 2016 had approved the re-appointment of Sh. Rajiv Gupta as Chairman & Managing Director & CEO of the company for a further period of three years with effect from August 13, 2016 to August 12, 2019 (after cancellation & modification of the subsisting agreement). This is subject to the approval of the shareholders at this Annual General Meeting.

TERMS AND CONDITIONS OF RE-APPOINTMENT

The terms of re-appointment and remuneration payable to Sh. Rajiv Gupta hereinafter referred to as the "Appointee" inter-alia, contain the following principal terms and conditions:

Sh. Rajiv Gupta, Chairman & Managing Director & CEO shall conduct the day to day management of the company subject to the supervision and control of the Board of Directors.

PERIOD OF AGREEMENT

Sh. Rajiv Gupta, on his attaining the age of 70 years on August 13,2016 has been re-appointed for a period of 3(three) years from August 13, 2016 to August 12, 2019 and in terms of Clause 60(e) of the Articles of Association, he shall retire by rotation.

SALARY

Salary of Sh. Rajiv Gupta shall remain at ₹ 2,10,000 (Rupees Two Lacs Ten Thousand only) per month as per the last variance in remuneration approved by the members at the Annual General Meeting held on September 29, 2015.

Perquisites:

From April 1, 2016 to August 12, 2016 and

From August 13, 2016 to August 12, 2019

In addition to salary, Sh. Rajiv Gupta shall be entitled to the following perquisites:-

Category "A"

Housing (I)

Free unfurnished Residential Accommodation at the expense of the company, the monetary value of which as evaluated under Rule 3 of the Income Tax Rules, 1962 shall not exceed 15 % of the salary per month.

OR

Housing(II)

In case the accommodation is owned by the company, 20 % of the salary of Chairman and Managing Director & CEO or as may be permissible according to law amended from time to time shall be deducted by the company

OR

Housing (III)

In case, no accommodation is provided by the company, Chairman and Managing Director & CEO shall be entitled to House Rent Allowance 60% of the salary in accordance with the company's rules in lieu of residential accommodation at the expenses of the company.

Gas, Electricity & Water

The expenditure incurred by the company on Gas, Electricity and Water will be valued as per Income Tax Rules,1962, as amended. This shall, however, be subject to ceiling of 10% (ten percent) of the salary.

Further 50% of the accommodation provided to the appointee shall be used and maintained for office purpose of the company. Accordingly the expenses incurred on gas, electricity and water, shall be apportioned between the company and the appointee in the ratio of 50:50.

Other Perquisites

Medical expenses for the Chairman & Managing Director &CEO and his family calculated at one month's salary in a year or three month's salary over a period of three years.

Leave Travel Allowance for the Chairman & Managing Director &CEO and his family once in a year incurred in accordance with the company's policy read with Income Tax Rules,1962.

Fee of clubs subject to a maximum of two clubs. Admission and Life Members not being allowed.

Personal Accident Insurance premium not to exceed ₹ 4000/- per annum to be borne by the company.

Explanation:

"Family" shall mean the spouse and dependent children of the Chairman. Perquisites shall be evaluated as per Income Tax Rules and in absence of any such rule, perquisites shall be evaluated at actual cost.

Category "B"

The following perquisites shall also be allowed and they will not be included in the computation of the ceiling on perquisites.

Company's contribution to Provident Fund @ 12% of the salary or at as such other rate as per the laws applicable in this behalf from time to time and further Superannuation Fund or Annuity Fund, if applicable, to the extent these either singly or put together are not taxable under the Income Tax Act,1961.

Gratuity

The gratuity payable shall not exceed one half month's salary subject to a ceiling of ₹ 10,00,000 or such other sum as may be specified under the provisions of Payment of Gratuity Act,1972.

Earned/Privileged Leave

As per the Rules of the company, the leaves accumulated but not availed of during the tenure may be allowed to be encashed at the end of the tenure.

Category "C"

Provision of Car with Driver and free Telephone and mobile facility at the company's cost.

Sh. Rajiv Gupta shall not be entitled to any sitting fee for attending meetings of the Board and/or any Committee thereof.

The Board of Directors on the recommendations of the Nomination & Remuneration Committee of the company may vary and/or revise the remuneration and perquisites including the monetary value thereof to Sh. Rajiv Gupta within the permissible limits under the provisions of the Companies Act,2013 or any statutory amendments thereof from time to time and to settle any question or difficulty in connection therewith or incidental thereto.

Overall Remuneration

The aggregate of salary, allowances, perquisites in the financial year shall not be exceed the limits as prescribed under section 197 and 198 and other applicable provisions of the Companies Act,2013 read with Schedule V to the said Act.

As stated above, gross salary including perquisites payable to Chairman & Managing Director &CEO, shall not exceed ₹ 2,50,000 per month.

Minimum remuneration

Where in any financial year, during the currency of tenure of the appointee as Chairman & Managing Director &CEO, the company has no profits or its profits are inadequate, it may pay remuneration by way of salary, allowances not exceeding limits as stated above and as is prescribed under Paragraph A of Section II of Part II of Schedule V of the Companies Act,2013 or as may be amended by the Central Government from time to time.

Memorandum of Interest

Save and except Sh. Rajiv Gupta, being appointee and Smt. Arti Gupta, related to each other, being husband and wife and their relatives, to the extent of their shareholding interest, if any, in the company, none of the other Directors, Key Managerial Personnel and relatives thereof is in any way, concerned or interested financial or otherwise in the Special Resolution no.5.

Copy of the agreement referred to in Resolution No.5 of the Notice is available for inspection by the members at the Registered Office of the company between 11.30 A.M. to 1.00 P.M on any working day.

