MGF

# 85th

Annual Report
2014-2015

THE MOTOR & GENERAL FINANCE LIMITED

## Shri Ved Prakash Gupta

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

**A True Karmayogi.**

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

# THE MOTOR & GENERAL FINANCE LIMITED

**MANAGEMENT**

**BOARD OF DIRECTORS**

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

**CHIEF EXECUTIVE**

SHRI S.S. KHERA

**VICE PRESIDENT & COMPANY SECRETARY & CFO**

SHRI M.K. MADAN

**BANKERS**

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

**AUDITORS**

M/s. S.N. DHAWAN & CO,
CHARTERED ACCOUNTANTS
C-37, CONNAUGHT PLACE
NEW DELHI-110001

**REGISTRAR & SHARE TRANSFER AGENTS**

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

**REGISTERED OFFICE**

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

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## DIRECTOR'S REPORT

The Board of Directors of The Motor & General Finance Limited take pleasure in presenting their 85th Report on the business and operations of the company and the accounts for the financial year ended March 31,2015.

### 1. Financial Summary

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

(₹ in lacs)

| Financial Results | Year ended March 31, 2015 | Year ended March 31, 2014 |
|---|---|---|
| Gross Profit before depreciation, finance cost and provisioning | **919.54** | 943.93 |
| Less: Finance Cost | **(701.47)** | (545.41) |
| Less: Depreciation including impairment and property reserves | **(90.14)** | (66.07) |
| Profit /(Loss) before provisions, exceptional items and tax | **127.93** | 332.45 |
| Add: Provision for doubtful debts written back | **-** | 73.94 |
| Add : Provision for diminution in value of investments | **(214.57)** | (7.91) |
| Profit /(Loss) before, exceptional items and tax | **(86.64)** | 398.48 |
| Less : Amount written off | **-** | (61.59) |
| Less: Excess Depreciation of earlier years written back | **11.54** | - |
| Provision for tax | **(70.00)** | (65.00) |
| Excess/(short)provision of tax of earlier years | **(26.94)** | 4.39 |
| Deferred Tax | **76.04** | 50.23 |
| Net Profit(/Loss) for the year | **(96.00)** | 326.51 |
| Total Profit/(Loss) | **(1489.21)** | (1393.21) |
| Losses carried forward to Balance Sheet | **(1489.21)** | (1393.21) |

Profitability of the company has been materially affected on account of provision for diminution in the value of long term investments amounting to ₹ 214.57 lacs and write off of irrecoverable sum of ₹ 101.13 lacs. The above provisions and write off has mainly resulted into loss of ₹ 96 lacs for the year ended March 31, 2015.

### 2. Dividend & Reserves

On account of loss reported by the company during the current year, the Board of Directors have not recommended any dividend. Reserves and Surplus as on March 31,2015 stood at ₹ 6858.16 lacs.

Keeping in view the decision of the FRRB with respect to the rectification and /or restatement of the financial statement, in compliance, the company has made provision as on March31,2015 for diminution in value of long term investments amounting to ₹ 214.57 lacs . There is, as such, no audit qualification in the financial statements by the statutory auditors for the year under review.

### 3. Share Capital

The Paid up Equity Share Capital as on March 31, 2015 stood at ₹1936.35 lacs. During the year there is no increase in the Share Capital.

### 4. Finance and Accounts

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

**5. Corporate Governance**

As per Clause 49 of 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. A separate section on Corporate Governance practices followed by the company from the company's auditors confirming compliance forms an integral part of this report.

**6. Extract of Annual Return**

Details forming part of the extract of the Annual Return in form MGT-9, as required under Section 92 of the Companies Act, 2013, is included in this report as **Annexure- C** and forms an integral part of the report.

**7. Policy on Directors' Appointment and Remuneration and other details**

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

As at March 31,2015, your Board comprised of following six Directors:-

**i) Sh. Rajiv Gupta, Chairman & Managing Director**

The Board of Directors, upon the recommendations of the Remuneration Committee consequent to the demise of Sh. Ved Prakash Gupa, Chairman Emeritus, designated Sh. Rajiv Gupta(DIN:00022964), the Managing Director, as the Chairman & Managing Director of the company with effect from September 1,2005. Further, on the recommendation of Nomination & Remuneration Committee, he was re-appointed by the Board at its meeting held on March 10,2014 for a period of three years with effect from April 1,2014 to March 31,2017 which was approved by the shareholders through Postal Ballot on April 25,2014. Also, on the recommendation of the Nomination and Remuneration Committee, the Board of Directors at its meeting held on October 20,2014, considered the variation in the terms of remuneration with effect from December 1,2014 and the same was approved by the shareholders through Postal Ballot on December 12, 2014. The Board of Directors in their meeting held on August 13,2015, on the recommendation of the Nomination & Remuneration Committee, have also considered the variation in the terms of remuneration viz increase in the salary with effect from October 1, 2015 upto March 31, 2017 as set out in the resolution to be passed by the shareholders in the ensuing Annual General Meeting.

**ii) Smt. Arti Gupta, Joint Managing Director**

Smt. Arti Gupta(DIN:00023237), on the recommendations of the Remuneration Committee was appointed by the members in their meeting held on August 29,2008 as Joint Managing Director of the company for a period of three years from June 5,2008 to June 4,2011. Smt. Arti Gupta is related to Sh. Rajiv Gupta, Chairman & Managing Director and on the recommendation of Nomination & Remuneration Committee, she was re-appointed by the Board at its meeting held on March 10,2014 for a period of three years from June 5,2014 to June 4,2017 which was approved through Postal Ballot by the shareholders on April 25,2014. Also, on the recommendation of the Nomination and Remuneration Committee, the Board of Directors at its meeting held on October 20,2014, considered the variation in the terms of remuneration with effect from December 1,2014 and the same was approved by the shareholders through Postal Ballot on December 12,2014. The Board of Directors in their meeting held on August 13,2015, on the recommendation of the Nomination & Remuneration Committee, have also considered the variation in the terms of remuneration viz ncrease in the salary with effect from October 1, 2015 upto June 4,2017 as set out in the resolution to be passed by the shareholders in the ensuing Annual General Meeting.

In the case of Smt. Arti Gupta, Joint Managing Director, there is due compliance of section 149(1) of the Companies Act,2013 and clause 49 of the Listing Agreement, providing for appointment of Woman Director on the Board.

**iii) Sh. Arun Mitter, Executive Director**

Sh. Arun Mitter(DIN:00022941), a Chartered Accountant, was appointed as Whole Time Director in the company in the year 2002 and since then, his appointment has been renewed from time to time. On the recommendation of Nomination & Remuneration Committee, he was re-appointed by the Board at its meeting held on March 10,2014 for a period of three years with effect from July 11,2014 to July 10,2017 which was approved through Postal Ballot by the shareholders on April 25,2014. Further, on the recommendation of the Nomination and Remuneration Committee, the Board of Directors at its meeting held on October 20,2014, considered the variation in the terms of remuneration with effect from December 1,2014 and the same was approved by the shareholders through Postal Ballot on December 12,2014. The Board of Directors in their meeting held on August 13,2015, on the recommendation of the Nomination & Remuneration Committee, have also considered the variation in the terms of remuneration viz increase in the salary with effect from October 1, 2015 upto July 10,2017 as set out in the resolution to be passed by the shareholders in the ensuing Annual General Meeting.

