MGF

84th Annual Report 2013-2014

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)
MRS. ARTI GUPTA (JOINT MANAGING DIRECTOR)
SHRI ARUN MITTER (EXECUTIVE DIRECTOR)
SHRI BHARAT KUMAR
SHRI ONKAR NATH AGGARWAL
SHRI ABHIRAM SETH
SHRI SHARAD AGGARWAL

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

AUDITORS

M/S S.N.DHAWAN & CO.
CHARTERED ACCOUNTANTS
C-37, CONNAUGHT PLACE,
NEW DELHI - 110 001

REGISTRAR & SHARE TRANSFER AGENTS

M/S ALANKIT ASSIGNMENTS LIMITED
ALANKIT HEIGHTS, 1E/13,
JHANDEWALAN EXTENSION,
NEW DELHI-110 055.
PHONE : 011- 42541953 / 63

REGISTERED OFFICE:

MGF HOUSE,
4/17-B, ASAF ALI ROAD,
NEW DELHI-110 002.
PHONE :011- 23272216-18
011-23278001-02
FAX NO. 011-23274606
E-mail : mgfltd@hotmail.com
Website : www.mgfltd.com
CIN : L74899DL1930PLC000208

INDEX

From - To

Management & Lending Institutions 1
Directors' Report including Corporate Governance .....2 - 20
Secretarial Audit Report.....21 - 22
Auditors' Report .....23 - 27
Balance Sheet 28
Statement of Profit & Loss 29
Cash Flow Statement 30
Notes forming part of the Financial Statements .....31 - 46
Company's Offices 47

DIRECTORS' REPORT

To the Members,

The Board of Directors of The Motor & General Finance Limited take pleasure in presenting their 84th Report for the financial year ended March 31,2014.

		(₹ In lacs)
Financial Results	**Year ended 31.3.2014**	Year ended 31.3.2013
Gross Profit before depreciation, finance cost and provisioning	**907.10**	747.50
Less: Finance Cost	**(545.41)**	(304.22)
Add: Provisions against doubtful/irrecoverable assets/loss in value of investments written back	**7.91**	-
Less: Depreciation including impairment and property reserves	**(32.71)**	(32.88)
Provision of tax	**(65.00)**	(70.00)
Excess/(short)provision of tax of earlier years	**4.39**	-
Deferred Tax (Assets)	**50.23**	-
Net Profit(/Loss) for the year	**326.51**	329.58
Profit/Loss) brought forward	**(1719.72)**	(1983.48)
Total Profit/(Loss)	**(1393.21)**	(1653.80)
Appropriations		
Amount transferred to Reserve Fund u/s 45-IC of the RBI Act,1934	**-**	(65.92)
Losses carried forward to Balance Sheet	**(1393.21)**	(1719.72)

RESULTS OF OPERATIONS

During the financial year ended March 31,2014, the gross profit before depreciation, finance cost and provisioning was ₹ **907.10 lacs** as compared to ₹ 747.50 lacs during the previous year. Reserves and Surplus have increased to ₹ **69.36 crores** from ₹ 65.85 crores in the previous year. Further, as the company is no longer a NBFC, Statutory Reserve Fund created u/s 45-1C of the Reserve Bank of India Act, lying credit in the said account amounting to ₹ 16,64,36,883 has been transferred to General Reserves.

The company has already received the completion certificate in respect of project at Shalimar Place, Shalimar Bagh, New Delhi. Efforts are being made to achieve maximum return on the investment. Besides ,the company is exploring options to reduce the over head cost and pursuing all growth opportunities so as to improve its results.

DIVIDEND

To conserve the cash resources, your Directors have not recommended any dividend for the financial year ended March 31,2014.

DIRECTOR'S RESPONSIBILITY STATEMENT AS REQUIRED UNDER SECTION 217(2AA) OF THE COMPANIES ACT,1956

The Director confirm that:

i) In the preparation of the annual accounts for the financial year ended March 31,2014, the applicable accounting standards have been followed and that there are no material departures;

ii) That they have selected such accounting policies and applied them consistently and made judgments and estimates that were reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profits of the company for that period;

iii) That they have taken proper and sufficient care to the best of their knowledge and ability for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act,1956 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;

iv) That they have prepared the accounts for the financial year ended March 31,2014 on 'going concern ' basis.

RELATED PARTY TRANSACTIONS

All related party transactions are strictly done on arm's length basis. Transactions with related parties as per requirements of Accounting Standard AS18 'Related Party Information' are disclosed in Note No. 26(XI)(a) to the Financial Statements.

DIRECTORS

Sh. Arun Mitter and Sh. O.N. Aggarwal retire by rotation at the ensuing Annual General Meeting under the erstwhile applicable provisions of the Companies Act,1956. Under Section 149(10) of the Companies Act,2013 and Rules made thereunder, and as per Clause 49 of the Listing Agreement, an Independent Director now shall hold office for a term of 5 (five) consecutive years on the Board of the company and is not liable to determination by retirement of Directors by rotation. In terms of Section 149 and other applicable provisions of the Companies Act,2013, and Rules made thereunder. Sh. Bharat Kumar, Sh. Sharad Aggarwal and Sh. Abhiram Seth are Independent Directors of the Company, whose period of office is liable to determination by retirement of Directors by rotation under the erstwhile applicable provisions of the Companies Act,1956. The company has received declarations from all the Independent Directors of the company confirming that they meet with the criteria of independence as prescribed under sub-Section (6) of Section 149 of the Companies Act,2013. In terms of Section 149 and other applicable provisions of the Companies Act,2013, and Rules made thereunder, the appointments of Sh. Bharat Kumar, Sh. Sharad Aggarwal and Sh. Abhiram Seth as Independent Directors have been approved by the Remuneration Committee and the Board also ensured that their appointments as Independent Directors are in compliance with the requirements under the relevant statutes and that there are appropriate balance of skills, experience and knowledge in the board, so as to enable the Board to discharge its functions and duties effectively.

Notices in writing signifying the intention to offer their candidatures as Independent Directors of the company alongwith the requisite deposit have been received from members of the company in terms of Section 160 of the Companies Act, 2013. Independent Directors being eligible and offering themselves for such appointment, are proposed to be appointed as Independent Directors of the company for a term of 5 (five) consecutive years, with effect from September 18, 2014 upto September 17, 2019.

Sh. O.N. Aggarwal is not meeting the criteria of independence as is provided under Section 149(6) of the Act, as such, he is considered Non Executive Non Independent Director subject to retirement by rotation.

Sh. Rajiv Gupta, Smt. Arti Gupta and Sh. Arun Mitter were reappointed as the Chairman & Managing Director, Joint Managing Director &CEO and Whole Time Director respectively for a period of 3 (three) years w,e.f. April 1, 2014, June 5, 2014 and July 11, 2014 respectively. The said appointments were approved by the members through Postal Ballot dated April 25, 2014.

Sh. Rajiv Gupta and Smt. Arti Gupta were not subject to retirement by rotation as per clause 60 of the Articles of Association of the company under the erstwhile Companies Act,1956. Since none of the Independent Directors are subject to retirement by rotation, Sh. Rajiv Gupta and Smt. Arti Gupta will retire by rotation in terms of Section 152 of the Companies Act,2013. As per the clarification issued by Department of Company Affairs (Circular No.3(No.8/16(1)/61-PR, dated 9th May,1961), Managing Directors' office does not suffer any break if he retires as a Director under Section 255 of the Companies Act,1956 and is re-elected as a Director in the same meeting.

Attention of the Members is invited to the relevant items in the Notice of the Annual General Meeting for seeking the approval for aforesaid appointments.

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 are eligible to hold office for a further period of three years from the conclusion of the ensuing AGM, subject to ratification by the members of the company at each AGM and are recommended for

reappointment to audit the accounts of the company for the financial year 2014-15 and to fix their remuneration. 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 with the limits specified in the said section.

The members are requested to appoint M/s.S.N. Dhawan & Co, Chartered Accountants, as auditors of the company

COMPLIANCE OF CLAUSE 31(A) OF THE LISTING AGREEMENT

In terms of Clause 31(a) of the Listing Agreement, the covering letter of the Report in Form B duly signed by the Chairman & Managing Director & CEO, Chief Financial Officer, Chairman of the Audit Committee and countersigned by the Auditors of the company would be filed with the Stock Exchanges alongwith the copy of the Annual Report.

QUALIFIED OPINION IN INDEPENDENT AUDITOR'S REPORT

FORM B

Shortfall in value of Long Term Investments

MANAGEMENT'S REPLY ON THE NOTE

Diminution in value till last financial year was not consistently the same but was showing declining trend given as under:-

Financial Year	₹ In lacs
2010-11	382.24
2011-12	305.98
2012-13	280.42

In the year 2013-14, it has increased to ₹ 511.26 lacs. Based on the market value of the shares held in the group companies, as on the date of audit report i.e. May 30,2014, it has improved marginally and diminution in value is only ₹ 384.03 lacs. The management is actively considering to provide for the shortfall if it continues in the next financial year. Further, at an opportune time, the company may liquidate the investments.

OTHER OBSERVATIONS

The audit observations on the financial statements are suitably explained as and where necessary in the notes on accounts.

UNPAID/UNCLAIMED DIVIDEND

In view of compliance of Section 205C of the Companies Act,1956 read with Investors Education and Protection Fund(Awareness and Protection of the Investors) Rules,2003, the dividend which remains unclaimed and unpaid , if any, for a period of seven years from the date they became due for payment will be transferred to the above fund.

CORPORATE GOVERNANCE

As per the Listing Agreement with the Stock Exchanges, Auditor's Certificate regarding the compliance of conditions of Corporate Governance(Annexure"A") and Management Discussion and Analysis Report(Annexure 'B') forms part of this report.

DEMATERIALISATION

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 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 details to the company.

SECRETARIAL AUDIT

A secretarial audit for the year 2013-14 was carried out by Practising Company Secretary. The said unqualified secretarial audit report forms part of this Annual Report.

The secretarial audit report confirms that the company has complied with all the applicable provisions of the Companies Act,1956, Depositories Act,1996, Listing Agreements with the Stock Exchanges, Securities Contracts(Regulation)Act,1956 and all the regulations of SEBI as applicable to the company, including the Securities and Exchange Board of India(Substantial Acquisition of Shares and Takeovers)Regulations,1997 and the Securities and Exchange Board of India(Prohibition of Insider Trading) Regulations,1992.

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.

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.**

E-mail ID FOR INVESTOR'S GRIEVANCES

In compliance of sub clause (f) to the Clause 47 of the Listing Agreement, 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.

NOMINATION FACILITY

In case, any of the members wish to avail facility of Nomination Form(SH-13) alongwith instructions, they are requested to send the duly completed form to the Registrars of the company and/or at the Registered Office of the company.

CONSOLIDATION OF FOLIOS AND AVOIDANCE OF MULTIPLE MAILING

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.

INTERNAL CONTROL SYSTEM

The company has a system of well established policies and procedures for Internal Control of operations and activities.

COST AUDITORS

The Board on the recommendation of the Audit Committee has as approved M/s PCK and Associates, Cost Accountants to carry out the cost audit for the year 2014-15. Necessary resolution is placed before the shareholders for their appointment.

PUBLIC DEPOSITS

The company has not invited fixed deposits during the year. There are no unclaimed deposits.

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 Clause 49(V) of the Listing Agreement.

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 by Section 217(2A) of the Companies Act,1956, read with the Companies(Particulars of Employees), Rules,1975

CONSERVATION OF ENERGY, TECHNOLOGY, ABSORPTION AND FOREIGN EXCHANGE EARNINGS/OUTGO.

In terms of the requirements of clause (e) of sub section(1) of Section 217 of the Companies Act,1956, read with the Companies (Disclosure of Particulars in the Report of Board of Directors)Rules, 1988, the particulars are given as under:-

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	**0.55 lacs**	13.37 lacs
b) Shares held by Non Resident Shareholders	**191286**	189287
No.of Shareholders	**30**	30

The company had no earnings in foreign exchange.

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 1, 2014

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

(ARTI GUPTA)
JOINT MANAGING DIRECTOR
DIN : 00023237

Annexure 'A' to the Directors Report

CORPORATE GOVERANCE REPORT

1. Company's Philosophy on Code of Corporate Governance

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 composition of the Board of Directors of the company is in conformity with Clause 49 of the Listing Agreement entered into with the Stock Exchange.

2.1 The Board as on March 31,2014 comprises of seven Directors.

All the Directors on the Board are eminently qualified and experienced professionals in Business, Finance and Corporate Management. The Chairman of the Board is an Executive Director.