The Additional information as required by Schedule V to the Act is given below:

I. General Information

1) Nature of Industry : Leasing and Development of real estate

2) Date or expected date of Commencement of commercial Production : Not Applicable

3) In case of new company expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus : Not applicable. It was incorporated on 20th March,1930

4) Financial performance based on given indicators : The information is being provided from the audited accounts for the financial year ended on March 31, 2013, 2014, 2015 and 2016

Financial performance

Particulars				**Amount (₹ In lacs)**
	2013	**2014**	**2015**	**2016**
Turnover including extra Ordinary items	1606	1772	1968	1988.24
Net Profit (profit After tax)	330	327	(-) 96	141.30
Effective Capital	(-)5387	7401	8850	8662

5) Foreign Investment or Collaborators if any, : Not applicable

I Information about the appointee : Sh. Rajiv Gupta

1) **Background details:**

Sh. Rajiv Gupta, is Bachelor in Engineering from IIT, Delhi, has worked in various capacities and has remained at the helm of affairs with rich and varied experience in the industry. He has been involved in the operations of the company since November,1969 and has known intimately all the intricacies of trade. It would be in the interest of the company to continue the employment of Sh. Rajiv Gupta as Chairman & Managing Director designated as CMD & CEO.

He has also extensive business experience in Corporate Finance, Taxation and Administration.

2) Past remuneration paid : 2013-14 ₹ 1384395

2014-15 ₹ 1556536

2015-16 ₹ 2427164

3) Recognition or awards : Nil

4) Job profile and his suitability

Sh. Rajiv Gupta has been actively associated in its business operation right from the day he joined the company. Presently, he is Chairman & Managing Director & CEO. He has played a pivotal role in all strategic business policies / decisions of the company.

5) Remuneration drawn & proposed : ₹ 2,50,000(Salary ₹ 2,10,000/- + perks up to ₹ 40,000) per month

6) Comparative remuneration with respect to industry, size of company, profile of the position and person

The proposed remuneration is in tune with the current remuneration packages of managerial personnel of companies belonging to the similar industry, size and with effective capital comparative to the company. Further, it is incommensurate with the qualification and experience of the appointee and in accordance with the highly competitive business scenario requiring recognition and reward of performance and achievement for retention of best talent and motivation towards meeting the objectives of the company.

The remuneration package in the industry is much higher than proposed by the company, as is evident from the following table:-

		Amount (₹ In lacs)
Omaxe Limited	Mr. Sunil Goel, Joint Managing Director	₹ 132
Unitech Limited	Mr. Ramesh Chandra, Executive Director	₹ 178
Omaxe Limited	Mr. Rohtas Goel, Chairman & Managing Director	₹ 360

7) Pecuniary relationship directly or indirectly with the company's managerial personnel, if any.

Sh. Rajiv Gupta, Chairman & Managing Director & CEO is drawing the remuneration not exceeding ₹ 2,50,000 per month. He holds 2270485 shares i.e. 11.72% of the total paid up capital as on March 31, 2016

III Other information

1) Reasons of loss or inadequate profits

The company has obtained completion certificate for the project under construction. Recession in the economy has also affected the real estate sector. However, the company has shown profits in the current year.

2) Steps taken or proposed to be taken for improvement

Steps are being taken to improve the profitability of the company. The company's endeavour is also to recover maximum amount from the earlier transacted business by taking recourse of legal remedies and where warranted rent from investments in immovable properties is being increased gradually.

3) Expected increase in productivity and profits in measurable term

The company is making all its efforts to ensure that the liabilities are minimal.

IV Disclosures

Requisite information has been given under the section on Corporate Governance in the Annual Report.

Save and except Sh. Rajiv Gupta, being appointee and Smt. Arti Gupta, related to each other, being husband and wife, and their relatives, to the extent of their shareholding interest, if any, in the company, none of the other Directors, Key Managerial Personnel and relatives thereof is in any way, concerned or interested financial or otherwise in the Special Resolution no.5.

The Board recommends the Resolution at Item No.5 for approval of the members.

This explanatory statement be treated as a written memorandum, under Section 190 of the Agreement to be entered into between the Company and Sh. Rajiv Gupta.

Your Directors feel that it will be in company's interest and benefit to have his association and to gain from his experience and therefore, recommend his reappointment as Chairman & Managing Director & CEO.

Item No.6.

Smt. Arti Gupta(DIN:00023237) on the recommendations of the Nomination and Remuneration Committee was appointed Joint Managing Director on June 5, 2008. She has been re-appointed from time to time and the last re-appointment was for a period of three years from June 5, 2014 to June 4, 2017. In view of certain modifications in the terms and conditions of perks payable to her, the old agreement was cancelled & modified and fresh agreement has been entered into for the re-appointment for a period of three years from August 13, 2016 to August 12, 2019.

Further the terms and conditions regarding perks from April 1, 2016 to August 12, 2016 requires some modification with a proviso that any change in the perks will not override the provisions of section 196, 197, 198, 203 and other applicable provisions of the Companies Act, 2013 and the rules made thereunder(including any statutory modification or re-enactment thereof) read with Schedule V of the Companies Act, 2013.

The Board in its meeting held on August 4, 2016 concurring to the recommendations of the Nomination and Remuneration Committee, had approved the re-appointment of Smt. Arti Gupta, Joint Managing Director of the company for a further period of three years with effect from August 13, 2016 to August 12,2019(after cancellation and modification of the subsisting agreement). This is subject to the approval of the members at this Annual General Meeting.

TERMS AND CONDITIONS OF RE-APPOINTMENT

The terms of re-appointment and remuneration payable to Smt.Arti Gupta,(hereinafter referred to as the "Appointee"), inter-alia, contain the following principal terms and conditions:-

Smt. Arti Gupta, Joint Managing Director, shall conduct the day to day management of the company subject to the supervision and control of the Board of Directors.

PERIOD OF AGREEMENT

Smt.Arti Gupta, has been re-appointed for a period of 3(three) years from August 13, 2016 to August 12, 2019 (after cancelling & modifying the subsisting agreement) and in terms of Clause 60(e) of the Articles of Association, she shall retire by rotation.

a) SALARY

Salary of Smt. Arti Gupta shall remain at ₹ 2,00,000/-(Rupees Two Lacs only) per month as per the last variance in remuneration approved by the members at the Annual General Meeting held on September 29, 2015.

b) PERQUISITES

From April 1, 2016 to August 12, 2016 and

From August 13, 2016 to August 12, 2019

In addition to salary, Smt.Arti Gupta shall be entitled to the following perquisites.