**iv) Sh. Bharat Kumar, Independent Director**

Sh. Bharat Kumar(DIN:00990117) was appointed by the Board in their meeting held on March 19,2002, He is a graduate in Commerce and holds a rich business experience. Pursuant to the provisions of Section 149, 150, 152 and any other applicable provisions of the Companies Act,2013 and rules made thereunder, Sh.Bharat Kumar has been appointed as an Independent Director whose term of office shall not be liable to retirement by rotation in terms of section 149(13) of the said

Act. Declaration has been received to the effect that he meets the criteria of independence as provided in section 149(6) of the Act. He holds the office for five consecutive years with effect from September 18,2014 upto September 17, 2019.

v) **Sh. Abhiram Seth, Independent Director**

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

vi) **Sh. Onkar Nath Aggarwal, Independent Director**

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

**Resignation of Director Sh. Sharad Aggarwal,**

During the year, Sh. Sharad Aggarwal, an Independent Director, resigned from the Board. The Board of Directors wish to place on record their deep appreciation for the valuable contributions made by Sh. Sharad Aggawal during his tenure as an Independent Director on the Board.

**8. Director's Responsibility Statement**

The Directors confirm that to the best of knowledge and belief and according to the information and explanations obtained by them, your Directors make the following statement in terms of section 134(3)(c) of the Companies Act, 2013.

i) That in the preparation of the annual accounts for the financial year ended March 31,2015, the applicable accounting standards had been followed along with proper explanation relating to material departures, if any;

ii) The Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the loss of the company for that period.

iii) That the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities.

iv) That annual accounts have been prepared on 'going concern ' basis.

v) That the Directors had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively; and

vi) That the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

vii(a) **Audit Observation**

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

**9. Directors retiring by rotation**

In accordance with the provisions of Section 152 of the Companies Act, 2013 and the company's Articles of Association, Sh. Rajiv Gupta, Chairman and Managing Director and Smt. Arti Gupta, Joint Managing Director retire by rotation in the forthcoming Annual General Meeting and being eligible, offer themselves for re-appointment.

**10. Key Managerial Personnel**

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

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

**11. Board Evaluation**

Pursuant to the provisions of the Companies Act, 2013 and Clause 49 of the Listing Agreement, the Board has carried out annual evaluation of its performance, the directors individually as well as the evaluation of the working of its Audit and Nomination and Remuneration Committees. It has also evaluated the various aspects of the Board's functioning, composition of the Board and its Committees, culture, execution and performance of specific duties, obligations and governance.

The performance evaluation of the Independent Directors was completed. The Chairman and the Non-Independent Directors performance evaluation was also carried out by the Independent Directors. The Board of Directors expressed their satisfaction with the evaluation process.

**12. Number of Meetings of the Board**

The details of the number of meetings of the Board held during the Financial Year 2014-2015 forms part of the Corporate Governance Report.

**13. Particulars of Loans, Guarantees or Investments by the Company**

Details of Loans, Guarantees and Investments covered under the provisions of section 186 of the Companies Act, 2013 are given in the notes to the Financial Statements. Refer Note No.26(ii) & 26(xii).

**14. Whistle Blower Policy**

The company has a Whistle Blower Policy to report genuine concerns of grievances. The Whistle Blower Policy is also available on the website of the company ***www.mgfltd.com***

**15. Related Party Transactions**

All transactions entered with Related Parties for the year under review were on arm's length basis and in the ordinary course of business. Further, there was no transaction with related parties that may have potential conflict with the interest of the company. Details of related party transactions entered into by the company in the ordinary course of business and at arm's length price are included in the notes forming part of the Financial Statements. Refer Note No. 26(vii)(b). There are no material related party transactions between the company and the related parties as defined under clause 49 of the Listing Agreement. All Related Party Transactions are placed before the Audit Committee as also to the Board for approval.

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

**16. Statutory Auditors**

Pursuant to the provisions of Section 139 of the Companies Act,2013 and the Rules made thereunder the current auditors of the company M/s S.N.Dhawan & Co, Chartered Accountants ( Firm Regd No.000050N) are eligible to hold office for the second consecutive year (in the term of three consecutive years approved at the last Annual General Meeting) and as such, are recommended for reappointment to audit the accounts of the company for the financial year ending 2015-16. As required under the provisions of section 139 of the Companies Act,2013, the company has obtained written confirmation from M/s S.N. Dhawan & Co, Chartered Accountants that their appointment, if made, would be in conformity within the limits specified in the said section.

The members are requested to appoint M/s. S.N. Dhawan & Co, Chartered Accountants, as auditors for the year 2015-16 and authorize the Board to fix their remuneration.

**17. Cost Auditors**

The Board of Directors, on the recommendation of Audit Committee, has re-appointed M/s PSK & Associates, Cost Accountants,(Firm Regd No. 000514) as Cost Auditors to audit the cost accounts of the company for the financial year ending 2015-16 at a remuneration of ₹ 40,000 plus service tax, as applicable. As required under the Companies Act, 2013, a resolution seeking member's approval for the remuneration payable to the Cost Auditor forms part of the Notice. As required under the Act and rules made thereunder, the remuneration payable to the Cost Auditors is required to be placed before the members in general meeting for approval. Accordingly, resolution seeking approval by members for the remuneration payable to M/s PSK & Associates, Cost Accountants, is included in the notice.

**18. Secretarial Auditors**

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and rules made there under, the company has appointed M/s Anjali Yadav & Associates, a firm of Company Secretaries in Practice, (FCS No.6628 & CP No.7257) to

undertake the Secretarial Audit of the company. The Secretarial Audit Report is included as **Annexure-D** in Form No.MR-3 and forms an integral part of this report.

There is no secretarial audit qualification for the year under review.

**19. Internal Auditor & Internal Control**

The internal audit has been entrusted to Mr. S.K. Aggarwal, a Chartered Accountant.

The company has in place adequate internal financial controls with reference to the financial statement and is in commensurate with its size, scale and complexities of its operations.

The Audit Committee periodically reviews the internal control systems with the management, internal auditors and statutory auditors and the adequacy of internal audit function, significant internal audit findings and follow ups thereon.

**20. Risk Management**

The Board of Directors has formed a risk management committee to frame, implement and monitor the risk management plan for the company. The committee is responsible for reviewing the risk management plan and ensuring its effectiveness. The audit committee has additional oversight in the area of financial risks and controls.

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

**21. Board Committees**

The Board has the following committees:-

**(i) Audit Committee**

The audit committee of the Board of the Directors comprises of three (3) directors namely Sh. Bharat Kumar, Sh. Abhiram Seth and Sh. Onkar Nath Aggarwal, all of them being independent directors. Sh. Bharat Kumar is the Chairman of the Audit Committee.

The Board accepts recommendations of the Audit Committee whenever made by the committee.

**(ii) Nomination & Remuneration Committee**

Nomination & Remuneration Committee comprises of five(5) directors namely, Sh. Rajiv Gupta, Sh. Arun Mitter, Sh. Bharat Kumar, Sh. Abhiram Seth and Sh. Onkar Nath Aggarwal. Out of five Directors, three directors are Independent Directors. Sh. Abhiram Seth, Independent Director, is the Chairman of the Committee.

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

**(iii) Stakeholders Relationship Committee**

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

The Committee looks into and resolves the grievances of the stakeholders.

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

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

**Corporate Social Responsibility (CSR) Policy**

As a part of its initiative under the "Corporate Social Responsibility"(CSR) drive, the company has undertaken projects

in the area of promoting education, renovation of school building and running of school and libraries etc. This is in accordance with Schedule VII of the Companies Act, 2013 and the company's CSR policy. The report on CSR activities as required under Companies (Corporate Social Responsibility Policy) Rules, 2014 is set out as **Annexure-'E'** forming part of this report.

The Board of Directors on the recommendation of Corporate Social Responsibility Committee, has approved the CSR Policy of the company which is also available on company's website *www.mgfltd.com*.

**(v) Risk Management Committee**

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

**22. 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.

**23. Particulars of Employees**

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

**24. Unpaid/Unclaimed Dividend**

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

| Financial Year to which dividend relates | Date of Declaration | Due date for transfer to IE&P Fund |
|---|---|---|
| 2008-2009 | 25-09-2008 | 31-10-2015 |
| 2009-2010 | 29-09-2010 | 04-11-2017 |
| 2010-2011 | 29-09-2011 | 04-11-2018 |

As provided under the Companies Act,2013, dividend remaining unclaimed for a period of seven years shall be transferred by the company to the IE&P Fund. In the interest of the investors, the company is in the practice of sending reminders to the investors concerned, before transfer of unclaimed dividend to the IE & P Fund. Unclaimed/un-encashed dividends upto the year 2006-07 have been transferred to the IE&P Fund.