2.2 Constitution of the Board:

Sl No.	Name of Director	Status
1.	Sh. Rajiv Gupta	Chairman & Managing Director- CEO
2.	Mrs. Arti Gupta	Joint Managing Director
3.	Sh. Arun Mitter	Whole time Director-Executive Director
4.	Sh. Bharat Kumar	Non Executive Independent Director
5.	Sh. O.N. Aggarwal	Non Executive Independent Director
6.	Sh. Sharad Aggarwal	Non Executive Independent Director
7.	Sh. Abhiram Seth	Non Executive Independent Director

2.2(a) Pecuniary Relationship

Independent Directors do not have any pecuniary relationships or transactions with the company 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.

2.3 Board Meetings

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 it to discharge its 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. The Board meets, at least, once a quarter to review the quarterly performance and financial results of the company.

2.3(a) Number of Board Meetings:

During the year from April 1, 2013 to March 31, 2014, the Board of Directors met nine times on the following dates:

S.No.	Date of Meeting	Board Strength	No. of Directors present
1.	May 30,2013	7	6
2.	June 3,2013	7	6
3.	August 13,2013	7	5
4.	September 12,2013	7	5
5.	September 19,2013	7	3
6.	November 14,2013	7	7
7.	December 24,2013	7	4
8.	February 13,2014	7	7
9.	March 10,2014	7	7

2.3(b) 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* Directorships in other Boards as on March 31, 2014	No. of Memberships in all Committees of the Board as on March 31, 2014
1.	Sh.Rajiv Gupta	9	9	N.A.*	12	8
2.	Mrs.Arti Gupta	9	9	N.A*	8	2
3.	Sh.Arun Mitter	9	9	Present	31	9
4.	Sh. Bharat Kumar	9	8	Present	2	3
5.	Sh. O.N. Aggarwal	9	5	N.A*	10	-
6.	Sh. Sharad Aggarwal	9	6	N.A*	14	6
7.	Sh. Abhiram Seth	9	4	N.A*	7	3

N.A - Not Attended.*
** includes Directorship in Private and Public Limited Companies.*

In accordance with Clause 49 of the Listing Agreement with the Stock Exchanges, Membership/Chairmanship of only the Audit Committee/Stakeholders' Relationship Committee and the Remuneration Committee of all the companies has been considered.

2.3(c) Remuneration to Directors:

Sitting Fee was paid to Non-Executive Directors only for attending Board Meetings.

3. Committees of the Board:

The Chairman including Non Executive Independent Directors provide guidance to the management on policy matters as well as in monitoring actions of operating management.

To comply with the requirements of Clause 49 of the Listing Agreement with the Stock Exchanges, the composition of these Committees is as under:

Sl. No.	Name of the Director	Audit Committee	Stakeholders Relationship Committee	Remuneration Committee
1	Sh. Rajiv Gupta, Chairman & Managing Director- CEO	Yes	Yes	Yes
2.	Mrs. Arti Gupta, Joint Managing Director	No	Yes	Yes
3.	Sh. Arun Mitter, Executive Director	Yes	Yes	Yes
4.	Sh. Bharat Kumar, Non Executive, Independent Director	Yes	Yes	Yes
5.	Sh. O.N.Aggarwal, Non Executive Independent Director	No.	No.	No.
6.	Sh. Sharad Aggarwal Non Executive, Independent Director	Yes	Yes	Yes
7.	Sh. Abhiram Seth Non Executive Independent Director	Yes	Yes	Yes

3.1 Audit Committee

3.1(a) Chairman:

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

3.1(b) Broad Terms of Reference of the Audit Committee

The Audit Committee acts as a link between the statutory auditors and the Board of Directors.

In particular, the role of Audit Committee includes the following:-

i) Oversee the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement are sufficient and credible;

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

iii) Reviewing with the management, the quarterly 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 clause(2AA) of Section 217 of the Companies Act,1956.

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

c) To review related party transactions.

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.

vi) Ensuring compliance with regulatory guidelines.

vii) Reviewing with the management the adequacy of Internal Control Systems

3.1(c) During the year, the Committee met seven times on May 30, 2013, June 3, 2013, August 13, 2013, September 19,2013,November 14,2013, February 13,2014 and March 10,2014.

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

3.1(d)Attendance of the Directors in the Audit Committee Meeting:

SNo.	Name of the Director	No. of Audit Committee Meetings held	No. of Meetings attended
1.	Sh. Bharat Kumar	7	7
2	Sh. Rajiv Gupta	7	7
3.	Sh. Arun Mitter	7	7
4.	Sh. Sharad Aggarwal	7	7
5.	Sh. Abhiram Seth	7	4

3.2 Stakeholders Relationship Committee (formerly known as Shareholders Grievances Committee)

This committee is comprising of Sh.Rajiv Gupta, Mrs. Arti Gupta, Sh.Arun Mitter, Sh. Bharat Kumar, Sh. Sharad Aggarwal and Sh. Abhiram Seth. The Committee look into the grievances and complaints of the shareholders like transfer, splitting, consolidation of shares, non-receipt of Balance Sheet, etc. and redress the same.

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

3.2(a)Attendance of Directors in the Stakeholders Relationship Committee Meetings:

The Stakeholders Relationship Committee (formerly Shareholders Grievance Committee) met four times during the year on July 4,2013, October 10,2013, January 16,2014 and March 31,2014. The attendance for the meetings is as under :-

SNo.	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. Sharad Aggarwal	4	4
6.	Sh. Abhiram Seth	4	4

The Board of Directors in accordance with the provisions of Section 178(5) of the Companies Act,2013 have resolved to change the name of the Committee from “Shareholders’ Grievance Committee to Stakeholders Relationship Committee”.

3.2(b) Details of investors complaints received during the year ended March 31, 2014

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	6	6	-
3.	Non receipt of Balance Sheet	2	2	-
	Total	9	9	-

3.2(c) Number of complaints pending with the Company

All the shareholders requests/complaints received during the financial year ended March 31, 2014 by the company and/or their registrar i.e. M/s Alankit Assignments Limited were replied / resolved to their satisfaction.

3.2(d)Number of shares pending for transfer:

No shares were pending for transfer as on March 31, 2014.

3.3 Remuneration Committee:

3.3(a)Membership:

Remuneration Committee comprise of Sh.Rajiv Gupta, Mrs.Arti Gupta, Sh.Arun Mitter, Sh.Bharat Kumar, Sh. Sharad Aggarwal and Sh. Abhiram Seth

3.3(b)Broad Terms of reference of the 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.

3.3(c)Remuneration Policy:

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.

3.3(d)Attendance of the Directors in the Remuneration Committee Meeting

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

3.3(e) Sh.M.K. Madan, Compliance Officer is the convener of the Remuneration Committee

3.3(f) During the year ended March 31, 2014, the Remuneration Committee met on March 10,2014.

3.3(g)Remuneration Paid During the year ended March31,2014 are as under:-

EXECUTIVE DIRECTORS

Name of Director	Basic Salary& Allowances	Perquisites	Contribution to Provident Fund	Total(₹)
Sh. Rajiv Gupta, Chairman & Managing Director	9,60,000	2,80,395	1,44,000	13,84,395
Smt Arti Gupta, Joint Managing Director	8,64,000	2,39,244	1,29,600	12,32,844
Sh. Arun Mitter Executive Director	11,52,000	2,42,046	86,400	14,80,446

NON EXECUTIVE INDEPENDENT DIRECTORS

Name of Director	*Sitting fee for attending the Board Meetings during the year ended March 31,2014 (Amount in ₹)
Sh.O.N. Aggarwal	28,090
Sh. Bharat Kumar	44,944
Sh. Abhiram Seth	22,472
Sh. Sharad Aggarwal	33,708
Total	1,29,214

*Including service tax
No sitting fee for attending any Committee Meeting was paid.

4. Management:

4.1 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.

4.2 During the year ended March 31,2014 the company had entered into transactions in the normal course of business with some of the companies in which some of the directors are interested and all such transactions with related parties as per requirements of Act which have been disclosed adequately in the financial statements forming part of the accounts. There was no potential conflict of interest with that of the company.

4.3. 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 the prescribed period from the conclusion of the meeting.

5. 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
81st	2011	September 29,2011	11.30 A.M.	Re-appointment of Directors, alteration of Articles of Association, Resolution under 293(1)(e) and Resolution under Section 293(1)(a) of the Companies Act,1956.
82nd	2012	September 27,2012	11.30 A.M.	Creation of Charges being the Resolution u/s 293(1)(a) and other applicable provisions of the Companies Act,1956 in favour of Kotak Mahindra Prime Ltd.
83rd	2013	September 26,2013	11.30 A.M.	NIL

No Postal Ballot was conducted in the year 2012-13

Postal Ballot

(a) Special Resolution for sale, lease, transfer or otherwise dispose off undertaking by way of investment in the commercial project of the company

Pursuant to Section 192A of the Companies Act,1956 read with Companies(Passing of Resolution by Postal Ballot) Rules,2011, a notice dated September 19,2013 was sent to the members for passing a Special Resolution through Postal Ballot under Section 180(1)(a) of the Companies Act,2013 read with Section 192A(2) of the Companies Act,1956 in authorizing the Board of Directors to sell, lease, transfer the whole or substantially the whole of the undertaking by way of investment in the commercial project situated at Shalimar Place, Shalimar Bagh, New Delhi

(b) Special Resolution for the reappointment and payment of remuneration to Chairman & Managing Director, Joint Managing Director and Executive Director and Contribution to Charitable funds

Pursuant to Section 192A of the Companies Act,1956 read with Companies(Passing of Resolution by Postal Ballot) Rules,2011, a notice dated March 10,2014 was sent to the members for passing a Special Resolution through Postal Ballot under Section 198, 269, 309, 310, 314, 317 and Schedule XIII and other applicable provisions of the Companies Act, 1956 for the reappointments of Sh. Rajiv Gupta, Chairman & Managing Director &CEO, Smt. Arti Gupta, Joint Managing Director and Sh. Arun Mitter, Executive Director of the company and fixation of their remuneration and pursuant to provisions of Section 181 and other applicable provisions, if any , of the Companies Act,2013 to authorize Board of Directors to contribute to Charitable Funds upto an amount of ₹ 2 Crores in one or more trenches during the financial year 2014-15.

The Postal Ballot process was conducted in a fair and transparent manner in accordance with the provisions of Section 192A of the Companies Act,1956 and the rules framed thereunder. Sh. Dinesh Agnani, Senior Advocate, acted as Scrutinizer for the Postal Ballot voting process in both the above resolutions.

Since out of the total valid votes polled 99.99% and 99.895% in respect of resolution (a) and (b) respectively of the votes were casted in favour of the resolutions, the above Special Resolutions declared to have been passed with requisite majority. The result of the Postal Ballot in both the cases was announced by Sh. Rajiv Gupta, Chairman & Managing Director &CEO on October 31,2013 and April 25,2014 respectively at the Registered Office of the company. After declaration, the result was communicated to the Stock Exchanges and also posted on the company's website.

6. Shareholder Information :

6.1 Annual General Meeting : 84th Annual General Meeting

Day & Date : Thursday, September 18,2014

Time : 11.30.A.M.

Venue : The Executive Club,
439, Village Shahoorpur, P.O.
Fatehpur Beri, New Delhi-110030

6.2 Financial Calendar :

(Tentative schedule)

Financial reporting for the quarter ended June 30,2014	**Second week of August,2014**
Financial reporting for the quarter ended September 30,2014	**Second week of November,2014**
Financial reporting for the quarter ended December 31,2014	**Second week of February,2015**
Financial reporting for the quarter ended March 31,2015	**Within 60 days of the close of the quarter**

6.3 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 shareholders 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 shareholders.
- 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 web site. Address of the website is **http ://www.mgfltd.com**

6.4 Shareholders' Information

i)	**Annual General Meeting**	:	Thursday, the September 18,2014 at 11.30 A.M.
ii)	**Date of Book Closure**	:	Friday, the September 12,2014 to Thursday, the September 18,2014 (Both days inclusive)

6.5 Registrar and Share Transfer Agents :

In compliance with SEBI directive M/s Alankit Assignments Ltd, Alankit Heights, 1E/13, 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 shareholders, 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. 011-23272216-18, 011-23278001-02.

6.5 (i) Nomination Facility:

Shareholders 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(SH-13).

6.5 (a) Share Transfer System:

If the documents are clear in all respects, transfer of shares in physical mode generally is completed in less than 15 days. Stakeholders Relationship Committee has delegated the responsibility 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.