Category "A"

Gas, Electricity & Water

The expenditure incurred by the company on Gas, Electricity and Water will be valued as per Income Tax Rules,1962, as amended. This shall, however, be subject to ceiling of 10% (ten percent) of the salary.

20% of the perks allowed to Joint Managing Director according to law amended from time to time shall be deducted by the company

Further 50% of the accommodation shall be used and maintained for office purpose of the company. Accordingly the expenses incurred on gas, electricity and water shall be apportioned between the company and the appointee in the ratio of 50:50%

Other Perquisites

Medical expenses for the Joint Managing Director and her family calculated at one month's salary in a year or three month's salary over a period of three years.

Leave Travel Allowance for the Joint Managing Director and her family once in a year incurred in accordance with the company's policy read with Income Tax Rules,1962.

Personal Accident Insurance premium not exceeding ₹ 4000/- per annum to be borne by the company.

Explanation:

"Family" shall mean the spouse and dependent children of the Joint Managing Director. Perquisites shall be evaluated as per Income Tax Rules and in absence of any such rule, perquisites shall be evaluated at actual cost.

Category "B"

The following perquisites shall also be allowed and they will not be included in the computation of the ceiling on perquisites.

Company's contribution to Provident Fund @ 12% of the salary or at as such other rate as per the laws applicable in this behalf from time to time and further Superannuation Fund or Annuity Fund, if applicable, to the extent these either singly or put together are not taxable under the Income Tax Act,1961.

Gratuity

The gratuity payable shall not exceed one half month's salary subject to a ceiling of ₹ 10,00,000 or such other sum as may be specified under the provisions of Payment of Gratuity Act,1972.

Earned/Privileged Leave

As per the Rules of the company, the leaves accumulated but not availed of during the tenure may be allowed to be encashed at the end of the tenure.

Category "C"

Smt. Arti Gupta shall not be entitled to any sitting fee for attending meetings of the Board and any/or Committee thereof.

The Board of Directors on the recommendations of the Nomination & Remuneration Committee of the company may vary and/or revise the remuneration and perquisites including the monetary value thereof to Smt. Arti Gupta within the permissible limits under the provisions of the Companies Act,2013 or any statutory amendments thereof from time to time and to settle any question or difficulty in connection therewith or incidental thereto.

Overall Remuneration

The aggregate of salary, allowances, perquisites in the financial year shall not exceed the limits as prescribed under Section 197 and 198 and other applicable provisions of the Companies Act,2013 read with Schedule V to the said Act.

As stated above, gross salary including perquisites payable to Joint Managing Director, shall not exceed ₹. 2,50,000 per month.

Minimum remuneration

Where in any financial year, during the currency of tenure of the appointee as Joint Managing Director, the company has no profits or its profits are inadequate, it may pay remuneration by way of salary, allowances not exceeding limits as stated above and as is prescribed under Paragraph A of Section II of Part II of Schedule V of the Companies Act,2013 or as may be amended by the Central Government from time to time.

MEMORANDUM OF INTEREST OF DIRECTOR

Save and except Smt. Arti Gupta, being appointee and Sh. Rajiv Gupta related to each other, being wife and husband and their relatives, to the extent of their shareholding interest, if any, in the company, none of the other Directors, Key Managerial Personnel and relatives thereof is in any way, concerned or interested financial or otherwise in the Special Resolution No 6.

Copy of the agreement referred to in Resolution No.6 of the Notice is available for inspection by the members at the Registered Office of the company between 11.30 A.M. to 1.00 P.M on any working day.

The Additional information as required by Schedule V to the Act is given below:

I. General Information

1) Nature of Industry : Leasing and Development of real estate

2) Date or expected date of Commencement of commercial Production : Not Applicable

3) In case of new company expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus : Not applicable. It was incorporated on 20th March,1930

4) Financial performance based on Given indicators : The information is being provided from the audited accounts for the Financial Year ended on March 31, 2013, 2014, 2015 and 2016

Financial performance

Particulars				**Amount (₹ In lacs)**
	2013	**2014**	**2015**	**2016**
Turnover including extra Ordinary items	1606	1772	1968	1988.24
Net Profit (profit After tax)	330	327	(-) 96	141.30
Effective Capital	(-)5387	7401	8850	8662

5) Foreign Investment or Collaborators if any, : Not applicable

II Information about the appointee : Smt Arti Gupta

1) **Background details:**

Smt. Arti Gupta was co-opted on the Board in 2005 and was appointed Joint Managing Director on June 5, 2008. She has been reappointed from time to time and her last reappointment was for a period of three years from June 11, 2014 to June 10, 2017. During her tenure, she has gained sufficient business experience and as such, her presence on the board is necessary besides complying with the requirements of Section149 of the Companies Act, 2016 which has made it mandatory to have atleast one Woman Director.

2) Past remuneration : 2013-14 ₹ 1232844

2014-15 ₹ 1398520

2015-16 ₹ 2246772

3) Recognition or awards : Nil

4) Job profile and his suitability : Smt. Arti Gupta is actively associated in its business operation right from the day she joined the company.

5) Remuneration drawn & proposed : ₹ 2,50,000(Salary ₹ 2,00,000/- + perks up to ₹ 50,000) per month

6) Comparative remuneration with respect to industry, size of company, profile of the position and person

The proposed remuneration is in tune with the current remuneration packages of managerial personnel of companies belonging to the similar industry, size and with effective capital comparative to the company. Further, it is in commensurate with the qualification and experience of the appointee and in accordance with the highly competitive business scenario requiring recognition and reward of performance and achievement for retention of best talent and motivation towards meeting the objectives of the company.