**25. Listing of Shares & Listing Fee**

The shares of the company are listed on the BSE Limited(BSE) and National Stock Exchange of India Limited(NSE). The listing fee for the year 2015-16 has already been paid to the credit of both the stock exchanges.

**26. Dematerialization**

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

Further The 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 Participant with whom they are maintaining their Demat Accounts. Members holding shares in physical form can submit their PAN details to the company.

**27. 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.

**28. 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.*

**29. Insider Trading Code**

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

**30. Public Deposits**

The company has not taken or invited any fixed deposits from the public during the year under review within the meaning of Section 73 to 76 of the Companies Act, 2013 or rules made thereunder. There are no unclaimed deposits.

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

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

| | | | |
|---|---|---|---|
| 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 | **2.04 lacs** | 13.37 lacs |
| | b) Shares held by Non Resident Shareholders | **187081** | 191286 |
| | No. of Shareholders | **31** | 30 |

The company had no earnings in foreign exchange.

**32. E-mail ID for Investor's Grievances**

In compliance of sub clause (f) of 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.

**33. Nomination Facility**

In case, any of the members wish to avail facility of Nomination,(Form 2B), they are requested to send the duly completed form to the Registrars and/or at the Registered Office of the company.

**34. Consolidation of folios**

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

**35. 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 13, 2015**

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

**(ARTI GUPTA)**
JOINT MANAGING DIRECTOR
DIN:00023237

**Annexure 'A' to the Directors Report**

**CORPORATE GOVERNANCE REPORT**

**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 are 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.

**1. 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 Stock Exchange

The Board, as on March 31,2015, comprised of six 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.

**i) Constitution of the Board:**

| Sl No. | Name of Director | Status |
|---|---|---|
| 1. | Sh. Rajiv Gupta (DIN : 00022964) | Chairman & Managing Director & CEO |
| 2. | Mrs. Arti Gupta (DIN: 00023237) | Joint Managing Director |
| 3. | Sh. Arun Mitter (DIN : 00022941) | Whole Time Director-Executive Director |
| 4. | Sh. Bharat Kumar (DIN: 00990117) | Independent Director |
| 5. | Sh. Onkar Nath Aggarwal (DIN:00629878) | Independent Director |
| 6. | Sh. Sharad Aggarwal* (DIN: 00629816) | Independent Director |
| 7. | Sh. Abhiram Seth (DIN: 00176144) | Independent Director |

*Sh. Sharad Aggarwal (DIN: 00629816) ceased to be a Director w.e.f. March 31,2015

a. Chairmanship/Membership only includes Audit Committee and Stakeholders Relationship Committee in indian public limited companies. Members of the Board of the company do not have membership of more than ten Board level committees or Chairman of more than five such committees. None of the Directors who serve as a Whole Time Director in any listed company serve as Independent Director in more than three listed companies.

b. Sh. Rajiv Gupta and Mrs. Arti Gupta are related to each other.

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

**(ii) Independent Directors**

The Independent Directors fulfill the conditions of independence specified in section 149(6) of the Companies Act,2013 and rules made thereunder and meet with the requirement of clause 49 of the Listing Agreement entered into with the Stock Exchanges, A formal letter of appointment to Independent Directors as provided in Companies Act,2013 and the Listing Agreement has been issued and disclosed on the website of the company viz. ***www.mgfltd.com***

**(iii) Role of Independent Directors**

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

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

All Independent Directors of the company, at the time of their first appointment to the Board and thereafter at the first meeting of the Board in every financial year, give a declaration that they meet with the criteria of independence as provided under clause 49 of the listing agreement. In the opinion of the Board, each independent director possesses appropriate balance of skills, experience and knowledge, as required.

**(iv) 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. None of the Directors who serve as a Whole Time Director in any listed company serve as Independent Director in more than three listed companies.

**(v) 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. It is ensured that there are minimum number of four meetings of the Board of Directors every year to review the quarterly performance and financial results of the company.

**(vi) Number of Board Meetings:**

During the year from April 1, 2014 to March 31, 2015, the Board of Directors held Board Meetings on the following dates:

| S.No. | Date of Meeting | Board Strength | No.of Directors present |
|---|---|---|---|
| 1. | May 30, 2014 | 7 | 7 |
| 2. | June 25, 2014 | 7 | 3 |
| 3. | July 1, 2014 | 7 | 7 |
| 4. | August 1, 2014 | 7 | 5 |
| 5. | August 12, 2014 | 7 | 7 |
| 6. | September 15, 2014 | 7 | 6 |
| 7. | October 20, 2014 | 7 | 7 |
| 8. | October 31, 2014 | 7 | 7 |
| 9. | November 13 ,2014 | 7 | 7 |
| 10. | December 12, 2014 | 7 | 7 |
| 11. | January 5, 2015 | 7 | 5 |
| 12. | February 13, 2015 | 7 | 7 |
| 13. | March 31, 2015* | 6 | 6 |

*Sh. Sharad Aggarwal (DIN: 00629816) ceased to be a Director w.e.f. March 31, 2015

**(vii) Attendance of Directors:**

| Sl No | Name of the Director | No. of Board Meetings held | No. of Board Meetings Attended | Attendance at the last Annual General Meeting | No. of Directorship*** in other Boards as on March 31, 2015 | No. of Memberships in all Committees of the Board as on March 31, 2015 |
|---|---|---|---|---|---|---|
| 1. | Sh.Rajiv Gupta | 13 | 13 | N.A.* | 12 | 6 |
| 2. | Mrs.Arti Gupta | 13 | 13 | N.A* | 7 | 1 |
| 3. | Sh.Arun Mitter | 13 | 13 | Present | 19 | 7 |
| 4. | Sh. Bharat Kumar | 13 | 12 | Present | 2 | 2 |
| 5. | Sh. Onkar Nath Aggarwal | 13 | 10 | N.A*. | 10 | 2 |
| 6. | Sh. Sharad Aggarwal* | 13 | 9 | Present | 14 | - |
| 7. | Sh. Abhiram Seth | 13 | 11 | N.A* | 7 | 2 |

* *Sh. Sharad Aggarwal (DIN: 00629816) ceased to be a Director w.e.f. March 31,2015

N.A* - Not Attended.

* includes Directorship in Private and Public Limited Companies.

1. Chairmanship/Membership of Committee only includes Audit Committee and Stakeholders Relationship Committee in Indian Public Limited companies. Members of the Board of the company do not have membership of more than ten Board level committees or Chairman of more than five such Committees.

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

**(viii) Evaluation of Directors and the Board**

With the objective of enhancing the effectiveness of the board, the Nomination & Remuneration Committee formulated the methodology and criteria to evaluate the performance of the board and each director.

The evaluation of the performance of the board is based on the approved criteria such as the board composition, strategic planning, role of the chairman and other senior management, assessment of the timeliness and quality of the flow of information by the company to the board and adherence to compliance and other regulatory issues.

The independent directors also held a separate meeting on March 31,2015 to review the performance of the executive directors, the Chairman of the company and the overall performance of the board.

**(ix) Meeting Fee to Directors:**

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

**2. Governance Codes**

**(i) Code of Business Conduct & Ethics**

The company has adopted Code of Business Conduct & Ethics("the Code") which is applicable to the Board of Directors and Senior Management Team(one level below the Board) of the company. The Board of Directors and the members of Senior Management Team affirm compliance of this code. It is disclosed on the website of the company viz. ***www.mgfltd.com.***

**(ii) Insider Trading Code**

In accordance with SEBI(Prevention of Insider Trading) Regulation, 2015, the company has a Code of Conduct for Prevention of Insider Trading which was approved by the Board in their meeting held on May 14,2015. All the Directors,

employees at Senior Management and other employees who could have access to the unpublished price sensitive information of the company are governed by this code. The Company Secretary is the Compliance Officer for monitoring adherence to the said regulation.