6.5 (b) Under Demat and Physical Mode:

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

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

6.6 (a) Compliance Officer:

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

6.6 (b) Company Secretary:

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

6.6 (c) Address for Correspondence:

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

6.7 Listing on Stock Exchanges:

6.7 (a) 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

6.7 (b) 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

6.8 Stock Code of the Company:

6.8 (a) Bombay Stock Exchange(BSE), Mumbai

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

6.8 (b) 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**

6.9 Depository Connectivity : NSDL and CDSL

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

	(BSE)		(NSE)	
Month & Year	**High**	**Low**	**High**	**Low**
April, 2013	46.50	41.40	45.75	41.15
May, 2013	43.05	37.05	49.45	38.00
June, 2013	40.05	31.00	49.00	30.25
July, 2013	48.00	40.00	59.95	57.00
Aug, 2013	46.00	40.00	57.00	51.45
Sep, 2013	46.00	40.05	48.90	41.00
Oct, 2013	46.90	40.70	44.30	41.00
Nov, 2013	44.00	40.10	42.05	40.75
Dec, 2013	42.00	40.75	42.00	40.60
Jan, 2014	41.90	39.65	41.80	38.10
Feb, 2014	42.35	40.00	42.15	40.10
Mar, 2014	41.50	35.85	41.35	33.75

6.11 Categories of Shareholding as on March 31, 2014

S.No	Category	No.of Shares held	% of Shareholding
A	**Promoters ***	12191868	62.963%
B	**Non Promoter Holding**		
	Mutual Funds and UTI	-	-
	Banks, Financial Institutions, Insurance Companies(Central/State Government Institutions/Non Government Institutions)	74547	0.385%
C	**Others**		
	Private Corporate Bodies	485453	2.507%
	Indian Public	5327710	27.514%
	NRIs/OCBs/FIIs/Trust/Custodian	1284017	6.631%
	Total	**19363595**	**100.00%**

* includes persons acting in concert.

6.12 Distribution of Company's Shareholding as on March 31 2014:

Category	Shareholders			No. of Shares(Rs. 10/- per share)			Percentage(%)		
	Physical	Demat	Total	Physical	Demat	Total	Physical	Demat	Total
Upto 5000	5984	5054	11038	1151398	1615255	2766653	5.946%	8.342%	14.288%
5001 – 10000	28	57	85	180945	421266	602211	0.934%	2.176%	3.110%
10001 – 20000	8	25	33	116364	337338	453702	0.601%	1.742%	2.343%
20001 – 30000	2	3	5	49066	70513	119579	0.253%	0.364%	0.618%
30001 – 40000	0	3	3	0	114779	114779	0.000%	0.593%	0.593%
40001 – 50000	1	3	4	43431	134903	178334	0.224%	0.697%	0.921%
50001 – 100000	3	12	15	212557	964119	1176676	1.098%	4.979%	6.077%
100001 & above	2	25	27	656381	13295280	13951661	3.390%	68.661%	72.051%
Total	**6028**	**5182**	**11210**	**2410142**	**16953453**	**19363595**	**12.447%**	**87.553%**	**100.000%**

7. 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 1, 2014

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 UNDER CLAUSE 49 OF THE LISTING AGREEMENT

We have examined the compliance of conditions of Corporate Governance by The Motor & General Finance Limited having its Registered Office at MGF House, 4/17-B, Asaf Ali Road, New Delhi-110002 for the year ended March 31,2014 in Clause 49 of the Listing Agreement of the said Company with Stock Exchanges.

The compliance of conditions of Corporate Governance is responsibility of the management. Our examination was limited to review to procedures and implantations thereof, adopted by the Company, for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on 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 stipulated in the above mentioned Listing Agreement.

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

S.K. KHATTAR
Partner
Membership No.084993

Place: New Delhi
Date : August 1, 2014

ANNEXURE 'B' TO THE DIRECTOR'S REPORT

MANAGEMENT'S DISCUSSION AND ANALYSIS:

INDUSTRY STRUCTURE AND BUSINESS DEVELOPMENTS

The company has already 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. Besides ,the company is exploring options to reduce the over head cost and pursuing all growth opportunities so as to improve its results.

OPPORTUNITIES & THREATS, RISKS & CONCERNS, PERFORMANCE AND OUTLOOK

FINANCIAL

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

(₹ In lacs)

Financial Results	**Year ended 31.3.2014**	Year ended 31.3.2013
Gross Profit before depreciation, finance cost and provisioning	**907.10**	747.50
Less: Finance Cost	**(545.41)**	(304.22)
Add: Provisions against doubtful/irrecoverable assets/loss in value of investments written back	**7.91**	-
Less: Depreciation including impairment and property reserves	**(32.71)**	(32.88)
Provision of tax	**(65.00)**	(70.00)
Excess/(short)provision of tax of earlier years	**4.39**	-
Deferred Tax (Assets)	**50.23**	-
Net Profit(/Loss) for the year	**326.51**	329.58
Profit/Loss) brought forward	**(1719.72)**	(1983.48)
Total Profit/(Loss)	**(1393.21)**	(1653.80)
Appropriations		
Amount transferred to Reserve Fund u/s 45-1C of the RBI Act,1934	**-**	(65.92)
Losses carried forward to Balance Sheet	**(1393.21)**	(1719.72)

RISK & CONCERNS

The company has laid down the procedure to inform the Board about the risk management and minimization procedure. These 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 has an adequate system of internal control, designed to provide reasonable assurance that assets are safeguarded, transactions are executed in accordance with management's authorization and property recorded. Accounting records are adequate for preparation of financial statements and other financial information. Besides, the management has 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.

CERTIFICATION BY CHIEF EXECUTIVE OFFICER AND CHIEF FINANCIAL OFFICER

We hereby certify, for the financial year ended March 31,2014 on the basis of the review of the financial statements and the cash flow statement and 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 company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
3. There are no transactions entered into by the company during the year ended March 31,2014 which are fraudulent, illegal or in violation of the company's Code of Conduct.
4. We have accepted responsibility for establishing and maintaining internal controls for financial reporting.
5. We have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting.
6. We have disclosed to the Auditors and the Audit Committee, deficiencies of which we are aware in the design or operation of the internal control systems.
7. We have taken the required steps to rectify these internal control deficiencies.
8. We further certify that:
   a) There have been no significant changes in internal controls over financial reporting during the year.
   b) There have been no significant changes in accounting policies during the year
   c) There have been no instances of significant fraud of which we have become aware and the involvement therein, of management or an employee having a significant role in the company'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 & COMPANY SECRETARY
& CHIEF FINANCIAL OFFICER(CFO).
(ACS-2951)

Place: New Delhi
Date : August 1, 2014

D E C L A R A T I O N

As provided under Clause 49 of the Listing Agreement with the Stock Exchanges, the Board Members and the Senior Management Personnel have confirmed compliance with the Code of Conduct for the year ended March 31,2014.

For THE MOTOR & GENERAL FINANCE LTD

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

Place: New Delhi
Date : August 1, 2014

SECRETARIAL AUDIT REPORT

The Board of Directors

The Motor & General Finance Limited
(CIN: L74899DL1930PLC000208)
MGF House, 4/17-B,
Asaf Ali Road,
New Delhi – 110002

I, Anjali Yadav, practising Company Secretary , had conducted the Secretarial Audit of **M/s The Motor & General Finance Limited** having Registered Office at MGF House, 4/17-B, Asaf Ali Road, New Delhi – 110002. The audit was conducted so as to ascertain the accuracy in application of statutory provisions, there compliances and adherence to good corporate practices by the company.

I have examined the registers, records and documents maintained by the company, for the financial year ended on 31st March 2014 in the light of the provisions contained in-

- The Companies Act, 1956 and the Rules made thereunder;
- The Depositories Act ,1996 and the Regulation made thereunder;
- The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- The Securities and Exchange Board of India (Prohibition of Insider Trading Regulations), 1999 and
- The Listing Agreement entered into by the company with stock exchanges having nation-wide trading terminals.

A. Based on my examination and verification of the records made available to me and according to the clarifications and explanations given to me by the company, I report that the company has, in my opinion , complied with the applicable provisions of the Companies Act, 1956 and the rules made thereunder and of the various Acts and the Rules, Regulations and Guidelines made thereunder, listing agreement as mentioned above and of the Memorandum and Articles of Association of the company, with regard to:

1. Maintenance of various statutory and non-statutory registers and documents and making necessary changes therein as and when the occasion demands.
2. All forms, returns and resolutions required to be filed with the Registrar of Companies are duly filed.
3. Service of the requisite Documents by the Company on its Members, Registrar and Stock Exchanges.
4. Composition of the Board, appointment, retirement and resignation of directors.
5. Service of notice and agenda of Board Meetings and Meetings of the Committee of Directors.
6. Meeting of the Board and its Committee.
7. Holding Annual General Meeting and production of the various registers there at.
8. Recording the Minutes of proceedings of Board Meetings, Committee Meetings and General Meeting.
9. Appointment and remuneration of Auditors.
10. Registration of transfer of shares held in physical mode.
11. Dematerialisation and re-materialisation of shares.
12. Execution of contracts, affixation of common seal, registered office and the name of the company.

13. Requirement of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011.

14. Requirements of the Securities and Exchange Board of India (Prohibition of Insider Trading Regulations), 1999.

15. Requirements set out in the Listing Agreement with the aforementioned stock exchanges.

B. I further report that-

The company has complied with various requirements relating to disclosures, declarations made by the Directors with respect to directorships, memberships of committees of the Board of Companies of which they are directors, their shareholding and interest of concern in the contracts entered into by the company in pursuing of its normal business.

Place: New Delhi
Date: July 31,2014

Anjali Yadav
Company Secretary
FCS No. 6628
C.P. No. 7257

INDEPENDENT AUDITOR'S REPORT

To the Members of
The Motor & General Finance Limited

Report on the Financial Statements

We have audited the accompanying financial statements of The Motor & General Finance Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2014, and the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation of these 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 Standards notified under the Companies Act, 1956 ("the Act") read with the General Circular 15/2013 dated 13th September, 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013. This responsibility includes the design, implementation and maintenance of internal control 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 financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. 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 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 control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Basis for Qualified Opinion

Provision of ₹ 511.26 lacs has not been made for diminution in the value of noncurrent long term investments. (Refer Note No. 26(iv)). Had our aforesaid observation been considered, the profits for the year would have been ₹ (184.75) lacs (as against the reported figure of ₹ 326.51 lacs) and the deficit in statement of profit & loss would have been ₹ 1904.46 Lacs (as against the reported figure of ₹ 1393.20Lacs).

Opinion

In our opinion and to the best of our information and according to the explanations given to us, except for the effects of the matter described in the Basis for Qualified Opinion paragraph, the 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:

(a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2014;

(b) in the case of the Statement of Profit and Loss, of the profit for the year ended on that date; and

(c) in the case of the Cash Flow Statement, of the 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, 2003 ("the Order") issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.

2. As required by section 227(3) of the Act, we report that:

   a. we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;

   b. in our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books and proper returns adequate for the purposes of our audit;

   c. the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account;

   d. except for the matter described in the Basis for Qualified Opinion paragraph, in our opinion, the Balance Sheet, Statement of Profit and Loss and Cash Flow Statement comply with the accounting standards notified under the Companies Act, 1956 read with the General Circular 15/2013 dated 13th September 2013 of the Ministry of Corporate Affairs in respect of section 133 of the Companies Act, 2013;

   e. On the basis of written representations received from the Directors, as at March 31, 2014 and taken on record by the Board of Directors, we report that none of the Directors is disqualified as at March 31, 2014 from being appointed as a Director under clause (g) of sub section (1) of section 274 of the Companies Act, 1956.

For **S. N. Dhawan & Co.,**
Chartered Accountants
FRN-000050N

(S. K. Khattar)
Partner
M. No.084993

Place: New Delhi
Date : May 30, 2014

Annexure to 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 on the accounts of The Motor & General Finance Limited for the year ended March 31, 2014)

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

b) As per information and explanations given to us, fixed assets have been physically verified by the management during the year and no material discrepancies were noticed on such verification.

c) According to the information and explanations given to us, the Company has not disposed off a substantial part of its fixed assets during the year.

ii) a) As explained to us physical verification of stock in trade comprising of commercial project has been conducted by the management at reasonable intervals. In our opinion the frequency of verifications is reasonable.

b) In our opinion the procedures of physical verification of stock in trade comprising of commercial project followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.

c) On the basis of our examination of the records of the stock in trade comprising of commercial project, we are of the opinion that the Company is maintaining proper records. No material discrepancies were noticed on verification between the physical record and book records.

(iii) (a) The Company has granted Inter Corporate Deposits to one company covered in the register maintained under section 301 of the Companies Act, 1956. The maximum amount involved during the year and the year-end balance of such inter corporate deposit including interest given to such party was ₹ 4211.21 lacs.

(b) In our opinion the rate of interest and other terms and conditions on which Inter Corporate Deposits have been given, are prima facie not prejudicial to the interest of the Company.

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

(d) As stated above no repayment schedule have been specified and there are no overdue amounts in excess of ₹ one lac.

(e) The Company has taken Inter Corporate Deposits from one company and interest free advances from four companies covered in the register maintained under section 301 of the Companies Act, 1956. The maximum amount involved during the year and the year-end balance of such loans and advances including interest was ₹ 5441.16 lacs.

(f) In our opinion, the other terms and conditions on which Inter Corporate Deposits and interest free advances have been taken from companies, firms or other parties listed in the register maintained under section 301 of the Companies Act, 1956 are not, prima facie, prejudicial to the interest of the company.