The remuneration package in the industry is much higher than proposed by the company, as is evident from the following table:-

Name of the company	Name of Director	Amount (₹ In lacs)
Omaxe Limited	Mr. Sunil Goel, Joint Managing Director	₹ 132
Unitech Limited	Mr. Ramesh Chandra, Executive Director	₹ 178
Omaxe Limited	Mr. Rohtas Goel, Chairman & Managing Director	₹ 360

7) Pecuniary relationship directly or indirectly with the company's managerial personnel, if any. Mrs. Arti Gupta, Joint Managing Director is drawing the remuneration not exceeding ₹ 2,50,000 per month. She holds 981000 shares i.e 5.07% of the total paid up capital as on March 31, 2016

III Other information

1) Reasons of loss or inadequate profits

The company has obtained completion certificate for the project under construction. Recession in the economy has also affected the real estate sector. However, the company has shown profits in the current year.

2) Steps taken or proposed to be taken for improvement

Steps are being taken to improve the profitability of the company. The company's endeavour is also to recover maximum amount from the earlier transacted business by taking recourse of legal remedies and where warranted rent from investments in immovable properties is being increased gradually.

3) Expected increase in productivity and profits in measurable term

The company is making all its efforts to ensure that the liabilities are minimal.

IV Disclosures

Requisite information has been given under the section on Corporate Governance in the Annual Report.

Save and except Smt. Arti Gupta, being appointee and Sh. Rajiv Gupta, related to each other, being wife and husband and their relatives, to the extent of their shareholding interest, if any, in the company, none of the other Directors, Key Managerial Personnel and relatives thereof is in any way, concerned or interested financial or otherwise in the Special Resolution.

The Board recommends the Resolution at Item No.6 for approval of the shareholders.

This Explanatory Statement be treated as a written memorandum, under Section 190 of the Act of the Agreement to be entered into between the company and Smt. Arti Gupta

Your Directors feel that it will be in company's interest and benefit to have her association and to gain from her experience and therefore, recommend her re-appointment as Joint Managing Director.

Item No.7

Sh. Arun Mitter(DIN: 00022941) was lastly reappointed for a period of three years from July 11, 2014 and his term of appointment will be expiring on July 10, 2017. It has been considered necessary that when the matter regarding other managerial personnel is being reviewed, the existing agreement be cancelled, modified and fresh agreement be entered into for the reappointment of Sh. Arun Mitter for a period of three years from August 13, 2016 to August 12, 2019. Sh. Arun Mitter is a Chartered Accountant by profession and has gained sufficient experience in financial management and has been rendering his services whole time to the management of the company. During his tenure, he has also gained experience in general and financial management. His continued association with the company is absolutely necessary.

The Board in its meeting held on August 4, 2016 concurring to the recommendations of the Nomination and Remuneration Committee, had approved the re-appointment of Sh.Arun Mitter, Whole Time Director designated as Executive Director of the company for a further period of three years (after cancellation & modification of the subsisting agreement) with effect from August 13, 2016 to August 12, 2019. This is subject to the approval of the shareholders at this Annual General Meeting.

TERMS AND CONDITIONS OF RE-APPOINTMENT

The terms of re-appointment and remuneration payable to Sh. Arun Mitter hereinafter referred to as the "Appointee: inter-alia, contain the following principal terms and conditions:

Sh. Arun Mitter, Executive Director shall conduct the day to day management of the company subject to the supervision and control of the Board of Directors.

PERIOD OF AGREEMENT

Sh. Arun Mitter, has been re-appointed for a period of 3(three) years(after cancelling & modifying the subsisting agreement) from August 13, 2016 to August 12, 2019 liable to retire by rotation

SALARY

Salary of Sh.Arun Mitter shall remain at ₹ 1,45,000(Rupees One Lac Forty Five Thousand only) per month as per the last variance in remuneration approved by the members at the Annual General Meeting held on September 29, 2015.

a) Perquisites:

From August 13, 2016 to August 12, 2019

In addition to salary, Sh. Arun Mitter , shall be entitled to the following perquisites:-

Category A

Housing (I)

Free unfurnished Residential Accommodation at the expense of the company, the monetary value of which as evaluated under Rule 3 of the Income Tax Rules, 1962 shall not exceed 15 % of the salary per month.

OR

Housing(II)

In case the accommodation is owned by the company, 15 % of the salary of Managing Director or as may be permissible according to law amended from time to time shall be deducted by the company

OR

Housing (III)

In case, no accommodation is provided by the company, Whole Time Director shall be entitled to House Rent Allowance 60% of the salary in accordance with the company's rules in lieu of residential accommodation at the expense of the company.

Gas, Electricity & Water

The expenditure incurred by the company on Gas, Electricity and Water will be valued as per Income Tax Rules,1962, as amended. This shall, however, be subject to ceiling of 10% (ten percent) of the salary.

Other Perquisites

Medical expenses for the Whole Time Director and his family calculated at one month's salary in a year or three month's salary over a period of three years.

Leave Travel Allowance for the Whole Time Director and his family once in a year incurred in accordance with the company's policy read with Income Tax Rules,1962.

Fee of clubs subject to a maximum of two clubs. Admission and Life Members not being allowed.

Personal Accident Insurance premium not to exceed ₹ 4000 p.a. to be borne by the company.

Explanation:

"Family" shall mean the spouse and dependent children of the Whole Time Director. Perquisites shall be evaluated as per Income Tax Rules and in absence of any such rule, perquisites shall be evaluated at actual cost.

Category "B"

The following perquisites shall also be allowed and they will not be included in the computation of the ceiling on perquisites.

Company's contribution to Provident Fund @ 12% of the salary or at as such other rate as per the laws applicable in this behalf from time to time and further Superannuation Fund or Annuity Fund, if applicable, to the extent these either singly or put together are not taxable under the Income Tax Act,1961.

Gratuity

The gratuity payable shall not exceed one half month's salary subject to a ceiling of ₹ 10,00,000 or such other sum as may be specified under the provisions of Payment of Gratuity Act,1972.

Earned/Privileged Leave

As per the Rules of the company, the leaves accumulated but not availed of during the tenure may be allowed to be encashed at the end of the tenure.

Category "C"

Provision of Car with Driver and free Telephone and mobile facility at the company's cost.

Sh. Arun Mitter shall not be entitled to any sitting fee for attending meetings of the Board or where applicable any committee thereof.