**3. Board Committees**

To enable better and more focused attention on the affairs of the company, the board delegates particular matters to committees of the directors set up for the purpose. These specialist committees prepare the groundwork for decision making and report at the subsequent board meeting.

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

To comply with the requirements of Clause 49 of the Listing Agreement, the composition, broad terms of reference and attendance of director of each committee is given hereunder:-

**(i) Audit Committee**

This Committee is comprising of Sh. Rajiv Gupta, Sh. Arun Mitter, Sh. Bharat Kumar, Sh. Abhiram Seth and Sh. Onkar Nath Aggarwal

**(a) Chairman:**

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

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

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

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

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

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

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

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

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

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

v) Qualifications in the draft audit report, if any.

vi) Ensuring compliance with regulatory guidelines.

vii) Reviewing with the management the adequacy of internal control systems and ensuring suitable follow up action, where required.

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

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

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

xi) to change the signatories for availment of various facility from banks/financial institutions.

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

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

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

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

During the year, the Committee met nine times on May 30, 2014, July 1, 2014, August 12,2014, October 20, 2014, October 31, 2014, November 13, 2014, January 5, 2015, February 13, 2015 and March 31, 2015.

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

**( c ) Attendance of the Directors in the Audit Committee Meeting:**

| SNo. | Name of Director | No. of Audit Committee Meetings held | No. of Meetings attended |
|---|---|---|---|
| 1. | Sh. Bharat Kumar | 9 | 9 |
| 2. | Sh. Rajiv Gupta | 9 | 9 |
| 3. | Sh. Arun Mitter | 9 | 9 |
| 4. | Sh. Sharad Aggarwal* | 9 | 6 |
| 5. | Sh. Abhiram Seth | 9 | 9 |
| 6. | Sh. Onkar Nath Aggarwal** | 9 | 1 |

*Sh. Sharad Aggarwal (DIN: 00629816) ceased to be a Director w.e.f. March 31, 2015

** Sh. Onkar Nath Aggarwal was co-opted as a member in the Audit Committee w.e.f March 31, 2015.

Chairmanship/Membership of Committee only includes Audit Committee and Stakeholders Relationship Committee in Indian Public Limited companies. Members of the Board of the company do not have membership of more than ten Board level Committees or Chairman of more than five such Committees.

None of the Directors who serve as a Whole Time Director in any listed company serve as Independent Director in more than three listed companies.

**4. Stakeholders Relationship Committee.**

The Board of Directors at its meeting held on July 1,2014 has changed the nomenclature of the Shareholder's Grievance Committee to Stakeholders Relationship Committee, in accordance with Section 178(5) of the Companies Act,2013 and revised clause 49 of the listing agreement with Stock Exchanges.

This committee is comprising of Sh. Rajiv Gupta, Mrs. Arti Gupta, Sh. Arun Mitter, Sh. Bharat Kumar and Shri Abhiram Seth.

**Terms of Reference**

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

**Chairman**

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

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

**(i) Attendance of Directors in the Stakeholder Relationship Committee Meetings:**

The Stakeholders Relationship Committee met four times during the year on July 3, 2014, October 20, 2014, January 8, 2015, and March 31, 2015. The attendance for the meetings is as under :-

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

Chairmanship/Membership of Committee only includes Audit Committee and Stakeholders Relationship Committee in Indian Public Limited companies. Members of the Board of the company do not have membership of more than ten Board level Committees or Chairman of more than five such Committees.

None of the Directors who serve as a Whole Time Director in any listed company serve as Independent Director in more than three listed companies.

**(ii) Details of investors complaints received during the year ended March 31, 2015**

| 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 | 5 | 5 | - |
| 3. | Non receipt of Annual Report | 3 | 3 | - |
| | Total | 9 | 9 | - |

**(iii) Number of complaints pending with the Company**

All the shareholders requests/complaints received during the financial year ended March 31, 2015 by the company and/or their registrar i.e. M/s Alankit Assignments Limited were replied / resolved to their satisfaction.

**(iv) Number of shares pending for transfer:**

No shares were pending for transfer as on March 31, 2015.

**5. Nomination and Remuneration Committee(formerly known as Remuneration Committee) :**

The Board of Directors at its meeting held on May 30,2014 has changed the nomenclature of the Remuneration Committee to Nomination & Remuneration Committee, in accordance with Section 178 of the Companies Act,2013 and revised clause 49 of the listing agreement into with Stock Exchanges.

**(i) Membership:**

Nomination and Remuneration Committee comprise of Sh. Rajiv Gupta, Sh. Arun Mitter, Sh. Bharat Kumar, Sh. Abhiram Seth and Sh. Onkar Nath Aggarwal.

**Chairman**

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

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

During the year ended March 31, 2015, the Nomination and Remuneration Committee met four times i.e. October 20, 2014, October 31, 2014, December 12, 2014 and March 31, 2015. .

**(ii) Attendance of the Directors in the Nomination and Remuneration Committee Meeting**

| S.No. | Name of Director | No. of Meetings held | No. of Meetings attended |
|---|---|---|---|
| 1 | Sh. Rajiv Gupta | 4 | 4 |
| 2. | Sh. Arun Mitter | 4 | 4 |
| 3. | Sh. Bharat Kumar | 4 | 4 |
| 4. | Sh. Sharad Aggarwal* | 4 | 3 |
| 5. | Sh.Abhiram Seth | 4 | 4 |
| 6. | Sh.Onkar Nath Aggarwal** | 4 | 1 |

* *Sh. Sharad Aggarwal (DIN: 00629816) ceased to be a Director w.e.f. March 31,2015

** Sh. Onkar Nath Aggarwal, Non Executive Independent Director was co-opted as a member in the said Committee w.e.f. March 31, 2015

Chairmanship/Membership of Committee only includes Audit Committee and Stakeholders Relationship Committee in Indian Public Limited companies. Members of the Board of the company do not have membership of more than ten Board level Committees or Chairman of more than five such Committees.

None of the Directors who serve as a Whole Time Director in any listed company serve as Independent Director in more than three listed companies.

**(iv) Policy for appointment and remuneration**

In terms of section 178(3) of the Companies Act,2013 and clause 49 of the Listing Agreement, entered into by the company with Stock Exchanges, as amended from time to time, the policy on nomination and remuneration of Directors, Key Managerial Personnel(KMP), Senior Management and other employees of the company has been formulated by the Nomination and Remuneration Committee of the company and approved by the Board of Directors. The relevant extract of the aforesaid policy are given below:-

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

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

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

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

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

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

**(a) Remuneration Paid during the year ended March 31, 2015, are as under:-**

**EXECUTIVE DIRECTORS & KMP**

| Name of Director | Basic Salary & Allowances | Perquisites | Contribution to Provident Fund | Total (₹) |
|---|---|---|---|---|
| Sh. Rajiv Gupta<br>Chairman & Managing Director & CEO | 1152000 | 260536 | 144000 | 1556536 |
| Smt. Arti Gupta<br>Joint Managing Director | 1056000 | 184120 | 158400 | 1398520 |
| Sh. Arun Mitter<br>Executive Director | 1408000 | 258006 | 105600 | 1771606 |
| Sh. M.K. Madan, Vice-President &<br>Company Secretary & CFO | 1012250 | 188800 | 78270 | 1279320 |
| **Total** | **4628250** | **891462** | **486270** | **6005982** |

**(b) INDEPENDENT & NON EXECUTIVE DIRECTORS**

| Name of Director | *Sitting fee for attending the Board Meetings during the year ended March 31, 2015 (Amount in ₹) |
|---|---|
| Sh. Bharat Kumar | 60618 |
| Sh. Abhiram Seth | 55618 |
| Sh. Onkar Nath Aggarwal | 50618 |
| Sh. Sharad Aggarwal** | 45618 |
| **Total** | **212472** |

* including service tax

No sitting fee for attending any committee meeting was paid.