(g) The company is regular in repaying the principal amounts as stipulated and has been regular in the payment of interest wherever stipulated.

(iv) In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the company and the nature of the business with regard to purchase of fixed assets, purchase and transfer of stock in trade, sale of goods and services during the year. During the course of our audit we have not come across any continuing failure to correct major weaknesses in the internal control systems.

(v) (a) According to the information and explanations given to us, we are of the opinion that the particulars of contracts or arrangements referred to in Section 301 of the Companies Act, 1956 have been entered in the register maintained under that section.

(b) In our opinion and according to the information and explanations given to us, the transactions made in pursuance of contracts or arrangements entered in the register maintained under Section 301 of the Companies Act, 1956 and exceeding the value of rupees five lacs in respect of any party during the year have been made at prices which are reasonable having regard to prevailing market prices at the relevant time.

(vi) In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits from the public within the meaning of Section 58A and 58AA of the Companies Act, 1956 and the Companies (Acceptance of Deposits) Rules, 1975.

(vii) The Company has an internal audit system. However, functioning thereof (including extent of coverage) needs to be strengthened to make it commensurate with the size and nature of its business.

(viii) According to the information and explanations given to us, the Central Government has not prescribed the maintenance of cost records under Section 209(1) (d) of the Companies Act, 1956.

(ix) (a) According to the information and explanations given to us and according to the records produced before us for our verification, the Company is generally regular in depositing, with appropriate authorities the undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Income Tax, Sales Tax, Wealth Tax, Service Tax, Cess and any other material statutory dues applicable to it.

(b) According to the information and explanations furnished to us, no undisputed amounts payable in respect of Income Tax, Wealth Tax, Sales Tax, Service tax and Cess were in arrears as at March 31, 2014 for a period of more than six months from the date they become payable.

(c) According to the information and explanations given to us, there are no dues of Income Tax, Sales Tax, Wealth Tax, Service Tax and Cess which have not been deposited on account of any dispute, other than the following:-

Name of the statute	Nature of dues	₹ in Lacs	Forum where dispute is pending
Electricity Act	Electricity charges (1993-94 & 2004)	69.24	BSES Yamuna Power Ltd.

x) In our opinion, the accumulated losses of the Company are not more than 50% of its net worth. The Company has not incurred any cash losses during the financial year covered by our audit and in the immediately preceding financial year.

xi) Based on our examination of the records and according to the information and explanations given to us the Company has not defaulted in repayment of dues to financial institutions, banks or debenture holders.

xii) According to the information and explanations given to us, the Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.

xiii) In our opinion, the Company is not a Chit Fund or Nidhi /Mutual Benefit Fund/Society. Therefore, the provisions of clause 4(xiii) of the Order are not applicable.

xiv) In our opinion the Company is not dealing or trading in shares, securities, debentures or other investments. Therefore, the provisions of clause 4 (xiv) of the Order are not applicable.

xv) According to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from banks or financial institutions.

xvi) According to the information and explanations given to us, the term loans availed by the Company were applied for the purposes for which they were obtained.

xvii) According to the information and explanations given to us, and on overall examination of the Balance Sheet of the Company, we report that no funds raised on short term basis have been used for long term investments.

xviii) According to the information and explanations given to us, the Company has not made any preferential allotment of shares to parties and companies covered in the register maintained under Section 301 of the Companies Act, 1956.

xix) The Company has not issued any debentures during the year.

xx) The Company has not raised any money through public issue during the year.

xxi) To the best of our knowledge and belief and according to the information and explanations given to us, no fraud on or by the Company has been noticed or reported during the course of our audit.

For **S. N. Dhawan & Co.,**
Chartered Accountants
FRN-000050N

(S. K. Khattar)
Partner
M. No.084993

Place: New Delhi
Date : May 30, 2014

BALANCE SHEET AS AT MARCH 31, 2014

PARTICULARS	Note No.	As at 31.03.2014 ₹	As at 31.03.2013 ₹
EQUITY AND LIABILITIES			
Shareholders' funds			
a) Share capital	2	**193,635,950**	193,635,950
b) Reserves and surplus	3	**693,565,149**	658,507,033
		887,201,099	852,142,983
Non-current liabilities			
a) Long-term borrowings	4	**237,443,285**	166,166,667
b) Other long term liabilities	5	**62,893,000**	72,418,000
c) Long-term provisions	6	**8,722,531**	7,759,355
		309,058,816	246,344,022
Current liabilities			
a) Short-term borrowings	7	**166,100,000**	320,000,000
b) Trade payables	8	**-**	5,814,862
c) Other current liabilities	9	**574,374,551**	397,803,368
d) Short-term provisions	10	**6,282,377**	12,880,102
		746,756,928	736,498,332
TOTAL		**1,943,016,843**	1,834,985,337
ASSETS			
Non-current assets			
a) Fixed assets	11	**269,889,551**	271,332,068
Tangible assets			
b) Non current investments	12	**308,678,495**	1,153,058,643
c) Deferred tax assets (net)	13	**5,023,194**	-
d) Long-term loans and advances	14	**414,350,000**	348,400,000
e) Other non-current assets	15	**25,323,903**	17,594,565
		1,023,265,143	1,790,385,276
Current assets			
a) Stock in trade	16	**885,193,602**	**-**
b) Trade receivables	17	**-**	6,258,084
c) Cash and bank balances	18	**12,587,067**	6,482,866
d) Other current assets	19	**21,971,031**	31,859,111
		919,751,700	44,600,061
TOTAL		**1,943,016,843**	1,834,985,337
Summary of significant accounting policies	1		
Other notes to financial statements	26		

The accompanying notes 1 to 26 form an integral part of the financial statements.

As per our report of even date attached
for S.N.Dhawan & Co.
Chartered Accountants
FRN - 000050N

(S.K.Khattar)
Partner
M.No. 084993

Place : New Delhi
Dated: May 30, 2014

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

SHARAD AGGARWAL
Director
DIN : 00629816

ABHIRAM SETH
Director
DIN : 00176144

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

STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED MARCH 31, 2014

PARTICULARS	Note No.	Year Ended 31.03.2014 ₹	Year Ended 31.03.2013 ₹
INCOME			
Revenue from operations	20	**125,551,437**	124,852,734
Other income	21	**51,632,829**	35,714,741
Total (A)		**177,184,266**	160,567,475
EXPENDITURE AND CHARGES			
Finance costs	22	**54,541,338**	30,421,579
Employee benefits expense	23	**23,486,921**	22,464,964
Operating, administrative and other expenses	24	**59,304,743**	71,792,070
Depreciation and amortization expense	25	**6,606,155**	7,656,218
Total (B)		**143,939,157**	132,334,831
Profit before exceptional Items, provisions, extra ordinary items and tax (A-B)		**33,245,109**	28,232,644
Exceptional items (amount written off)		**(6,158,718)**	-
Profit before provisions, extra ordinary items and tax		**27,086,391**	28,232,644
Provision for doubtful debts written back		**7,393,857**	3,288,133
Provision for diminution in value of Investments		**(791,480)**	-
Lease equalisation written back		**-**	8,437,204
Profit before tax for the year		**33,688,768**	39,957,981
Tax Expenses:			
Current Tax		**(6,500,000)**	(7,000,000)
Deferred Tax		**5,023,194**	**-**
Excess/(Short) provision of earlier years		**439,121**	-
Profit after tax for the year		**32,651,083**	32,957,981
Earnings Per Share (Face Value - Rs. 10 per share)			
Basic		**1.69**	1.70
Diluted		**1.69**	1.70
Summary of significant accounting policies	1		
Other notes to financial statements	26		

The accompanying notes 1 to 26 form an integral part of the financial statements.

As per our report of even date attached
for S.N.Dhawan & Co.
Chartered Accountants
FRN - 000050N

(S.K.Khattar)
Partner
M.No. 084993

Place : New Delhi
Dated: May 30, 2014

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

SHARAD AGGARWAL
Director
DIN : 00629816

ABHIRAM SETH
Director
DIN : 00176144

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

CASH FLOW STATEMENT FOR YEAR ENDED MARCH 31, 2014

	Year Ended 31.03.2014 ₹	Year Ended 31.03.2013 ₹
A. CASH FLOW FROM OPERATING ACTIVITIES		
Profit Before Tax	**33,688,768**	39,957,981
Adjustments for:		
Depreciation/Amortisation	**6,606,155**	7,656,218
Profit on sale of Fixed Assets	**-**	(2,045,528)
Reversal of Provision for Doubtful Debts	**(6,602,377)**	(3,288,133)
Reversal of Provision for Lease Equalisation	**-**	(8,437,204)
Interest Paid	**54,541,338**	30,421,579
Interest received	**(28,780,390)**	(24,791,613)
Provision for Gratuity	**940,975**	1,106,654
Provision for Leave Encashment	**26,853**	110,011
Loss on sale of Investment	**-**	2,824,725
Operating Profit Before Working Capital Changes	**60,421,322**	43,514,690
Increase/(Decrease) in Trade payable	**(5,814,862)**	-
Increase/(Decrease) in other Long term Liabilities	**(9,525,000)**	4,500,000
Increase/(Decrease) in other Current Liablities	**199,351,650**	101,555,375
(Increase)/Decrease in Trade Receivables	**6,258,085**	(2,023,425)
(Increase)/Decrease in Long Term Loans and Advances	**(65,950,000)**	(91,800,000)
(Increase)/Decrease in Other Non Current Assets	**1,657,970**	(152,577)
(Increase)/Decrease in Other Current Assets	**9,888,080**	(2,862,639)
(Increase)/Decrease Stock in Trade	**(40,813,455)**	-
Net Cash Used in Operations	**155,473,790**	52,731,424
Income Tax Paid	**(15,448,187)**	(15,870,601)
Net Cash Flow From Operating Activities	**140,025,603**	36,860,823
B. CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets	**(2,756,605)**	(1,475,707)
Sale of Fixed Assets	**-**	19,800,000
Addition in Investment	**-**	(115,809,512)
Interest Received	**28,780,390**	24,791,613
Net Cash Flow From Investing Activities	**26,023,785**	(72,693,606)
C. CASH FLOWS FROM FINANCING ACTIVITIES		
Increase/(Decrease) in Long Term Borrowings	**71,276,619**	(158,812,864)
Increase/(Decrease) in Short Term Borrowings	**(176,766,105)**	223,801,091
Interest Paid	**(54,541,338)**	(30,421,579)
Dividend Paid	**85,637**	(107,879)
Tax on Dividend	**-**	-
Net Cash Flow From Financing Activities	**(159,945,187)**	34,458,769
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	**6,104,201**	(1,374,014)
Opening Cash and Cash Equivalents	**6,482,866**	7,856,880
Closing Cash and Cash Equivalents	**12,587,067**	6,482,866

Note:

1 Components of Cash and Cash Equivalents:	**Year ended March 31, 2014**	**Year ended** March 31, 2013
Cash and Cheques in Hand	**6,873,316**	116,140
Balances with Banks	**5,713,751**	6,366,726
	12,587,067	6,482,866

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
FRN - 000050N

(S.K.Khattar)
Partner
M.No. 084993

Place : New Delhi
Dated: May 30, 2014

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

SHARAD AGGARWAL
Director
DIN : 00629816

ABHIRAM SETH
Director
DIN : 00176144

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

Notes forming part of the financial statements for the year ended March 31, 2014

1. SIGNIFICANT ACCOUNTING POLICIES

i) Accounting Conventions

The financial statements of the company, have been prepared on a Going Concern basis, on historical cost convention, applicable Accounting Standards referred to in Section 211 (3C) of the Companies Act, 1956 which have been notified by the Companies (Accounting Standards) Rules, 2006 read with the General Circular 15/2013 dated 13th September 2013 of the Ministry of Corporate Affairs in respect of section 133 of the Companies Act, 2013 and the relevant provisions of Companies Act, 1956 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. Provisions for diminution in value, if any, is made if decline is of permanent nature. Current Investments are valued at lower of cost or market value. Investments in immovable properties are valued at cost. Other Investments are stated at cost less provision for decline in value, if any.