The Board of Directors on the recommendations of the Nomination & Remuneration Committee of the company may vary and/or revise the remuneration and perquisites including the monetary value thereof to Sh. Arun Mitter within the permissible limits under the provisions of the Companies Act,2013 or any statutory amendments thereof from time to time and to settle any question or difficulty in connection therewith or incidental thereto.

Overall Remuneration

The aggregate of salary, allowances, perquisites in the financial year shall not be exceed the limits as prescribed under section 197 and 198 and other applicable provisions of the Companies Act,2013 read with Schedule V to the said Act.

As stated above, gross salary including perquisites payable to Whole Time Director, shall not exceed ₹ 2,50,000 per month.

Minimum remuneration

Where in any financial year, during the currency of tenure of the appointee as Whole Time Director designated as Executive Director, the company has no profits or its profits are inadequate, it may pay remuneration by way of salary, allowances not exceeding limits as stated above and as is prescribed under Paragraph A of Section II of Part II of Schedule V of the Companies Act, 2013 or as may be amended by the Central Government from time to time.

MEMORANDUM OF INTEREST OF DIRECTOR

Save and except Sh. Arun Mitter, being appointee and his relatives, to the extent of their shareholding interest, if any, in the company, none of the other Directors, Key Managerial Personnel and relatives thereof is in any way, concerned or interested financial or otherwise in the Special Resolution no.7

Copy of the agreement referred to in Resolution No.7 of the Notice is available for inspection by the members at the Registered Office of the company between 11.30 A.M. to 1.00 P.M on any working day.

The Additional information as required by Schedule V to the Act is given below:

I. General Information

1) Nature of Industry : Leasing and Development of real estate

2) Date or expected date of Commencement of commercial Production : Not Applicable

3) In case of new company expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus : Not applicable. It was incorporated on 20th March,1930

4) Financial performance based on : The information is being provided from given indicator form the audited accounts for the financial year ended on March 31, 2013, 2014, 2015 and 2016

Financial performance

Particulars	**Amount (₹ In lacs)**			
	2013	**2014**	**2015**	**2016**
Turnover including extra Ordinary items	1606	1772	1968	1988.24
Net Profit (profit After tax)	330	327	(-) 96	141.30
Effective Capital	(-)5387	7401	8850	8662

5) Foreign Investment or Collaborators if any, : Not applicable

II Information about the appointee : Sh. Arun Mitter

1) **Background details:**

Sh. Arun Mitter, Whole Time Director designated as Executive Director, a Chartered Accountant by profession, gained sufficient experience in financial management, has been rendering his services whole time to the management of the company.

Sh. Arun Mitter appointed as Whole Time Director in pre-merged company was reappointed as Whole Time Director after the merger of erstwhile MGF(India) Ltd with The Motor & General Finance Limited which position he is still holding. During his tenure as Whole Time Director, he has gained experience in general and financial management of corporate bodies and has fully acquainted himself in the field of hire purchase and leasing and real estate. His continued association with the company is concerned absolutely necessary.

2) Past remuneration : 2013-14 ₹ 1480446

2014-15 ₹ 1771606

2015-16 ₹ 2822064

3) Recognition or awards : Nil

4) Job profile and his suitability

Sh. Arun Mitter has been actively associated in the company's business operation right from the day he joined the company. Presently he is Whole Time Director designated as Executive Director of the Company.

5) Remuneration drawn & proposed

₹ 2,50,000 (Salary ₹ 1,45,000/- + perks up to ₹ 1,05,000 which includes rent @ 60% of basic salary i.e. ₹ 87,000) per month

6) Comparative remuneration with respect to industry, size of company, profile of the position and person

The proposed remuneration is in tune with the current remuneration packages of managerial personnel of companies belonging to the similar industry, size and with effective capital comparative to the company. Further, it is incommensurate with the qualification and experience of the appointee and in accordance with the highly competitive business scenario requiring recognition and reward of performance and achievement for retention of best talent and motivation towards meeting the objectives of the company.

The remuneration package in the industry is much higher than proposed by the company, as is evident from the following table:-

		Amount (₹ In lacs)
Omaxe Limited	Mr. Sunil Goel, Joint Managing Director	₹ 132
Unitech Limited	Mr. Ramesh Chandra, Executive Director	₹ 178
Omaxe Limited	Mr. Rohtas Goel, Chairman & Managing Director	₹ 360

7) Pecuniary relationship directly or indirectly with the company's managerial personnel, if any, only to the extent of his entitlement to the remuneration as a managerial personnel and his shareholding in the company. He holds 10606 shares i.e 0.055 % as on March 31, 2016.

III Other information

1) Reasons of loss or inadequate profits

The company has obtained completion certificate for the project under construction. Recession in the economy has also affected the real estate sector. However, the company has shown profits in the current year.

2) Steps taken or proposed to be taken for improvement

Steps are being taken to improve the profitability of the company. The company's endeavour is also to recover maximum amount from the earlier transacted business by taking recourse of legal remedies and where warranted rent from investments in immovable properties is being increased gradually. The company has shown profits in the current year.

3) Expected increase in productivity and profits in measurable term

The company is making all its efforts to ensure that the liabilities are minimal.

IV Disclosures

Requisite information has been given under the section on Corporate Governance in the Annual Report.

Save and except Sh. Arun Mitter, being appointee and his relatives, to the extent of their shareholding interest, if any, in the company, none of the other Directors, Key Managerial Personnel and relatives thereof is in any way, concerned or interested financial or otherwise in the Special Resolution no.7

The Board recommends the Resolution at Item No.7 for approval of the shareholders.

This Explanatory Statement be treated as a written memorandum, under section 190 of the Act of the Agreement to be entered into between the company and Sh. Arun Mitter.

Your Directors feel that it will be in company's interest and benefit to have his association and to gain from his experience and therefore, recommend his reappointment as Whole Time Director designated as Executive Director.

Item No.8

As per the provisions of Section 20 of the Companies Act, 2013, a shareholder may request for any document through a particular mode, for which the shareholder shall pay such fees as may be determined by the company in its annual general meeting. Since, the cost of providing documents may vary according to the mode of service, weight and its destination, etc, therefore, it is proposed that actual expense that may be borne by the company for such despatch will be paid in advance by the members to the company,

The Board of Directors recommends passing of the Special Resolution as set out at Item No.8 of this Notice.