** Sh. Sharad Aggarwal (DIN: 00629816) ceased to be a Director w.e.f. March 31, 2015

**6. Risk Management Committee**

**(i) Membership:**

Risk Management Committee was constituted on February 13, 2015 and it comprises of members namely Sh. Bharat Kumar, Sh. Arun Mitter and Sh. Abhiram Seth.

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

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

During the year ended March 31,2015, the Risk Management Committee met on February 13,2015.

**(ii) Attendance of the Directors in the Risk Management Committee**

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

**(iii) Broad Terms of reference of the Risk Management Committee**

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

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

iii) It co-ordinates its activities with the Audit Committee in instances where there is any overlap with the audit activities.

**7. Corporate Social Responsibility(CSR) Committee**

Pursuant to Section 135 of the Companies Act, 2013, a Corporate Social Responsibility Committee was formed by the Board of Directors on February 13, 2015 and it consists of three Directors, namely Sh. Abhiram Seth, Sh. Arun Mitter and Sh. Onkar Nath Aggarwal (appointed as Indepedent Director on March 31, 2015).

**Chairman**

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

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

Meeting of the Corporate Social Responsibility Committee of Board of Directors was held on February 13,2015

**(i) Meeting and attendance**

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

**Terms of Reference of the Corporate Social Responsibility**

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

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

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

**8. Affirmations and Disclosures**

**a. Compliance with Governance Framework**

The company is in compliance with all mandatory requirements of Clause 49 of the Listing Agreement.

**b. Related Party transactions (RPTs)**

Your company enters into various transactions with related parties as defined under Section 2(76) of the Companies Act, 2013 in its ordinary course of business. All the RPTs are undertaken in compliance with the provisions set out in Companies Act,2013 and Clause 49 of the Listing Agreement. The Audit Committee and the Board of Directors of the company have formulated the policy on dealing with RPTs and a policy on materiality of RPTs which is uploaded on the website of the company. There were no materially significant transactions with related parties during the financial year.

A statement in summary form of transactions with related parties in the ordinary course of business and on arm's length basis is periodically placed before the Audit Committee for review and recommendation to the Board for their approval.

All the transactions were entered into in the normal course of business and had no potential conflict with the interest of the company at large and was carried out on an arm's length basis. These are included in the notes forming part of the Financial Statement Refer Note No.26(iii)(b)

**c. Details of non compliance by the company, penalties and strictures imposed on the company by Stock Exchanges or SEBI or any statutory authority, on any matter related to capital markets, during the last three years.**

The company has complied with all requirements of the Listing Agreement entered into with the Stock Exchanges as well as the regulations and guidelines of SEBI. Consequently, there were no strictures or penalties imposed by either SEBI or the Stock Exchanges or any statutory authority(ies) for non compliance of any matter related to the capital markets during the last three years.

**d. Whistle Blower Policy**

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

**e. Risk Management**

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

**f. Disclosure of Accounting Treatment**

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

**g. Non mandatory requirements**

Adoption of non mandatory requirements of Clause 49 of the Listing Agreement is being reviewed by the Board from time to time.

**h. Going Concern**

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

**i. CEO/CFO Certificate**

As required under Clause 49(IX) of the Listing Agreements, the CEO and CFO have certified to the Board regarding the correctness of the financial statements of the company for the year ended March 31, 2015.

**9. Management:**

(i) Management Discussion and Analysis Report:

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

**10. Recording Minutes of proceedings at Board and Committee meetings**

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

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

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

| AGM. No. | Year | Date | Time | Special Resolutions passed required for |
|---|---|---|---|---|
| 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. |
| 83rd | 2013 | September 26, 2013 | 11.30 A.M | NIL |
| 84th | 2014 | September 18, 2014 | 11.30 A.M. | To continue to hold office of Chairman & Managing Director and Joint Managing Director for the remaining period upto March 31,17 and June 4,2017 respectively under Sections 152 ,196 of the Companies Act,2013 and their office shall henceforth be liable to determination of retirement of Directors by rotation. |

**(i) Postal Ballot**

During the financial period under review, nine Special Resolutions were passed through Postal Ballot, particulars of which are set out hereunder:-

| Resolution No. | Particulars of the Resolution passed | Section of the Companies Act, 2013, under which the resolution was passed. |
|---|---|---|
| 1. | Authorised the Board of Directors to sell, lease, mortgage or otherwise dispose off the whole or substantially the whole of undertaking of the company upto an amount not exceeding Rs. 500 Crores | 180(1)(a) |
| 2. | Authorised the Board of Directors to borrow money/moneys upto an amount not exceeding Rs.500 Crores | 180(1)(c ) |
| 3. | Transactions with Related Parties transactions | 188 |
| 4. | To approve the Leave and License Agreement to be entered into between the company and a related party | 188 |
| 5. | Authorised the Board of Directors to make investments, extend guarantee provide security, make inter corporate loans upto an amount not exceeding Rs.300 Crores | 186 |
| 6. | To adopt new set of Articles of Association | 14 |
| 7. | Variations in the terms of remuneration of CMD | 196,197,198 and 203 |
| 8. | Variations in the terms of remuneration of JMD | 196,197,198 and 203 |
| 9. | Variations in the terms of remuneration of ED | 196,197,198 and 203 |

**(ii) Procedure of the Postal Ballot**

The Postal Ballot process was conducted in a fair and transparent manner in accordance with the provisions of section

110 of the Companies Act,2013 and the rules frame there under. Ms. Anjali Yadav, Practising Company Secretary(FCS No.6628 CP No.7257) was appointed as scrutinizer for conducting the Postal Ballot Process (physical and e-voting) of the Postal Ballot, together with statement setting out the material facts concerning each item of Special Business pursuant to the provisions of section 102 of the Companies Act,2013, Postal Ballot Form and self addressed postage prepaid envelope were despatched to all the shareholders of the company and all other persons entitled to receive the same. Further, the company had also provided the e-voting facility to enable the shareholders to cast their votes electronically.

The procedure for postal ballot was as per section 110 and other applicable provisions of the Companies Act,2013 read together with Rule 22 of the Companies(Management and Administration)Rules,2014..

**Voting Results of the Postal Ballot**

| Particulars | Number of Valid Votes received | Votes in favour | % of voting in favour | Votes against | % of voting Against |
|---|---|---|---|---|---|
| Special Resolution under section 180(1)(a) | 13710417 | 13709733 | 99.99 | 684 | 0.01 |
| Special Resolution under section 180(1) (c) | 13710417 | 13709733 | 99.99 | 684 | 0.01 |
| Special Resolution under section 188 | 2597403 | 2596720 | 99.97 | 683 | 0.03 |
| Special Resolution under section 188 | 2597403 | 2596720 | 99.96 | 683 | 0.04 |
| Special Resolution under section 186 | 2597403 | 2596669 | 99.97 | 734 | 0.03 |
| Special Resolution under section 14 | 13710417 | 13709777 | 99.99 | 640 | 0.01 |
| Special Resolution under section 196, 197, 198, 203 and other applicable provisions | 9944854 | 9938770 | 99.94 | 6084 | 0.06 |
| Special Resolution under section 196, 197, 198, 203 and other applicable provisions | 9944854 | 9938570 | 99.94 | 6284 | 0.06 |
| Special Resolution under section 196, 197, 198, 203 and other applicable provisions | 13695385 | 13694651 | 99.99 | 734 | 0.01 |

1 electronic voting representing 1429 equity shares was rejected/invalid.