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 to the stock in trade.

v) Depreciation

a) Fixed Assets: Pro -rata on Written Down Value method as per rates prescribed under the Income Tax Act, 1961 or as per rates prescribed in Schedule XIV to the Companies Act,1956, whichever is higher.

b) Assets costing ₹ 5,000/- or below are fully depreciated in the year of acquisition.

c) 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.

d) 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) Interest on Post Office Savings Bank Account, Insurance claims etc. are accounted for on receipt basis.

c) Dividend is 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 31.03.2014 ₹	As at 31.03.2013 ₹
AUTHORISED		
5,00,00,000 (Previous Year 5,00,00,000) Equity Shares of ₹10/- each	**500,000,000**	500,000,000
Issued, subscribed and paid up **1,93,63,595** (Previous year 1,93,63,595) 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) **277** Equity Shares out of issued, subscribed and paid up share capital were allotted in 2008-09 pursuant to the Schemes of amalgamation without payments being received in cash.

c) Reconciliation of the shares outstanding at the beginning and at the end of the year

	As at 31.03.2014		As at 31.03.2013	
	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

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

	As at 31.03.2014		As at 31.03.2013	
	Nos.	% holding	Nos.	% holding
Equity shares of Rs. 10- each fully paid up				
Bahubali Services Limited	**4,094,800**	**21.15**	3,795,471	19.60
Shri Rajiv Gupta & Smt. Arti Gupta	**1,756,859**	**9.07**	1,400,000	7.23
Smt. Arti Gupta & Shri Rajiv Gupta	**981,000**	**5.07**	981,000	5.07

3. RESERVES AND SURPLUS

	As at 31.03.2014 ₹	As at 31.03.2013 ₹
Capital Reserve	**610,050**	610,050
Securities Premium Account	**88,840,900**	88,840,900
Statutory Reserve Fund		
(under Section 45 IC of Reserve Bank of India Act)		
Opening balance	**166,436,883**	159,845,287
Add: Transferred from surplus/ (deficit) in statement of profit & loss	**-**	6,591,596
Less: Transferred to General Reserves *	**(166,436,883)**	-
Closing balance	-	166,436,883
Revaluation Reserve		
Opening balance	**263,081,403**	264,112,421
Less: Transferred to depreciation & amortization	**927,916**	1,031,018
Closing balance	**262,153,487**	263,081,403
Property Reserve		
Opening balance	**53,722,216**	50,211,744
Add: Transferred from depreciation & amortization	**3,334,949**	3,510,472
	57,057,165	53,722,216
Less: deductions during the year	-	-
Closing balance	**57,057,165**	53,722,216
General Reserve		
Opening balance	**257,787,106**	257,787,106
Add: Transferred from surplus/ (deficit) in statement of profit & loss	**-**	-
Add: Transferred from Statutory Reserve	**166,436,883**	
Closing balance	**424,223,989**	257,787,106
Surplus/ (deficit) in statement of profit & loss		
Opening balance	**(171,971,525)**	(198,337,910)
Add: profit for the year	**32,651,083**	32,957,981
	(139,320,442)	(165,379,929)
Less: Appropriations		
Transfer to Statutory Reserve Fund	**-**	6,591,596
Closing balance	**(139,320,442)**	(171,971,525)
TOTAL	**693,565,149**	658,507,033

* Refer to Note 26(ii)

4. LONG TERM BORROWINGS

	As at 31.03.2014 ₹	As at 31.03.2013 ₹
Secured		
Term Loan		
From Bank (Kotak Mahindra Bank Limited)	**111,592,849**	119,500,000
From others (Kotak Mahindra Prime Limited)	**25,850,436**	46,666,667
Working Capital Loan		
From others (Kotak Mahindra Investments Limited)	**100,000,000**	-
Total	**237,443,285**	166,166,667

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 repayble by way of monthly installments and the rate of interest ranging from 13.25 % to 13.50%. Loan repayble in FY 2015-16 ₹ 54,447,235/-, FY 2016-17 ₹ 21,016,392/- FY 2017-18 ₹ 24,019,974/- FY 2018-19 ₹ 12,109,248/-.

b) Term Loan from Kotak Mahindra Prime Ltd. is secured by way of first & exclusive equitable mortgage of one of the properties of the company and personal guarantee of two Directors. The principal of term loan is repayble by way of monthly instalments and the rate of interest is ranging from 13.25% to 13.50%. Loan repayble in FY 2015-16 ₹ 25,850,436/-.

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

5. OTHER LONG TERM LIABILITIES

Security deposit	**62,893,000**	72,418,000
	62,893,000	72,418,000

6. LONG TERM PROVISIONS

For gratuity	**7,204,326**	6,995,900
For leave encashment	**726,725**	763,455
For dimimuation in non current investments	**791,480**	-
Total	**8,722,531**	7,759,355

7. SHORT TERM BORROWINGS

	As at 31.03.2014 ₹	As at 31.03.2013 ₹
Secured *		
From others (Kotak Mahindra Prime Limited)	-	100,000,000
Unsecured		
Inter corporate deposits from related parties		
- Bahubali Services Ltd.	**166,100,000**	220,000,000
	166,100,000	320,000,000

* Loan is secured against the securities of mutual funds and shares held by the directors and their family members and group entities and is further secured by personal guarantee of two directors of the Company.

8. TRADE PAYABLES

Trade payables	-	5,814,862
	-	**5,814,862**

9. OTHER CURRENT LIABILITIES

Current maturities of long term loans	**122,767,229**	145,633,333
Other liabilities	**63,447,596**	67,410,454
Advances from related parties	**360,575,000**	167,700,000
Bank book overdraft	**4,264,469**	5,872,357
Interest accrued and due on Loans	**5,000,000**	-
Interest accrued but not due on Loans	**14,853,487**	7,806,091
Unclaimed dividend *	**3,466,770**	3,381,133
	574,374,551	397,803,368

* There are no amount due and outstanding to be credited to Investors Education and Protection Fund

10. SHORT TERM PROVISIONS

For gratuity	**5,794,472**	5,061,923
For leave encashment	**487,905**	424,322
For non performing assets	-	7,393,857
	6,282,377	12,880,102

11: FIXED ASSETS

	As at 31.03.2014 ₹	As at 31.03.2013 ₹
Gross Block		
Assets relating to Leasing Business	-	101,102,551
Other Assets	388,313,919	385,557,314
	388,313,919	486,659,865
Less: Depriciation	118,424,368	215,327,771
	269,889,551	271,332,094
Less: Accumulated Lease Adjustment	-	26
Net Block	269,889,551	271,332,068

11 A : FIXED ASSETS

(In ₹)

	GROSS BLOCK				DEPRECIATION				NET BLOCK	
PARTICULARS	As at 01.04.2013	Additions during the year	Deductions	As at 31.03.2014	Up to 01.04.2013	Additions	Deductions	Up to 31.03.2014	As at 31.03.2014	As at 31.03.2013
Assets on Lease										
Earth Moving Machinery	52,591,529	-	52,591,529	-	52,591,523	-	52,591,523	-	-	6
General Machinery	24,553,179	-	24,553,179	-	24,553,165	-	24,553,165	-	-	14
Gas Cylinders	530,000	-	530,000	-	529,999	-	529,999	-	-	1
Vehicles	1,122,629	-	1,122,629	-	1,122,627	-	1,122,627	-	-	2
Commercial Vehicles	21,984,214	-	21,984,214	-	21,984,212	-	21,984,212	-	-	2
Thermax Boilers	321,000	-	321,000	-	320,999	-	320,999	-	-	1
Total	**101,102,551**	**-**	**101,102,551**	**-**	**101,102,525**	**-**	**101,102,525**	**-**	**-**	**26**
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	50,222,493	2,345,100	-	52,567,593	39,615,398	1,172,503	-	40,787,901	11,779,692	10,607,095
Leasehold	36,000,000	-	-	36,000,000	29,508,451	649,155	-	30,157,606	5,842,394	6,491,549
Vehicles	10,998,220	96,924	-	11,095,144	6,450,060	1,201,650	-	7,651,710	3,443,434	4,548,160
Furniture & Fixtures	1,465,032	-	-	1,465,032	792,635	121,704	-	914,339	550,693	672,397
Office Machines	4,684,703	65,475	-	4,750,178	4,432,093	45,182	-	4,477,275	272,903	252,610
Computer	1,294,654	235,506	-	1,530,160	1,242,566	98,111	-	1,340,677	189,483	52,088
Electric Fittings, Equipment & Fans etc.	20,337,975	13,600	-	20,351,575	16,483,461	580,096	-	17,063,557	3,288,018	3,854,514
Lifts	3,891,729	-	-	3,891,729	3,756,951	20,215	-	3,777,166	114,563	134,778
Air Conditioners & Coolers	14,013,663	-	-	14,013,663	11,943,631	310,506	-	12,254,137	1,759,526	2,070,032
Total	**385,557,314**	**2,756,605**	**-**	**388,313,919**	**114,225,246**	**4,199,122**	**-**	**118,424,368**	**269,889,551**	**271,332,068**
Grand Total	**486,659,865**	**2,756,605**	**101,102,551**	**388,313,919**	**215,327,771**	**4,199,122**	**101,102,525**	**118,424,368**	**269,889,551**	**271,332,094**
Previous year	513,682,076	1,475,707	28,497,918	486,659,865	220,894,453	5,176,764	10,743,446	215,327,771	271,332,094	

* Title deed of leasehold plot costing Rs. 3,594/- is pending execution.

12 : NON-CURRENT INVESTMENTS

	PARTICULARS	VALUE As at 31.03.2014 ₹	As at 31.03.2013 ₹
1.	**EQUITY SHARES FULLY PAID UP**		
	NON TRADE- Long Term		
	Quoted		
	2,172,300 (2,172,300) equity shares of ₹ 10/- each of Jayabharat Credit Limited *	**29,316,380**	29,316,380
	4,608,840 (4,608,840) equity shares of ₹ 10/- each of India Lease Development Limited *	**61,189,351**	61,189,351
	1,200 (1,200) equity shares of ₹ 10/- each of Metal Box India Limited	**17,100**	17,100
	4,700 (4,700) equity shares of ₹. 10/- each of Rajasthan Breweries Ltd	**140,836**	140,836
	15,000 (15,000) equity shares of ₹ 10/- of Sri Ramakrishna Mills(CBE) Limited	**450,641**	450,641
	10,000 (10,000) equity shares of ₹ 10/- each of MTZ (India) Limited	**500,000**	500,000
	450 (450) equity shars of ₹ 10/- each of Mawana Sugars Limited	**9,000**	9,000
		91,623,308	91,623,308
	* 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	**25,358,630**	25,358,630
	Commercial Project Under Construction	**-**	844,380,148
		217,054,687	1,061,434,835
	TOTAL	**308,678,495**	1,153,058,643

NOTES:

		Cost	Market Value
i)	Aggregate value of Quoted Long Term Investments	**91,623,308**	**39,713,983**
		(91,623,308)	(62,677,439)
ii)	Aggregate value of Investment in unquoted Investments	**217,055,187**	**-**
		(1,061,435,335)	(-)
iii)	Investments are valued at cost		

	As at 31.03.2014 ₹	As at 31.03.2013 ₹
13. DEFERRED TAX ASSETS/ (LIABILITIES) (NET)		
Depreciation	**(3,775,334)**	-
Provision for leave encashment	**375,321**	-
Provision for gratuity	**4,016,629**	-
Provision for diminution in the value of investments	**244,567**	-
Business loss	**4,162,011**	-
	5,023,194	**-**
14. LONG TERM LOANS AND ADVANCES		
Inter Corporate Deposits		
(Unsecured and Considered Good)		
Deposits with related parties		
Jayabharat Credit Limited	**414,350,000**	345,900,000
Other Deposits	**-**	2,500,000
	414,350,000	348,400,000
15. OTHER NON CURRENT ASSETS		
Security deposits		
Considered good	**3,249,564**	3,537,738
Considered doubtful	**-**	1,256,280
Fixed deposits with banks having maturities of more than twelve months*	**-**	113,516
Saving Bank a/c with post office	**1,010**	1,010
(Pledged with excise department)		
Advance tax/tax deducted at source	**22,073,329**	12,686,021
(net of provisions)		
	25,323,903	**17,594,565**

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

	As at 31.03.2014 ₹	As at 31.03.2013 ₹
16. STOCK IN TRADE		
(As valued, certified by the Management)		
Commercial Project	**885,193,602**	-
	885,193,602	-
17. TRADE RECEIVABLES		
Lease Rentals :		
Considered doubtful, unsecured	**-**	3,582,194
Others considered good		
Other debts	**-**	2,023,425
Hire Purchase Business		
(Secured by Vehicles under Hire Purchase Agreement)		
Instalments receivable from hirers:		
Outstanding for over six months		
Considered doubtful	**-**	652,465
	-	6,258,084
18. CASH AND BANK BALANCES		
Cash & cash equivalents		
Cash in hand and stamps	**97,936**	114,671
Cheques in hand	**6,775,380**	1,469
With Scheduled Banks in:		
Current accounts	**4,242,932**	5,125,441
Other bank balances		
Fixed deposits having maturities upto twelve months*	**1,470,819**	1,241,285
	12,587,067	6,482,866

NOTES:

Balance in current accounts Include ₹ **3,466,770/-** (Previous Year ₹ 3,381,133/-) earmarked against unclaimed dividend.

* Include ₹ **518,471/-** (Previous Year ₹ 368,379/-) lodged as margin for issuing bank guarantees to government authorities.