None of the Directors, Key Managerial Personnel and relatives thereof is in any way, concerned or interested financial or otherwise in the Resolution.

Item No.9

The shareholders at their AGM held on September 29,2015 had passed the resolution giving their approval for making amendments in some of the Articles. Your Directors have decided to make further amendments in Article 60(e) of the Articles of Association of the company.

As per section 14 of the Companies Act,2013 approval of the members of the company by way of Special Resolution is required for bringing any alteration/amendments in the Articles of Association.

None of the Directors, Key Managerial Personnel and relatives thereof is in any way, concerned or interested financial or otherwise in this Special Resolution except as members of the company.

The Board recommend the resolution set out in Item No.9 to the shareholders for their approval.

A copy of Articles of Association of the company is available for inspection at the Registered Office of the company during 11.30 am to 1.00.pm on any working day

Item No.10

Pursuant to Section 188 and other applicable provisions of the Companies Act,2013 and Rules made thereunder, the company can enter into transactions(s) or contract(s)etc, with related party/ies, which are not in ordinary course of business and/or not at arm's length basis, only with the approval of members accorded by way of Special Resolution. The said section, read with the Companies(Meetings of Board and its Powers) Rules, 2014, provides that the company having paid up share capital of ₹ 10 Crores or more proposing to enter into such transactions which are not in the ordinary course of business shall obtain consent of the company by way of Special Resolution. The Audit Committee and the Board of Directors of the company in their meetings held on August 4, 2016 have approved the transactions given in Item No.10 of the Notice. However, since these transactions, though may be on arm's length basis and also may be in the ordinary course of business, yet as an abundant caution, it is proposed to seek approval of members by passing a Special Resolution.

Nature of interest of Related Parties in the company is given below:-

Sl No.	Name of the related party	Nature of interest or concern
1.	India Lease Development Ltd(ILD)	It is an associate company of MGF Ltd which holds 31.33% shares in the related party. Sh. Rajiv Gupta is common Chairman of Board of Directors of both companies, while Sh. Arun Mitter, Executive Director, is also Director in both the companies.
2.	Jayabharat Credit Limited(JBC)	It is an associate company of MGF Ltd which holds 43.5% shares in the related party. Sh. Rajiv Gupta is common Chairman of Board of Directors of both companies, while Sh. Arun Mitter, Executive Director is Director in both the companies and Sh M.K. Madan, KMP of MGF is also Director in the related party.
3.	Bahubali Services Limited(BSL)	It is an associate company of MGF Ltd in which related party holds 21.15% shares. Sh. Rajiv Gupta is common Chairman of Board of Directors of both companies. Sh. Arun Mitter is Director in both the Companies. Sh M.K. Madan, KMP of MGF Ltd is also Director in the related party.
4.	MGF Estates Pvt Ltd	Sh. Rajiv Gupta, CMD, Smt. Arti Gupta, JMD, Sh. Arun Mitter Executive Director of MGF Ltd are also directors in the related party.
5.	Grosvenor Estates Pvt Ltd	Sh. Rajiv Gupta, CMD, Smt. Arti Gupta, JMD, Sh. Arun Mitter, Executive Director, are also Directors in the related party.
6.	Gee Gee Holdings Pvt Ltd	Sh. Rajiv Gupta, CMD, Smt. Arti Gupta, JMD and Sh. Arun Mitter, Executive Director are Directors in the related party.
7.	MGF Securities Pvt Ltd	Sh. Rajiv Gupta, CMD Sh. Arun Mitter,Executive Director and Sh. M.K. Madan, KMP of MGF Ltd are also Directors in the related party
8.	Cards Services India Pvt Ltd	Sh. Rajiv Gupta, CMD and Sh. Arun Mitter, Executive Director are Directors in related party
9.	Associated Traders & Engineers Pvt Ltd	Sh. Rajiv Gupta,CMD and Smt. Arti Gupta, JMD are Directors in the related party
10.	Local Goods Carriers Pvt Ltd	Sh. Rajiv Gupta,CMD and Smt. Arti Gupta,JMD are the Directors in related party
11.	Ram Prakash & Co Pvt Ltd	Sh. Rajiv Gupta, CMD, Smt. Arti Gupta and Sh. Arun Mitter, Executive Director are the Directors in related party.

Save and except Sh. Rajiv Gupta, Smt. Arti Gupta, Sh. Arun Mitter, Directors and Sh. M.K. Madan, KMP wherever interested as mentioned in Sl No.1 to 11 and their relatives, to the extent of their shareholding interest, if any, in the company/ies, none of the other Directors, Key Managerial Personnel and relatives thereof are in any way, concerned or interested financial or otherwise, in these transactions.

The draft contracts and/or agreements or arrangements have been approved by the Audit Committee and Board in their meeting held on August 4,2016 and are available for inspection during the business hours at the Registered Office of the company.

The Board recommends the Resolution at Item No.10. for approval of the members.

Item No.11

The Board, on the recommendation of the Audit Committee, has approved the re-appointment of M/s PCK & Associates, Cost Accountants, as Cost Auditors for audit of the cost accounts for the year 2016-17 on the gross remuneration of ₹ 40,000 apart from service tax including cess.

In accordance with the provisions of Section 148 of the Companies Act,2013 and the Companies(Audit & Auditors) Rules, 2014, the re-appointment and remuneration payable to the Cost Auditors has to be confirmed by the members of the company.

The Board recommends the Resolution at Item No.11. for approval of the shareholders.

None of the Directors, Key Managerial Personnel or their relatives are in any way, concerned or interested, financially or otherwise, in this resolution.