Since out of the total valid votes polled 99.97% on average in respect of the above resolutions votes were cast in favour of the resolutions, the above Special Resolutions declared to have been passed with requisite majority. The result of the Postal Ballot was announced by Sh. Rajiv Gupta, Chairman & Managing Director & CEO on December 12,2014 at the Registered Office of the company. After declaration, the result was communicated to the Stock Exchanges and also posted to on the company's website.

**12. Whistle Blower Policy**

In compliance of clause 49(IIF) of the Listing Agreement, a draft copy of the Whistle Blower Policy was placed before the Board at its meeting held on December 12,2014 which was approved and duly signed by the Company Secretary for the sake of identification.

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

ii) Section 177 read with Rule 7 of the Companies(Meetings of Board and its Powers),2014 and revised clause 49 of the Listing agreement has established the Whistle Blower Policy for directors and employees to report concerns about unethical behavior actual or suspected fraud or violation of any of law or company's conduct, mismanagement, gross waste or misappropriation of company's funds.

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

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

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

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

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

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

The Board approved the above Code of Conduct and the same was required be formulated and published on the company's website ***mgfltd.com***.

A copy of the draft Code of Conduct, as is approved by the Board was also sent to the Stock Exchanges in token of its compliance.

**14. Shareholder Information :**

| | | |
|---|---|---|
| Annual General Meeting | : | 85th Annual General Meeting |
| Day & Date | : | Tuesday, September 29,2015 |
| Time | : | 12.15. P.M. |
| Venue | : | The Executive Club, 439, Village Shahoorpur, P.O. Fatehpur Beri, New Delhi-110030 |

**15. Financial Calendar :**

(Tentative schedule)

| | |
|---|---|
| Financial reporting for the quarter ended June 30, 2015 | **Second week of August, 2015** |
| Financial reporting for the quarter ended September 30, 2015 | **Second week of November, 2015** |
| Financial reporting for the quarter ended December 31, 2015 | **Second week of February, 2016** |
| Financial reporting for the quarter ended March 31, 2016 | **Within 60 days of the close of the quarter** |

**16. 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**

**17. Shareholders' Information**

| | | | |
|---|---|---|---|
| i) | Annual General Meeting | : | Tuesday, September 29, 2015 |
| ii) | Date of Book Closure | : | Thursday, September 24, 2015 to Tuesday, September 29, 2015 (both days inclusive) |

**18. 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 4/17-B, Asaf Ali Road, New Delhi-110002, Telephone Nos. 23272216-18, 23278001-02.

**19. Nomination Facility:**

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

**20. Share Transfer System:**

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

**21. Under Demat and Physical Mode:**

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

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

**22. Compliance Officer:**

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

**23. Company Secretary:**

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

**24. Address for Correspondence:**

**Registered Office:**

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

**25. Listing on Stock Exchanges:**

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

**National Stock Exchange of India Limited**

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

**Stock Code of the Company:**

Bombay Stock Exchange(BSE), Mumbai

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

National Stock Exchange of India( NSE)

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

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

| | (BSE) | | (NSE) | |
|---|---|---|---|---|
| Month & Year | High | Low | High | Low |
| April, 2014 | 37.95 | 33.90 | 39.95 | 33.05 |
| May, 2014 | 40.00 | 35.35 | 40.00 | 35.10 |
| June, 2014 | 39.75 | 35.00 | 39.60 | 35.10 |
| July, 2014 | 37.90 | 33.35 | 38.75 | 33.05 |
| Aug, 2014 | 38.25 | 34.20 | 39.60 | 34.00 |
| Sep, 2014 | 44.95 | 34.50 | 45.25 | 35.10 |
| Oct, 2014 | 42.15 | 35.20 | 42.50 | 35.00 |
| Nov, 2014 | 40.40 | 36.60 | 40.90 | 36.20 |
| Dec, 2014 | 39.65 | 34.15 | 38.35 | 34.00 |
| Jan, 2015 | 47.50 | 36.25 | 47.35 | 35.85 |
| Feb, 2015 | 46.95 | 41.10 | 44.80 | 41.05 |
| Mar, 2015 | 45.60 | 40.25 | 45.45 | 40.00 |

**27. Category of Shareholding as on March 31, 2015**

| S.No | Category | No.of Shares held | % of Shareholding |
|---|---|---|---|
| A | **Promoters *** | 12218589 | 63.101% |
| B | **Non Promoter Holding** | | |
| | Mutual Funds and UTI | - | - |
| | Banks, Financial Institutions, Insurance Companies(Central/State Government Institutions/Non Government Institutions) | 6466 | 0.033% |
| C | **Others** | | |
| | Private Corporate Bodies | 431451 | 2.228% |
| | Indian Public | 5427277 | 28.028% |
| | NRIs/OCBs/FIIs/Trust/Custodian | 1279812 | 6.610% |
| | **Total** | **19363595** | **100.00%** |

* includes persons acting in concert.

**28. Distribution of Company's Shareholding as on March 31, 2015:**

| Category | Shareholders | | | No. of Shares(Rs. 10/- per share) | | | Percentage(%) | | |
|---|---|---|---|---|---|---|---|---|---|
| | Physical | Demat | Total | Physical | Demat | Total | Physical | Demat | Total |
| Upto 5000 | 5221 | 4040 | 9261 | 566737 | 453148 | 1019885 | 2.927 | 2.340 | 5.267 |
| 5001 – 10000 | 221 | 320 | 541 | 161477 | 261245 | 422722 | 0.834 | 1.349 | 2.183 |
| 10001 – 20000 | 101 | 207 | 308 | 142591 | 313448 | 456039 | 0.736 | 1.619 | 2.355 |
| 20001 – 30000 | 40 | 77 | 117 | 99185 | 202657 | 301842 | 0.512 | 1.047 | 1.559 |
| 30001 – 40000 | 22 | 39 | 61 | 78804 | 140391 | 219195 | 0.407 | 0.725 | 1.132 |
| 40001 – 50000 | 12 | 32 | 44 | 54984 | 148910 | 203894 | 0.284 | 0.769 | 1.053 |
| 50001 – 100000 | 23 | 56 | 79 | 148568 | 419180 | 567748 | 0.767 | 2.165 | 2.932 |
| 100001 & above | 15 | 69 | 84 | 1062540 | 15109730 | 16172270 | 5.487 | 78.032 | 83.519 |
| **Total** | **5655** | **4840** | **10495** | **2314886** | **17048709** | **19363595** | **11.955** | **88.045** | **100.00** |

**Compliance:**

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

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

**Place: New Delhi**
**Date: August 13, 2015**

**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 31,2015 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 13, 2015**

**ANNEXURE 'B' TO THE DIRECTOR'S REPORT**

**MANAGEMENT'S DISCUSSION AND ANALYSIS:**

**INDUSTRY STRUCTURE AND BUSINESS DEVELOPMENTS**

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

**OPPORTUNITIES & THREATS, RISKS & CONCERNS, PERFORMANCE AND OUTLOOK**

**FINANCIAL**

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

(₹ in lacs)

| Financial Results | Year ended March 31, 2015 | Year ended March 31, 2014 |
|---|---|---|
| Gross Profit before depreciation, finance cost and provisioning | 919.54 | 943.93 |
| Less: Finance Cost | (701.47) | (545.41) |
| Less: Depreciation including impairment and property reserves | (90.14) | (66.07) |
| Add: Provision for doubtful debts written back | - | 73.94 |
| Add: Provision for diminution in value of investments | (214.57) | (7.91) |
| Profit/(Loss) before, exceptional items and tax | (86.64) | 398.48 |
| Less: Amount written off | - | (61.59) |
| Less: Excess Depreciation of earlier years written back | 11.54 | - |
| Provision for tax | (70.00) | (65.00) |
| Excess/(short) provision of tax of earlier years | (26.94) | 4.39 |
| Deferred Tax | 76.04 | 50.23 |
| Net Profit/(Loss) for the year Deferred Tax | (96.00) | 326.51 |

**RISK & CONCERNS**

The company has laid down the procedure to inform the Board about the risk management and minimization procedure. In this regard, Risk Management Committee has been constituted with broad terms of reference as under :-

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

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

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

**INTERNAL FINANCIAL CONTROL SYSTEMS WITH REFERENCE TO FINANCIAL STATEMENTS**

Your company has an adequate system of internal financial control systems to ensure that the reliability of financial and operational information and regulatory and statutory compliances. It has been designed to provide reasonable assurance that assets are safeguarded, transactions are executed in accordance with management's authorization and property recorded.