19. OTHER CURRENT ASSETS		
(Unsecured, Considered Good)		
Interest accrued on inter corporate deposits	**6,771,470**	11,263,811
Interest accrued but not due on fixed deposits	**44,648**	44,268
Advances recoverable in cash or in kind or for value to be received	**15,154,913**	20,551,032
	21,971,031	31,859,111

	Year Ended 31.03.2014 ₹	Year Ended 31.03.2013 ₹
19. REVENUE FROM OPERATIONS		
Hire purchase charges	**-**	14,600
Lease charges	**-**	473,589
Bills discounting charges	**-**	1,000,000
Rent from investments in immovable properties	**125,551,437**	123,364,545
	125,551,437	124,852,734
20. OTHER INCOME		
Interest received:		
Fixed deposits with banks	**129,330**	120,531
Intercorporate deposits	**28,586,080**	23,061,232
Current investments	**-**	720,000
Others	**64,980**	889,850
Miscellaneous income	**9,214,916**	7,641,146
Additional compensation received against land acquisition	**3,086,352**	**-**
Profit on sale of fixed assets/leased assets	**-**	2,045,528
Amount written back	**4,536,171**	-
Bad debts realised	**6,015,000**	1,236,454
	51,632,829	35,714,741
21. FINANCE COST		
Interest expenses	**53,136,838**	30,421,579
Other borrowing costs	**1,404,500**	**-**
	54,541,338	30,421,579
22. EMPLOYEES BENEFITS EXPENSE		
Salaries, wages, allowances, bonus	**18,506,935**	17,691,466
Company's contribution to provident fund / other funds	**1,555,904**	1,492,931
Gratuity paid/provided	**940,975**	1,106,654
Staff welfare	**2,483,107**	2,173,913
	23,486,921	22,464,964

23.1 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) as prescribed by Companies (Accounting Standards) Rules, 2006, the detail of which is as under:

		Leave Encashment	
A.	**Assumptions**		
	Particulars	**31.03.2014**	31.03.2013
	Discount Rate	**9.00%**	**8.00%**
	Rate of Return on Plan Assets	**0.00%**	**0.00%**
	Salary Escalation	**5.67%**	**5.67%**
B.	**Changes in Benefit Obligations**		
	Liability at beginning of the year	**1,187,778**	**1,077,767**
	Interest Cost	**95,022**	**92,688**
	Current Service Cost	**Nil**	**Nil**
	Benefit Paid	**-**	**-**
	Actuarial(gain)/ Loss on obligation	**(68,169)**	**17,323**
	Liability at the end of the year	**1,214,631**	**1,187,778**
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**	**Nil**
	Actuarial Gain / (Loss) on Plan Assets	**Nil**	**Nil**
	Fair value of Plan Assets at the end of the year	**Nil**	**Nil**
	Funded Status	**(1,214,631)**	**(1,187,778)**
D.	**Expenses recognised in the Statement of Profit & Loss**		
	Current Service Cost	**-**	**-**
	Interest Cost	**95,022**	**92,688**
	Net Actuarial (Gain)/ Loss for the period	**(68,169)**	**17,323**
	Expenses Recognised in Statement of Profit & Loss	**26,853**	**110,011**
E.	**Balance Sheet Reconciliation**		
	Opening Net Liability	**1,187,778**	**1,077,767**
	Expenses charged to Statement of Profit & Loss	**26,853**	**110,011**
	Benefit Paid	**-**	**-**
	Closing Liability as at 31.03.2014	**1,214,631**	**1,187,778**

23.2 The Company has charged ₹ **940,975/-** (previous year ₹ 1,106,654/-) to Statement of Profit & Loss for the year ended 31st March, 2014 towards Gratuity Liability as per Payment to Gratuity Act, 1972. The closing Gratuity liability(current & non current) as on 31st March, 2014 is ₹ **12,998,798/-**(previous year ₹ 12,057,823/-).

	Year Ended 31.03.2014 ₹	Year Ended 31.03.2013 ₹
24. OPERATING ADMINISTRATIVE AND OTHER EXPENSES		
Rent	**4,990,750**	534,000
Rates & taxes and ground rent	**12,853,015**	21,252,086
Auditors remuneration towards :		
Audit fees	**325,000**	325,000
Tax audit	**75,000**	75,000
Certification	**75,000**	75,000
Service tax	**58,711**	58,710
Transport, travelling and motor car expenses	**8,539,118**	9,608,717
Brokerage, commission and service charges	**-**	73,000
Donations	**1,499,000**	1,477,000
Insurance	**712,399**	619,987
Bank charges	**96,671**	107,350
General expenses	**7,488,458**	7,452,354
Electricity expenses	**5,532,451**	4,577,037
Legal & professional charges	**5,425,681**	11,597,115
Postage, telegram & telephone expenses	**1,315,467**	1,060,671
Printing & stationary	**2,260,008**	2,020,841
Repairs to buildings	**848,605**	1,029,603
Repairs to others	**2,951,865**	3,152,255
Sundry expenses	**4,257,544**	3,871,619
Loss on sale of short term investments	**-**	2,824,725
	59,304,743	71,792,070
25. DEPRICIATION AND AMORTIZATION EXPENSES		
Depreciation	**4,199,122**	5,176,764
Property reserve	**3,334,949**	3,510,472
Less: Transferred from revaluation reserve	**927,916**	1,031,018
	6,606,155	7,656,218

26. OTHER NOTES TO FINANCIAL STATEMENTS

i) CONTINGENT LIABILITIES: (₹)

	Particulars	March 31, 2014	March 31, 2013
a)	Guarantees given to Sales Tax and other authorities, on behalf of the company (against pledge of fixed deposits)	**518,471**	481,895
b)	Other disputed demands not acknowledged as debts		
	i) Electricity charges(BSES)	**6,924,304**	6,992,324
	ii) Property Tax (MCD)	**-**	4,479,446

ii) The Company opted to voluntary exit from the NBFC activities and surrendered the Certificate of Registration to the Reserve Bank of India, which has been cancelled vide their order dated June 18,2013 and as such, it is no longer a NBFC

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 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 outstanding amount of the ICD is ₹ **41,43,50,000** (Previous Year ₹ 34,59,00,000) will be settled once JBCL becomes a debt free company. However, the interest on the ICD is being recovered regularly.

iv) Non current Long Term Investments are to be valued at cost in terms of Accounting Standard-13 "Accounting for Investments" issued by the Institute of Chartered Accountants of India subject to provision for diminution in value, other than temporary in nature. However, considering the long term nature and other related matters, investments in quoted companies amounting to ₹ **90,505,731**(Previous Year ₹ 90,505,731) have been valued at cost and the temporary short fall of ₹ **51,126,419** (Previous Year ₹ 28,042,951.) has not been provided for. As in the opinion of the management, the same is temporary in nature.

v) The company in one of the properties, on the demand raised by the Municipal Corporation of Delhi, had deposited ₹ 12,111,019 towards conversion charges and additional FAR charges for commercial use. The matter is under negotiation with tenant and the management is hopeful to recover the same. Any further demand, if raised, will be deposited from the amount recovered from the tenants.

vi) 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.

vii) 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 2010-11 (Assessment Year 2011-12) have been completed and there are no pending demands against the company.

viii) 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.

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

x) During the year, completion certificate in respect of commercial project has been received. It has been shown under the head non-current investments amounting to ₹ 8443.80 lacs as on March 31, 2013. As per the management's decision

the same has been transferred as on March 31, 2014 under the head stock in trade.

xi) Disclosure of details pertaining to related party transactions entered into during the year in terms of Accounting Standard -18 "Related Party Disclosures" issued by the Institute of Chartered Accountants of India:

a) List of Related Parties

(As identified and certified by the management)

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) Enterprises over which the key management personnel are able to exercise significant influence.

Nil

iii) Key Management Personnel

Shri Rajiv Gupta, Smt Arti Gupta and Shri Arun Mitter.

b) Details of transactions entered into with related parties: **(Amount in ₹)**

Particulars	Under Common Control	Enterprises over which Key Management Personnel is able to exercise influence	Key Management Personnel
ICD taken	**48,100,000**	**-**	**-**
	(163,200,000)	-	-
ICD Repaid	**102,000,000**	**-**	**-**
	(54,100,000)	-	-
ICD given	**6,845,000**	**-**	**-**
	(91,80,000)	-	-
Interest Received on ICD	**28,586,080**	**-**	**-**
	(22,688,232)	-	-
Interest paid on ICDs	**13,824,040**	**-**	**-**
	(11,559,988)	-	-
Advances taken	**222,275,000**	**-**	**-**
	(91,000,000)	-	-
Advances repaid	**29,400,000**	**-**	**-**
	(-)	-	-
Director's Remuneration	**-**	**-**	**4,097,685**
	-	-	(4,036,302)
Outstanding Balance as on 31-3-2014			
ICD receivable from Jayabharat Credit Limited	**421,121,470**	**-**	**-**
(including interest)	(356,826,311)	-	-
ICD payable to Bahubali Services Limited	**183,541,636**	**-**	**-**
(including interest)	**(225,000,000)**	-	-
Advances payable	**360,575,000**	**-**	**-**
	(167,700,000)	-	-

(Previous year's figures are given in bracket)

42. Details of Managerial Remuneration to Managing/Whole Time Directors

(Amount in ₹)

i)	Remuneration	**2013-14**	2012-13
	Salary, Wages Allowance & Bonus	**2,976,000**	2,976,000
	Contribution to Provident Fund	**360,000**	360,000
	Perquisites	**761,685**	700,302
	Total	**4,097,685**	4,036,302

ii) **Directors Sitting Fees**

Sundry Expenses include ₹ **1,29,216** (Previous Year ₹ 1,04,270) 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 ₹ **55,484** (Previous Year ₹ 14,30,413) for Directors Travelling

xiii) Earnings Per Share(E.P.S)

		2013-14	2012-13
a)	Net Profit for the year attributable to Equity Shareholders	**32,651,083**	32,957,981
b)	Weight Average Number of Equity Shares	**19,363,595**	19,363,595
c)	Basic Earnings per Share	**1.69**	1.70
d)	Diluted Earnings per Share	**1.69**	1.70
e)	Nominal value per Share	**10.00**	10.00

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) 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
FRN - 000050N

(S.K.Khattar)
Partner
M.No. 084993

Place : New Delhi
Dated: May 30, 2014

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

SHARAD AGGARWAL
Director
DIN : 00629816

ABHIRAM SETH
Director
DIN : 00176144

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

OFFICES

MUMBAI

Samarth Vaibhav CGHS Ltd.
303, 3rd Floor, New Link Road,
Lokhandwala, Andheri (W),
Mumbai-400053
Phones: 022-22840791, 30281791
Chief Executive: Sh.S.S. Khera

KOLKATA

15, Chittaranjan Avenue
Kolkata-700072
Phones: 22129623

ERNAKULAM

40/2908 F, 4th Floor, North End,
Penta Menaka, Marine Drive,
Shan Mugham Road, Ernakulam,
Kochi-682031
Phones: 09847054153
Regional Manager: Mr.Umesh Sanan

JALANDHAR

501, 4th floor,Delta Chamber
35,G.T.Road, Jalandhar (Punjab)
Phones: 225332/227115

BENGALURU

305, Raheja Chambers
12, Museum Road
Bengaluru-560001
Phones: 25596651, 25596650

KOTTAYAM

S.H. Mount Post , Kottayam
(Kerala)
Phones: 2562906, 2562248

NAGERCOIL

316/1, K.P. Road
Nagercoil (T.N.)
Phones: 230048, 230068

COIMBATORE

S.S. Finance Building
First Floor, No. 222 B,
New No. 106, Vivekanantha Road
Ram Nagar Coimbatore - 641009
Phones: 0422-2236789

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 : **Modern,** modernsyscorp@gmail.com

MGF

THE MOTOR & GENERAL FINANCE LIMITED

CIN : L74899DL1930PLC000208
Registered Office: MGF House, 4/17-B, Asaf Ali Road, New Delhi-110002
Phone No.: 011-23272216-18, 011-23278001-02 , **Fax :** 011-23274606
Website: http:/www.mgfltd.com Email-mgfltd@hotmail,com

NOTICE

NOTICE is hereby given that Eighty Fourth(84th)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 Thursday, the September 18,2014 at 11.30.A.M. to transact the following business:-

ORDINARY BUSINESS

1. To consider and adopt the Financial Statements for the year ended March 31,2014 and the Reports of the Directors and Auditors thereon.

2. To appoint a Director in the place of Sh.Arun Mitter (DIN. 00022941) who retires by rotation and is eligible for re-appointment.

3. To appoint a Director in the place of Sh. O.N. Aggarwal (DIN. 00629878), who retires by rotation and is eligible for re-appointment.

4. To appoint Auditors and to fix their remuneration. M/s S.N. Dhawan & Co, Chartered Accountants, New Delhi,(Firm Registration No. 000050N) retires and are eligible for reappointment. Certificate under Section 139 and 141 of the Companies Act,2013 read with Companies (Audit & Auditors)Rules,2014 has been obtained from them.