By Order of the Board
For THE MOTOR & GENERAL FINANCE LIMITED

Place: New Delhi
Date: August 4, 2016

(M.K. MADAN)
VICE PRESIDENT& COMPANY SECRETARY &CFO
ACS-2951

ANNEXURE TO THE NOTICE

INFORMATION PURSUANT TO REGULATION 36 OF SEBI(LODR) REGULATIONS, 2015 READ WITH THE PROVISIONS OF THE SECRETARIAL STANDARD ON GENERAL MEETINGS (”SS-2”) ISSUED BY THE INSTITUTE OF COMPANY SECRETARIES OF INDIA REGARDING THE DIRECTORS PROPOSED TO BE RE-APPOINTED BY ROTATION/ RE-APPOINTED.

1) Director being re-appointed by rotation/re-appointment & payment of remuneration (Resolution at item No.2 & 5)

Name	:	**Sh. Rajiv Gupta (DIN:00022964)**
Age & Date of Birth	:	**70 years (13-8-1946) on 13-8-2016**
Qualification	:	**B.E(IIT, Delhi)**

Experience in specific functional area

Sh. Rajiv Gupta is a Bachelor in Engineering from IIT, Delhi. He has been earlier associated with Leasing & Hire Purchase business since,1969. Sh.Rajiv Gupta worked in various capacities and has remained at the helm of affairs of the company every since he was inducted on the Board on 14th April,1988 as Whole Time Director. He was designated Chairman & Managing Director &CEO with effect from September 1, 2005.

He has extensive business experience and all around knowledge on issues concerning hire purchase, leasing, corporate finance, real estate, administration, etc. His continued with the company as its helmsman is concerned absolutely necessary.

Other Directorship:

Jayabharat Credit Ltd, India Lease Development Ltd, Bahubali Services Ltd, Associated Traders & Engg Pvt Ltd, Upper India Hire Purchase Co Association Ltd, MGF Securities Pvt Ltd, Grosvenor Estates Pvt Ltd, Gee Gee Holdings Pvt Ltd, Ram Prakash & Co Pvt Ltd, MGF Estates Pvt Ltd, Cards Services India Pvt Ltd and Local goods Carriers Pvt Ltd.

Committee Membership

The Motor & General Finance Ltd

Nomination & Remuneration Committee

Stakeholders Relationship Committee

Share Transfer Committee

India Lease Development Ltd

Audit Committee

Nomination & Remuneration Committee

Stakeholders Relationship Committee

Jayabharat Credit Ltd

Stakeholder Relationship Committee

Nomination & Remuneration Committee

Sh. Rajiv Gupta, holds 2270485 shares i.e 11.72% of the total Paid up Capital of the company.

2). Director being re-appointed by rotation/re-appointment & payment of remuneration (Resolution at Item No.3 & 7)

Name	:	**Sh. Arun Mitter(DIN:00022941)**
Age & Date of Birth	:	**54 Years(27.11.1962)**
Qualification	:	**B.Com, ACA**

Experience in specific functional area

Sh. Arun Mitter, is a qualified Chartered Accountant. He has extensive business experience in general and financial management of corporate bodies. His continued association with the company is considered necessary in the interest of the company

Other Directorship:

MGF Developments Ltd, Jayabharat Credit Ltd, India Lease Development Ltd, Bahubali Services Ltd, Upper India Hire Purchase Co Association Ltd, Technofab Engineering Ltd, Ram Prakash & Co Pvt Ltd, Discovery Holdings Pvt Ltd, Grosvenor Estates Pvt Ltd, Gee Gee Holdings Pvt Ltd, MGF Securities Pvt Ltd, North Delhi Metro Mall Pvt Ltd, Cards Services India Pvt Ltd, Nanny Infrastructure Pvt Ltd, MGF Promotions & Events Pvt Ltd, MGF Estates Management Pvt Ltd, Metroplex Construction Pvt Ltd, Vishnu Apartments Pvt Ltd and MGF Market Place Mall Managements Pvt Ltd.

Committee Membership

The Motor & General Finance Limited

Audit Committee

Stakeholders Relationship Committee

Share Transfer Committee

Risk Management Committee

Corporate Social Responsibility (CSR) Committee

India Lease Development Ltd

Audit Committee

Stakeholders Relationship Committee

Nomination & Remuneration Committee

Jayabharat Credit Ltd

Audit Committee

Stakeholder Relationship Committee

Nomination & Remuneration Committee

Technofab Engineering Ltd

Audit Committee

Stakeholder Relationship Committee

Nomination & Remuneration Committee

Mr. Arun Mitter holds 10606 shares i.e. 0.055% of the total paid up capital of the company

3) Re-appointment of Smt. Arti Gupta, as Joint Managing Director and

Payment of Remuneration (Resolution No.6)

Name	:	**Smt. Arti Gupta(DIN:00023237)**
Age & Date of Birth	:	**63 years(5.11.1953)**
Qualification	:	**B.A.**

Experience in specific functional area

She is a graduate and has gained sufficient experience in business which is useful for the company.

Other Directorship:

Bahubali Services Ltd, MGF Estates Pvt Ltd, Ram Prakash & Co Pvt Ltd, Gee Gee Holdings Pvt Ltd, Grosvenor Estates Pvt Ltd, Associated Traders & Engineers Pvt Ltd and Local Goods Carriers Pvt Ltd.

Committee Memberships:

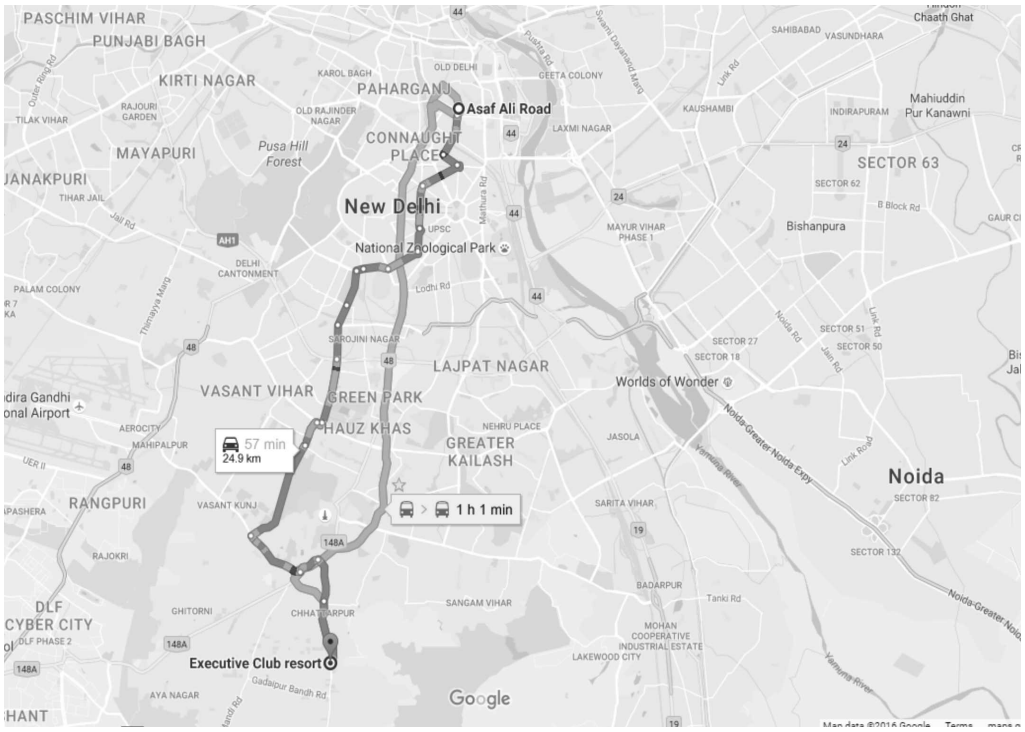
Stakeholders Relationship Committee

Mrs. Arti Gupta holds 981000 shares i.e. 5.07% of the total Paid Up Capital

SHAREHOLDERS INFORMATION

Head Office & Registered Office	:	MGF HOUSE 4/17-B, Asaf Ali Road, New Delhi-110002
Internet Facility	:	
E-mail	:	**mgfltd@hotmail.com**
Company website	:	**www.mgfltd.com**
Telephone Nos.	:	011-23272216-18, 011-23278001-02
Fax No.	:	011-23274606
Date of Annual General Meeting	:	September 28, 2016
Time	:	12.15 P.M
Day	:	Wednesday,
Venue	:	The Executive Club 439, Village Shahoorpur P.O. Fatehpur Beri New Delhi-110030
Day and Date of Book Closure	:	Friday, September 23, 2016 to Wednesday, September 28, 2016 (both days inclusive)
Shares listed at	:	Bombay Stock Exchange Ltd Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400001
		National Stock Exchange of India Ltd Exchange Plaza, Plot No.C/1, G Block, Bandra Kurla Complex, Bandra(E), Mumbai-400051

The company confirms that it has paid the Annual Listing Fees to the above Stock Exchanges for the year 2016-17



Route Map for AGM

MGF **ATTENDANCE SLIP**

THE MOTOR & GENERAL FINANCE LIMITED

Registered Office: MGF HOUSE , 4/17-B, Asaf Ali Road, New Delhi-110002
Phone Nos.: 011-23272216-18, 011-23278001-02 Fax: 011-23274606
Website: http:/www.mgfltd.com Email-mgfltd@hotmail.com
CIN: L74899DL1930PLC000208

86th Annual General Meeting - Wednesday, September 28, 2016 at 12.15 p.m.

Name of the Member (In Block Letters)	
Name of Proxy, If any (In Block Letters) (In case Proxy attends the meeting in place of member	
DP ID/Client ID/Folio No.	
No. of Shares held	

I certify that I am a member / proxy for the member of the Company.

I/We hereby record my/our presence at the 86th Annual General Meeting of the company at The Executive Club, 439, Village Shahoorpur, P.O. Fatehpur Beri, New Delhi - 110030 on Wednesday, the September 28, 2016 at 12.15 p.m.

Member's Folio/ DPID-Client ID No.	Member's/Proxy's in Block Letters	Member's/Proxy's Signature

Note:

1. Please complete the Folio /DPID Client ID No. and name, sign his Attendance Slip and hand it over at the entrance of the MEETING HALL.
2. Physical copy of the Annual Report for 2015-16 and Notice of the Annual General Meeting (AGM) alongwith the Attendance Slip and Proxy Form is sent in the permitted mode(s) to all members whose email is not registered or have requested for a hard copy.

E-VOTING PARTICULARS

EVSN(E-Voting Sequence Number)	USER ID	PASSWORD

Note : Please read instructions given at Note No. 12 of the 86th Annual General Meeting of the Company before casting your vote through e-voting .

MGF

PROXY FORM
(Form No.MGT-11)

[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies(Management and Administration)Rules, 2014]

THE MOTOR & GENERAL FINANCE LIMITED

Registered Office: MGF HOUSE , 4/17-B, Asaf Ali Road, New Delhi-110002
Phone Nos.: 011-23272216-18, 011-23278001-02 Fax: 011-23274606
Website: http:/www.mgfltd.com Email-mgfltd@hotmail.com
CIN: L74899DL1930PLC000208

86th Annual General Meeting - Wednesday, September 28, 2016 at 12.15 p.m.
Name of member(s) : **Registered address :** **E Mail Id:** **Folio No. / DP ID - Client ID:**

I / We, being the member(s), holdings _____shares of the above named company, hereby appoint:

1) Name: _____ E Mail:_____

Address:_____

_____Signature _____Or failing him / her

2) Name: _____ E Mail:_____

Address:_____

_____Signature _____Or failing him / her

3) Name: _____ E Mail:_____

Address:_____

_____Signature

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 86th Annual General Meeting of the company to be held on Wednesday, the September 28, 2016 at 12.15 p.m. at The Executive Club, 439, Village Shahoorpur, P.O. Fatehpur Beri, New Delhi-110030 or /and at any adjournment thereof.

Signed this…… day of…… 2016

Affix Revenue Stamp ₹ 1

…….....……
Signature of Shareholder

…….....……
Signature of Proxy holder(s)

Note:

1. This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the company, not less than 48 hours before the commencement of the meeting.

2. Please complete all details of members(s) before submission.