**HUMAN RESOURCES AND DEVELOPMENT**

Relation with the employees have continued to be harmonious throughout the year. 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.

**CAUTIONARY STATEMENT**

Statement in this Directors' Report & Management Discussion and Analysis describing the Company's objectives, projections, estimates, expectations or predictions may be "forward-looking statements" within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could make difference to the company's operations include changes in Government regulations, tax regimes, economic development etc.

## CERTIFICATION BY CHIEF EXECUTIVE OFFICER AND CHIEF FINANCIAL OFFICER

We hereby certify, for the financial year ended March 31,2015 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 31,2015 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**
**DIN:00022964**

**for THE MOTOR & GENERAL FINANCE LTD**

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

**Place: New Delhi**
**Date: August 13, 2015**

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## 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, 2015.

**For THE MOTOR & GENERAL FINANCE LTD**

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

**Place : New Delhi**
**Date : August 13, 2015**

**Annexure "C"**

**Form No.MGT-9**

**EXTRACT OF ANNUAL RETURN**

**As on Financial Year ended on March 31,2015**

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

i. Registration & Other Details

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

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

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

**III. Particulars of Holding, Subsidiary and Associate Companies**

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

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

### I. Category-wise Share holding

| Category Code | Category of Shareholder | No.of Shares held of the beginning of the year (As on April 1, 2014) | | | | No.of Shares held of the beginning of the year (As on April 1, 2015) | | | | % Change during the year |
|---|---|---|---|---|---|---|---|---|---|---|
| (I) | (II) | (V) | | (IV) | | (V) | | (IV) | | |
| (A) | ***Shareholding of Promoter and Promoter Group 2** | | | | | | | | | |
| (1) | **Indian** | | | | | | | | | |
| | (a) Individual / Hindu Undivided Family | 4770865 | 844992 | 5615857 | 29.00% | 4846383 | 796195 | 5642578 | 29.14% | 0.14% |
| | (b) Central Government / State Government(s) | - | - | - | | - | - | - | - | - |
| | (c) Bodies Corporate | 6576011 | 0 | 6576011 | 33.96% | 6576011 | 0 | 6576011 | 33.96% | 0.00% |
| | (d) Financial Institutions / Banks | - | - | - | - | - | - | - | - | - |
| | (e) Any other (specify) | - | - | - | - | - | - | - | - | - |
| | | - | - | - | | - | - | - | - | |
| | **Sub - Total (A) (1)** | **11346876** | 844992 | **12191868** | 62.96% | **11422394** | 796195 | **12218589** | 63.10% | 0.14% |
| (2) | **Foreign** | | | | | | | | | |
| | (a) Individual (Non Resident Individual / Foreign Individual | - | - | - | - | - | - | - | - | - |
| | (b) Bodies Corporate | - | | - | | - | | - | - | - |
| | (c) Institutions | - | | - | | - | | - | - | - |
| | (d) Any other (specify) | - | | - | | - | | - | - | - |
| | **Sub -Total (A) (2)** | **-** | | **-** | | **-** | | **-** | **-** | **-** |
| | **Total Shareholding of Promoter and Promoter Group (A) = (A) (1) + (A) (2)** | **11346876** | 844992 | **12191868** | 62.96% | **11422394** | 796195 | **12218589** | 63.10% | 0.14% |
| (B) | **Public Shareholding3** | | | | | | | | | |
| (1) | **Institutions** | | | | | | | | | |
| | (a) Mutual Funds / UTI | - | | - | | - | | - | | |
| | (b) Financial Institutions / Banks | 73409 | 1138 | 74547 | 0.38% | 5328 | 1138 | 6466 | 0.03% | -0.35% |
| | (c) Central Government/ State Government(s) | - | | - | | - | | - | | |
| | (d) Venture Capital Funds | - | | - | | - | | - | | |
| | (e) Insurance Companies | - | | - | | - | | - | | |
| | (f) Foreign Institutional Investors | 514447 | 0 | 514447 | 2.66% | 514447 | 0 | 514447 | 2.66% | 0.00% |
| | (g) Foreign Venture Capital Investors | - | | - | | - | | - | | |
| | (h) Any other (specify) **Sub - Total (B) (1)** | **587856** | 1138 | **588994** | 3.04% | **519775** | 1138 | **520913** | 2.69% | -0.35% |
| (2) | **Non - Institutions** | | | | | | | | | |
| | (a) Bodies Corporate | 440541 | 44912 | 485453 | 2.51% | 386539 | 44912 | 431451 | 2.23% | -0.28% |
| | **(b) Individual :-** | | | | | | | | | |
| | (i) Individual shareholders holding nominal share capital upto Rs.1 lakh. | 1883124 | 1260310 | 3143434 | 16.23% | 1760927 | 1213851 | 2974778 | 15.36% | -0.87% |
| | (ii) Individual shareholders holding nominal share capital in excess of Rs.1 lakh. | 1937444 | 246832 | 2184276 | 11.28% | 2205667 | 246832 | 2452499 | 12.67% | 1.39% |
| | (c) Any other (specify) | | | | | | | | | |
| | (i) NRI | 184305 | 6981 | 191286 | 0.99% | 180100 | 6981 | 187081 | 0.97% | -0.02% |
| | (ii) TRUST | 573307 | 0 | 573307 | 2.96% | 573307 | 0 | 573307 | 2.96% | 0.00% |
| | (iii) CUSTODIAN | 0 | 4977 | 4977 | 0.03% | 0 | 4977 | 4977 | 0.03% | 0.00% |
| | **Sub - Total (B) (2)** | **5018721** | 1564012 | **6582733** | 34.00% | **5106540** | 1517553 | **6624093** | 34.21% | 0.21% |
| | **Total Public Shareholding (B) = (B) (1) + (B) (2)** | **5606577** | 1565150 | **7171727** | 37.04% | **5626315** | 1518691 | **7145006** | 36.90% | -0.14% |
| | **Total (A) + (B)** | **16953453** | 2410142 | **19363595** | 100.00% | **17048709** | 2314886 | **19363595** | 100.00% | 0.00% |
| (C) | **Shares held by Custodians and against which Depository Receipts have been issued** | | | | | | | | | |
| C1 | Promoter and Promoter group | 0 | 0 | 0 | 0.00% | 0 | 0 | 0 | 0.00% | 0.00% |
| C2 | Public | 0 | 0 | 0 | 0.00% | 0 | 0 | 0 | 0.00% | 0.00% |
| | **TOTAL C = C1+C2** | **0** | 0 | **0** | 0.00% | **0** | 0 | **0** | 0.00% | 0.00% |
| | **Grand Total (A)+(B)+(C)** | **16953453** | 2410142 | **19363595** | 100.00% | **17048709** | 2314886 | **19363595** | 100.00% | 0.00% |