SPECIAL BUSINESS

5. To consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:

'RESOLVED that pursuant to the provisions of Sections 149, 150, 152 and any other applicable provisions of the Companies Act,2013 and the rules made thereunder(including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act,2013, Sh. Abhiram Seth(DIN.00176144), Director of the company, whose term of office shall not be liable to retirement by rotation in terms of Section 149(13) of the said Act, and in respect of whom declaration has been received that he meets the criteria of independence as provided in Section 149(6) and futher the company has received a notice in writing from a member proposing his candidature for the office of Director on the recommendation of Remuneration Committee , be and is hereby appointed as an Independent Director of the company to hold office for five consecutive years with effect from September 18, 2014 upto September 17,2019 and to receive remuneration by way of fee for participation in the meeting of the Board thereof in terms of the applicable provisions of the said Act, as determined by the Board from time to time."

6. To consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:-

"'RESOLVED that pursuant to the provisions of Sections 149, 150, 152 and any other applicable provisions of the Companies Act,2013 and the rules made thereunder(including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act,2013, Sh. Bharat Kumar (DIN. 00990117) Director of the Company, whose period of office is liable to determination by retirement of directors by rotation in terms of Section 149(13) of the said Act, and in respect of whom declaration has been received that he meets the criteria of independence as provided in Section 149(6) and futher the company has received a notice in writing from a member proposing his candidature for the office of Director on the recommendation of Remuneration Committee be and is hereby appointed as an Independent Director of the Company to hold office for five consecutive years with effect from September 18, 2014 upto September 17,2019 and to receive remuneration by way of fee for participation in the meeting of the Board thereof in terms of the applicable provisions of the said Act, as determined by the Board from time to time."

7. To consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:

"'RESOLVED that pursuant to the provisions of Sections 149, 150, 152 and any other applicable provisions of the Companies Act,2013 and the rules made thereunder(including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act,2013, Sh. Sharad Aggarwal (DIN. 00629816), Director of the Company, whose period of office is liable to determination by retirement of directors by rotation in terms of Section 149(13) of the said Act, and in respect of whom declaration has been received that he meets the criteria of independence as provided in Section 149(6) and futher the

company has received a notice in writing from a member proposing his candidature for the office of Director on the recommendation of Remuneration Committee, be and is hereby appointed as an Independent Director of the Company to hold office for five consecutive years with effect from September 18, 2014 upto September 17, 2019 and to receive remuneration by way of fee for participation in the meeting of the Board thereof in terms of the applicable provisions of the said Act, as determined by the Board from time to time."

8. To consider and if thought fit, to pass the following Resolution as an Ordinary Resolution

"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, on the recommendation of the Audit Committee M/s PCK and Associates, Cost Accountants being the cost Auditors approved by the Board of Directors of the company to conduct the cost audit for the financial year ending March 31,2015, on a gross remuneration of Rs.40,000/- and service tax thereon be and is hereby appointed".

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

"Resolved that pursuant to the provisions of Sections 152, 196 and other applicable provisions, if any of the Companies Act,2013("Act") read with the Rules framed thereunder(including any statutory modification(s) or re-enactment thereof, for the time being in force),Sh. Rajiv Gupta(DIN.00022964) Chairman & Managing Director and Smt. Arti Gupta(DIN.00023237), Joint Managing Director of the company shall continue to hold office of Managing Director and Joint Managing Director respectively for the remaining period of their tenure upto March 31,2017 and June 4,2017 respectively and their office shall henceforth be liable to determination of retirement of Directors by rotation".

"Resolved Further that save and except as aforesaid, the other terms and conditions including remuneration of Sh. Rajiv Gupta, Chairman & Managing Director and Smt. Arti Gupta, Joint Managing Director shall remain unaltered as approved by the shareholders vide Special Resolutions through Postal Ballot dated April 25,2014".

"Resolved Further that the Board of Directors of the company be and are hereby authorized to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution"

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

(M.K. MADAN)
VICE PRESIDENT & COMPANY SECRETARY
ACS No.2951

Place : New Delhi
Date: August 1,2014

CIN : L74899DL1930PLC000208
Registered Office: MGF House, 4/17-B, Asaf Ali Road, New Delhi-110002
Phone No.: 011-23272216-18, 011-23278001-02 , **Fax :** 011-23274606
Website: http:/www.mgfltd.com Email-mgfltd@hotmail,com

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 MEMBERS 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.

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

3. Brief details of the Directors are annexed hereto as per the requirements of clause 49 of the Listing Agreement.

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, the September 12,2014 to Thursday, the September 18,2014 (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 Number to their Depository Participants with whom they are maintaining their Demat Accounts. Members holding shares in physical form can submit their PAN Number direct to the company or M/s Alankit Assignments Limited.

6. 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.

7. 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.

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

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

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

11. **Voting through electronic means**

i) The voting period begins on 12-9-2014 from 9.00 A.M. (IST) and ends on 14-9-2014 at 6.00 P.M. (IST). During this period shareholders' of the company holding shares either in physical form or in dematerialized form, as on the cut off date of 8-8-2014, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

ii) The shareholders should log on to the e-voting website : **www.evotingindia.com**

iii) Click on "Shareholders" tab.

iv) Now Enter your User ID

v) a For CDSL: 16 digits beneficiary ID,

b. for NSDL : 8 Character DPID followed by 8 Digit 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 even given bellow:

	For Members holding shares in demat Form and in Physical Form
PAN	Enter your 10 digit alphanumeric *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 of the sequence number in the PAN field. - 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- Sequence number is communicated in the Covering Letter.
Date of Birth OR Dividend Bank Details OR Number of Shares	Enter the Date of Birth or Dividend Bank Details in order to login. If the details are not recorded with the depository or company please enter the number of shares held by you as on 8th August, 2014 in the Dividend Bank details field.

i) After entering these details appropriately , click on "SUBMIT" tab

ii) Members holding shares in physical form will then directly reach the company section 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.

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

iv) Click on the EVSN for the relevant " The Motor & General Finance Limited" on which you choose to vote.

v) 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.

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

vii) 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.

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

ix) You can also take out print of the voting done by you by click on "CLICK HERE TO PRINT" option on the Voting page.

x) If Demat account holder has forgotten the same password then Enter the User ID and the image verification code and click on "FORGOT PASSWORD" and enter the details as prompted by the system.

xi) Note for Institutional Shareholders

- Institutional shareholders (i.e. other than Individuals, HUF, NRI etc) are required to log on to **https://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 they have to create a user who would be able to link the account(s) which they wish to vote on.
- The list of accounts 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.

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

xiii) The voting rights of shareholders shall be in proportion to their share of the paid up equity share capital of the company.

xiv) The Board of Directors of the company at their meeting held on August 1,2014 has appointed Ms. Anjali Yadav, Practicing Company Secretary (FCS No.6628 CP. No7257) B-6/32, Sector-15, Rohini, Delhi-110089 as Scrutinizer to scrutinize the e-voting process in fair and transparent manner, whose e-mail address is **anjaliyadav.associates@gmail.com.**

xv) The results of voting will be announced at the Annual General Meeting of the company to be held at The Executive Club, 439, Village Shahoorpur, P.O. Fatehpur Beri, New Delhi-110030 on Thursday, the September 18,2014. The results of the voting will be communicated to the Stock Exchanges and also be hosted on the website of the company **mgfltd.com**.

xvi) In case of members receiving the physical copy they are advised to follow all steps from serial no. (i) to (x).

12. To receive faster communication of all shareholders communications, including Annual Reports, the shareholders are requested to kindly register/update their e-mail address with their respective depository participant where shares are held in electronic form. If, however, shares are held in physical form, holders are advised to register their email address with our Registrar & Share Transfer Agents, M/s Alankit Assignments Limited, New Delhi.

Further shareholders, holding shares in physical form, are requested to notify any change in address, if any, to M/s Alankit Assignments Limited, preferably along with their Bank/National Electronic Clearing Service(NECS) details on or before September 18, 2014.

13. Regarding Unclaimed Dividend:

i) In accordance with the provisions of Section 205A(5) of the Companies Act,1956, the company has already transferred Unclaimed Dividend declared for the financial year ended 31st March,1996 to the General Revenue Account of the Central Government as required by the Companies Unpaid Dividend (Transfer to General Revenue Account of the Central Government)Rules,1978. Those shareholders who have so far not claimed their dividend upto the aforesaid financial year may claim their dividend from the Registrar of Companies, NCT of Delhi and Haryana, CGO Complex, Paryavaran Bhawan, Lodhi Road, New Delhi-110003.

ii) Further in view of the Section 205C of the Companies Act,1956 read with Investors Education and Protection Fund(Awareness and Protection of the Investors)Rules,2003 and Section 125 of the Companies Act,2013, the unpaid dividend declared in the years 2008-09 to 2010-11 will be transferred to the fund after seven years from the date of its lying unclaimed.

14. As per Circular No.18/2011 on Green initiative, the company will send Annual Report along with other documents through emails to all members, who have registered their e-mail address with the depository and physical hard copies will be despatched to others. In case any member desire to get hard copy of the Annual Report, they can write to the company at Registered Office address or email at **mgfltd@hotmail.com**.

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 LTD

(M.K. MADAN)
VICE PRESIDENT & COMPANY SECRETARY
ACS No.2951

Place : New Delhi
Date: August 1,2014

CIN : L74899DL1930PLC000208
Registered Office: MGF House, 4/17-B, Asaf Ali Road, New Delhi-110002
Phone No.: 011-23272216-18, 011-23278001-02 , **Fax :** 011-23274606
Website: http:/www.mgfltd.com Email-mgfltd@hotmail,com

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT,2013

Item No.5,6 & 7

SEBI has amended Clause 49 of the Listing Agreement inter-alia stipulating the conditions for the appointment of Independent Directors by a listed company.

On the recommendations of the Remuneration Committee, it is proposed to appoint Sh. Abhiram Seth, Sh. Bharat Kumar and Sh. Sharad Aggarwal as Independent Directors under Section 149 of the Companies Act,2013 and Clause 49 of the Listing Agreement to hold office for 5 (five) consecutive years with effect from September 18,2014 upto September 17,2019.

Sh. Abhiram Seth, Sh. Bharat Kumar and Sh. Sharad Aggarwal are not disqualified from being appointed as Directors in terms of Section 164 of the said Act and have given their consent to act as Directors.

The company has received notices in writing from members alongwith deposit of requisite amount under Section 160 of the said Act proposing the candidatures of each of Sh. Abhiram Seth, Sh. Bharat Kumar and Sh. Sharad Aggarwal that they meet with the criteria of independence as prescribed both under sub-section (6) of Section 149 of the said Act and under Clause 49 of the Listing Agreement.

The Board of Directors considers that Sh. Abhiram Seth, Sh. Bharat Kumar and Sh. Sharad Aggarwal have the requisite qualification and expertise which will be of immense benefit to the company. The Board opines that they fulfill the conditions for appointment as Independent Directors as specified in the said Act and the Listing Agreement. Sh. Abhiram Seth, Sh. Bharat Kumar and Sh. Sharad Aggarwal are independent of the management.

Brief resume of Sh. Abhiram Seth, Sh. Bharat Kumar and Sh. Sharad Aggarwal nature of their expertise in specific functional areas and names of companies in which they hold directorship and members/chairmanship of the Board Committees/ Shareholding and relationship between directors, inter-se, as stipulated under clause 49 of the Listing Agreement with the Stock Exchanges, are provided in the annexure to the notice.

Copy of the draft letters for respective appointments of Sh. Abhiram Seth, Sh. Bharat Kumar and Sh. Sharad Aggarwal as Independent Directors setting out the terms and conditions are available for inspection by members at the Registered Office of the company during normal business hours on any working day.

This Statement may also be regarded as a disclosure under Clause 49 of the Listing Agreement with the Stock Exchanges.

Sh. Abhiram Seth, Sh. Bharat Kumar and Sh. Sharad Aggarwal are interested in the resolutions set out respectively at Item No.5,6 & 7 of the Notice with regard to their respective appointments.

Save and except Sh. O.N. Aggarwal related to Sh. Sharad Aggarwal, none of the other Directors/Key Managerial Personnel of the company/their relatives are, in any way, concerned or interested, financially or otherwise, in these resolutions.

The Board recommends the Ordinary Resolutions set out at Item No. 5,6 & 7 of the Notice for approval by the shareholders.

Item No.8.

The Board, on the recommendation of the Audit Committee, has approved the appointment of M/s.PCK and Associates, Cost Accountants as Cost Auditors for audit of the cost accounts for the year 2014-15 on the gross remuneration of Rs. 40,000/- and services tax thereon.

In accordance with the provisions of Section 148 of the Companies Act,2013 and the Companies(Audit & Auditors), Rules,2014, the remuneration payable to the Cost Auditors has to be confirmed by the shareholders of the company.

The Board recommends the Resolution for approval of the shareholders.

None of the Directors, Key Managerial Personnel of the company or their relatives is interested or concerned in the proposed Resolution.

Item No.9

The members of the company by Postal Ballot on April 25,2014 have reappointed Sh. Rajiv Gupta, Chairman & Managing Director and Smt. Arti Gupta, Joint Director of the Company for a period of three years w.e.f. April 1,2014 and June 5,2014 respectively whose period of office was not liable to determination by retirement of directors by rotation in terms of the Clause 60 of the Articles of Association. The members had also accorded their approval to the payment of remuneration to Chairman & Managing Director and Joint Managing Director.

The Board of Directors of your company consist of 7 members, with 3 of them being Independent Directors. 1 being Non Executive Non Independent Director(liable to retire by rotation) and the remaining two being Chairman & Managing Director and Joint Managing Director(not liable to retire by rotation).

The provisions of Section 152 (6) of the Companies Act,2013 provides that not less than two thirds of the total number of directors(excluding Independent Directors) of public company shall be liable to determination by retirement of directors by rotation. To comply with the relevant provisions of Act, it is desirable that the office of Chairman & Managing Director and Joint Managing Director be made liable to determination by retirement of directors by rotation.

The Board recommends the passing of Special Resolution at Item No.9 of the Notice.

Save and except Sh. Rajiv Gupta, Managing Director and Smt. Arti Gupta, Joint Managing Director, related to each other, none of the other Directors/Key Managerial Personnel of the company/their relatives are concerned or interested, financially or otherwise, in this Special Resolution.

ANNEXURE TO THE NOTICE

BRIEF RESUME OF DIRECTORS SEEKING RE-APPOINTMENT AND APPOINTMENT OF INDEPENDENT DIRECTORS AT THIS ANNUAL GENERAL MEETING PURSUANT TO CLAUSE 49 OF THE LISTING AGREEMENT AND EXPLANATORY STATEMENT UNDER SECTION 102 OF THE COMPANIES ACT,2013 AND ANNEXURE TO NOTICE.

a) **Director being re-appointed liable to retire by rotation(Resolution at item no.2)**

Name	:	Shri Arun Mitter
Age & Date of Birth	:	52 years(27.11.1962)
Qualification	:	B.Com, ACA
Experience in specific Functional Areas	:	Shri Arun Mitter, a qualified Chartered Accountant, was re-appointed as an Executive Director in the Extra Ordinary General Meeting held on May 30,2005. 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 Directorships:		MGF Developments Limited, Jayabharat Credit Limited, India Lease Development Limited, Bahubali Services Ltd, Upper India Hire Purchase Co Association Ltd, Paramba International Ltd, Technofab Engineering Ltd, Ram Prakash & Co Pvt Ltd, Discovery Holdings Pvt Ltd, MGF Infotech Pvt Ltd, MGF Auto Sales Pvt Ltd, MGF Vehicles Sales Pvt Ltd, MGF Projects Pvt Ltd, Grosvenor Estates Pvt Ltd, Gee Gee Holdings Pvt Ltd, Cards Services India Ltd, Dove Promoters and Entertainment Pvt Ltd, Meta Dor Technologies Pvt Ltd, North Delhi Metro Mall Pvt Ltd, MGF Securities Pvt Ltd, Nanny Infrastructure Pvt Ltd, Deap Hospitality Pvt Ltd, Weaving Enterprises Pvt Ltd, MGF Estates Management Pvt Ltd, MGF Promotions and Events Pvt Ltd, Shanti Interior Pvt Ltd, MGF Housing & Infrastructure Pvt Ltd, MGF Promoters Pvt Ltd, Metroplex Construction Pvt Ltd, Vishnu Apartments Pvt Ltd and MGF Market Place Mall Management Pvt Ltd,

Committee Membership
<u>The Motor & General Finance Ltd</u>
Audit Committee
Remuneration Committee
Stakeholders Relationship Committee

India Lease Development Ltd
Audit Committee
Stakeholders Relationship Committee

Jayabharat Credit Ltd
Audit Committee
Remuneration Committee

Technofab Engineering Ltd.
Audit Committee (Chairman)
Remuneration Committee

Shri Arun Mitter holds 10606 shares i.e. 0.05% In the company

(b) Director being re-appointed liable to retire by rotation (Resolution at item no.3)

Name	:	Sh. O.N. Aggarwal
Age & Date of Birth	:	79 Years(27.10.1935)
Qualification	:	DLCT(Hons), England BE Mechanical Engineering
Experience in Specific Financial Areas	:	He is a qualified engineer. Considering his experience and competence the re-appointment will be in the interest of the company
Other Directorships	:	Knit Foulds Pvt Ltd, Sondhi Polamide Private Ltd, Oaykay Forgings Pvt Ltd, Makro Lease Pvt Ltd, Jay Vee Leatherite Pvt Ltd, Forgings & Chemicals Industries, Hamilton Land Developers Pvt Ltd, Jazz Foods Pvt Ltd, K.F. Belting Pvt Ltd and Sterling Hoteliers and Investment Pvt Ltd Shri. O.N. Aggarwal holds Nil shares in the company

(c) Director being appointed as Independent Director not liable to retire by rotation(Resolution at item no. 5)

Name	:	Shri Abhiram Seth
Age & Date of Birth	:	63 Years(09.12.1951)
Qualification	:	Graduated in Economics from Delhi University and Masters in Management Studies from Jamnalal Bajaj Institute, Bombay University
Experience in specific financial areas	:	He holds extensive experience in diverse fields and his re-appointment as a Director will be in the best interest of the company
Other Directorships:		ATS Services Pvt Ltd, Emaar MGF Land Ltd, APT Biotech Pvt Ltd, ION Exchange Ltd, ION Exchange Enviro Farms Ltd, Acquagri Process Pvt Ltd and Daawat Foods Ltd.

Committee Memberships:
Audit Committee
Stakeholders Relationship Committee
Remuneration Committee

Sh. Abhiram Seth holds 9519 shares i.e. 0.05% in the company

(d) Director being appointed as an Independent Director not liable to retire by rotation(Resolution at item no.6)

Name	:	Sh. Bharat Kumar
Age & Date of Birth	:	69 years(03.10.1945)
Qualification	:	B.Com
Experience in Specific Financial Areas	:	Sh. Bharat Kumar is a Graduate in Commerce.He holds a rich business experience.His re-appointment will be quite useful to the company

Other Directorships
Vinspar Industries Pvt Ltd
Magique Hospitality Pvt Ltd

Committee Memberships
The Motor & General Finance Limited
Audit Committee: Chairman
Stakeholders Relationship Committee- Member
Remuneration Committee- Member

Shri. Bharat Kumar holds Nil shares in the company

(e) Director being appointed as Independent Director not liable to retire by rotation(Resolution at item no. 7)

Name	:	Shri Sharad Aggarwal
Age & Date of Birth	:	48 Years(24.11.1966)
Qualification	:	B.Com , ACS, LLB
Experience in specific financial areas	:	Sh. Sharad Aggarwal is a qualified Chartered Accountant and also holds a Law Degree. His re-appointment will be quite useful to the company
Other Directorships	:	India Lease Development Ltd, Bahubali Services Ltd, K.F. Belting Pvt Ltd, Hamilton Land Developers Pvt Ltd, Jazz Foods Pvt Ltd, Sterrling Hoteliers and Investment Pvt Ltd, Makro Lease Pvt Ltd, Jay vee Leatherite Pvt Ltd, Atlantic Land Developers Pvt Ltd, Oaykay Forgings Pvt Ltd, Knit Foulds Pvt Ltd, Sondhi Polymide Pvt Ltd, Forgings & Chemicals Industries and BSCL International.

Committee Memberships:

The Motor & General Finance Ltd

Audit Committee
Stakeholders Relationship Committee
Remuneration Committee

India Lease Development Ltd

Audit Committee
Remuneration Committee
Stakeholders Relationship Committee

Sh. Sharad Aggarwal holds1,33,120 shares i.e. 0.69% in the company

SHAREHOLDERS INFORMATION

Head Office & Registered Office	:	**MGF HOUSE 4/17-B, Asaf Ali Road, New Delhi-110002**
CIN No.		**L74899DL1930PLC000208**
Internet Facility		
E-mail	:	**mgfltd@hotmail.com**
Company Website	:	**www.mgfltd.com**
Telephone No	:	**011-23272216-18, 011-23278001-02**
Fax No	:	**011-23274606**
Date of Annual General Meeting	:	**September 18,2014**
Time	:	**11.30.A.M.**
Day	:	**Thursday,**
Venue	:	**The Executive Club 439, Village Shahoorpur, P.O. Fatehpur Beri New Delhi-110030**
Day and Date of Book Closure	:	**Friday, the September 12,2014 to Thursday, the September 18,2014 (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 2014-15.

NOMINATION FACILITY

Shareholders are eligible to file their nomination 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 nomination may write to the Company Secretary for a copy of the prescribed Nomination Form (SH-13).

MGF THE MOTOR & GENERAL FINANCE LIMITED

CIN : L74899DL1930PLC000208
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

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.) **140818035**

(8) I/ We hereby exercise my/our vote(s) in respect of the Resolutions set out in the Notice of the Eighty Fourth Annual General Meeting (AGM) of the Company to be held on Thursday, 18th September, 2014 by sending my/our assent or dissent to the said resolution by placing a tick (✓) mark at the appropriate box below:

Sl No.	Description	No. of shares	(FOR) I/We assent to the Resolution	(AGAINST) I/We dissent to the Resolution
1	Consider and adopt the Audited Financial Statements for the year ended March 31,2014 and the Reports of the Directors and Auditors thereon			
2	Appoint a Director in the place of Sh. Arun Mitter (DIN : 00022941) who retires by rotation and is eligible for re-appointment			
3	Appoint a Director in the place of Sh. O.N. Aggarwal (DIN 00629878), who retires by rotation and is eligible for reappointment.			
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 reappointment.			
5	Ordinary Resolution for appointment of Sh. Abhiram Seth (DIN:00017144) as Independent Director of the Company			
6	Ordinary Resolution for appointment of Sh. Sharad Aggarwal (DIN:00629816) as Independent Director of the Company			
7	Ordinary Resolution for appointment of Sh.Bharat Kumar (DIN:00990117) as Independent Director of the Company			
8	Ordinary Resolution for appointment of M/s PCK and Associates, Cost Accountants for the year 2014-15.			
9	Special Resolution for MD & JMD to retire by rotation.			

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 detailed 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 e-voting system and votes received through post to declare the final result 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 photo copy thereof is permitted) and send it so as to reach the Scrutinizer appointed by the Board of Directors of the company is Ms. Anjali Yadav, Practicing Company Secretary, (Membership No. FCS-6628/ CP-7257), B-6/32, Sector-15, Rohini, Delhi-110089, Mobile No. +91 9810655161, E-mail ID : anjaliyadav.associates@gmail.com.

2. The Form should be signed by the Member as per the specimen signature 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/Authorization.

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 shareholders shall be in proportion of the share(s) held by them in the paid up equity share capital of the company as on August 8, 2014 and as per the Register of Members of the company.

6. Duly completed Ballot Form should reach the Scrutinizer not later than Sunday, September, 14, 2014 (6.00 p.m. IST). Ballot Form received after September 14th 2014 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. A Form will also be rejected 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 if the signature cannot be verified.

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

10. The result shall be placed on the company's website **www.mfgltd.com** within two days of the AGM of the company on September 18, 2014, and communicated to BSE Limited and National Stock Exchange of Indian Limited, where the shares of the company are listed.

MGF

ATTENDANCE SLIP

THE MOTOR & GENERAL FINANCE LIMITED

CIN : L74899DL1930PLC000208
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

84th Annual General Meeting-Thursday, September 18,2014

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 84th Annual General Meeting of the company at The Executive Club, 439, Village Shahoorpur, P.O. Fatehpur Beri, New Delhi-110030 on Thursday, the September 18,2014.

.....	.....	.....
Member'sFolio/ 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 this Attendance Slip and hand it over at the entrance of the MEETING HALL.
2. Physical copy of the Annual Report for 2013-14 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
140818035		**As per Instruction**

Note : Please read instructions given at Note No. 11 of the Notice of the 84th 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

CIN : L74899DL1930PLC000208
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

84th Annual General Meeting-Thursday, September 18,2014

Name of member(s) :

Registered address :

E Mail Id:

Folio No. / DP ID - Client ID:

I / We, being the member(s) of _____shares of the above named Company, hereby appoint:

1) Name: _____ E Mail:_____

Address:_____

_____Signature _____Or failing him / her

1) Name: _____ E Mail:_____

Address:_____

_____Signature _____Or failing him / her

1) 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 84th Annual General Meeting of the company to be held on Thursday, the September 18,2014 at The Executive Club, 439, Village Shahoorpur, P.O. Fatehpur Beri, New Delhi-110030 or and at any adjournment thereof.

Signed this…… day of…… 2014

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.