## ii. Shareholding of Promoters :-

| Sl No. | Shareholder's Name | Shareholding at the beginning of the year | | | Shareholding at the end of the year | | | % change in shareholding during the year |
|---|---|---|---|---|---|---|---|---|
| | | No.of shares | % of total shares of the company | % of shares/ pledged/ encumbered to total shares | No.of shares | % of total shares of the co | % of shares pledged/ encumbered total shares | |
| 2 | ARTI GUPTA / RAJIV GUPTA | 981000 | 5.07% | 0.00% | 981000 | 5.07% | 0.00% | 0.00% |
| 3 | ARTI GUPTA / RAJIV GUPTA (D/O.LATE RAM PRAKASH) | 208774 | 1.08% | 0.00% | 208774 | 1.08% | 0.00% | 0.00% |
| 4 | ARTI GUPTA / ANJALI GUPTA | 447607 | 2.31% | 0.00% | 447607 | 2.31% | 0.00% | 0.00% |
| 5 | ARUN MITTER | 10606 | 0.05% | 0.00% | 10606 | 0.05% | 0.00% | 0.00% |
| 6 | ISHAN VERMA | 100000 | 0.52% | 0.00% | 100000 | 0.52% | 0.00% | 0.00% |
| 7 | KRISHNAV VERMA | 100000 | 0.52% | 0.00% | 100000 | 0.52% | 0.00% | 0.00% |
| 8 | RAJIV GUPTA / ARTI GUPTA | 1256859 | 6.49% | 0.00% | 1493580 | 7.71% | 0.00% | 1.22% |
| 9 | RAJIV GUPTA / ARTI GUPTA | 500000 | 2.58% | 0.00% | 500000 | 2.58% | 0.00% | 0.00% |
| 10 | SAIESHA GUPTA | 100000 | 0.52% | 0.00% | 100000 | 0.52% | 0.00% | 0.00% |
| 11 | SHRADHA GUPTA | 100000 | 0.52% | 0.00% | 100000 | 0.52% | 0.00% | 0.00% |
| 12 | SHILPA GUPTA | 131089 | 0.68% | 0.00% | 131089 | 0.68% | 0.00% | 0.00% |
| 13 | SIDDHARTH GUPTA | 137389 | 0.71% | 0.00% | 137389 | 0.71% | 0.00% | 0.00% |
| 14 | SUMANA VERMA | 500000 | 2.58% | 0.00% | 500000 | 2.58% | 0.00% | 0.00% |
| 15 | USHA MITTER | 1092 | 0.01% | 0.00% | 1092 | 0.01% | 0.00% | 0.00% |
| 16 | VED PRAKASH GUPTA HUF | 200348 | 1.03% | 0.00% | 200348 | 1.03% | 0.00% | 0.00% |
| 17 | VISHWA MITTER | 2520 | 0.01% | 0.00% | 2520 | 0.01% | 0.00% | 0.00% |
| 18 | VISHWA MITTER HUF | 814 | 0.00% | 0.00% | 814 | 0.00% | 0.00% | 0.00% |
| 9 | ABHIRAM SETH | 5433 | 0.03% | 0.00% | 10245 | 0.05% | 0.00% | 0.02% |
| 20 | ABHIRAM SETH | 1175 | 0.01% | 0.00% | 0 | 0.00% | 0.00% | -0.01% |
| 21 | ABHIRAM SETH | 53 | 0.00% | 0.00% | 53 | 0.00% | 0.00% | 0.00% |
| 22 | ABHIRAM SETH / RADHIKA SETH | 779 | 0.00% | 0.00% | 0 | 0.00% | 0.00% | 0.00% |
| 23 | ABHIRAM SETH | 2858 | 0.01% | 0.00% | 0 | 0.00% | 0.00% | -0.01% |
| 24 | ISHIKA SETH | 43431 | 0.22% | 0.00% | 43431 | 0.22% | 0.00% | 0.00% |
| 25 | ISHIKA SETH | 3245 | 0.02% | 0.00% | 3245 | 0.02% | 0.00% | 0.00% |
| 26 | NEERU AGGARWAL / SHARAD AGGARWAL | 140084 | 0.72% | 0.00% | 140084 | 0.72% | 0.00% | 0.00% |
| 27 | PUNAM AGGARWAL | 11127 | 0.06% | 0.00% | 11127 | 0.06% | 0.00% | 0.00% |
| 28 | RADHIKA SETH | 120843 | 0.62% | 100.00% | 147181 | 0.76% | 82.11% | 0.14% |
| 29 | RADHIKA SETH / ABHIRAM SETH | 4000 | 0.02% | 100.00% | 6319 | 0.03% | 63.30% | 0.01% |
| 30 | RADHIKA SETH | 15259 | 0.08% | 0.00% | 0 | 0.00% | 0.00% | -0.08% |
| 31 | RADHIKA SETH / ABHIRAM SETH | 2319 | 0.01% | 0.00% | 0 | 0.00% | 0.00% | -0.01% |
| 32 | RADHIKA SETH | 5976 | 0.03% | 0.00% | 0 | 0.00% | 0.00% | -0.03% |
| 33 | RADHIKA SETH | 5103 | 0.03% | 0.00% | 0 | 0.00% | 0.00% | -0.03% |
| 34 | RAGHAV AGGARWAL | 100000 | 0.52% | 0.00% | 0 | 0.00% | 0.00% | -0.52% |
| 35 | SHARAD AGGARWAL | 133120 | 0.69% | 0.00% | 133120 | 0.69% | 0.00% | 0.00% |
| 36 | SIDDHANT AGGARWAL | 110000 | 0.57% | 0.00% | 0 | 0.00% | 0.00% | -0.57% |
| 37 | TANMAYE SETH | 9895 | 0.05% | 0.00% | 9895 | 0.05% | 0.00% | 0.00% |
| 38 | UMA AGGARWAL | 44953 | 0.23% | 0.00% | 44953 | 0.23% | 0.00% | 0.00% |
| 39 | BAHUBALI SERVICES LIMITED | 4094800 | 21.15% | 0.00% | 4094800 | 21.15% | 0.00% | 0.00% |
| 40 | GEE GEE HOLDINGS (P) LIMITED | 319517 | 1.65% | 0.00% | 319517 | 1.65% | 0.00% | 0.00% |
| 41 | GROSVENOR ESTATES (P) LIMITED | 300000 | 1.55% | 0.00% | 300000 | 1.55% | 0.00% | 0.00% |
| 42 | INDIA LEASE DEVELOPMENT LIMITED | 800000 | 4.13% | 0.00% | 800000 | 4.13% | 0.00% | 0.00% |
| 43 | RAM PRAKASH & CO.(P) LTD | 648321 | 3.35% | 0.00% | 648321 | 3.35% | 0.00% | 0.00% |
| 44 | MGF ESTATES (P) LIMITED | 413373 | 2.13% | 0.00% | 413373 | 2.13% | 0.00% | 0.00% |
| | TOTAL | 12191868 | 62.96% | 200.00% | 12218589 | 63.10% | 145.41% | 0.14% |

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

| Sl No. | Particulars | Shareholding of the beginning of the year | | Cumulative Shareholding during the year | |
|---|---|---|---|---|---|
| | | No. of shares | % of total shares of the company | No. of shares | % of total shares of the co |
| 8 | **RAJIV GUPTA / ARTI GUPTA** | | | | |
| | At the beginning of the year Off/Market | 1756859 | **9.07%** | 1756859 | **9.07%** |
| | purchase during the year | 236721 | **1.22%** | 236721 | **1.22%** |
| | At the end of the year | 1993580 | **10.30%** | 1993580 | **10.30%** |

**iv Shareholding Pattern of top ten (10) shareholders**

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

| Sl No. | Particulars | Shareholding of the beginning of the year | | Cumulative Shareholding during the year | |
|---|---|---|---|---|---|
| | | No. of shares | % of total shares of the company | No. of shares | % of total shares of the co |
| 1 | **DAULAT RAM COLLEGE SOCIETY** | **573307** | **2.96** | **573307** | **2.96** |
| 2 | **ATYANT CAPITAL MANAGEMENT LTD** | **514447** | **2.66** | **514447** | **2.66** |
| 3 | **ASHOK VISWANATHAN** | **514431** | **2.66** | **600000** | **3.10** |
| 4 | **VENKATARAMAN S** | **292050** | **1.51** | **292050** | **1.51** |
| 5 | **HINDUSTAN COMM.INV.TRUST LTD** | **260000** | **1.34** | **200000** | **1.03** |
| 6 | **SUJATA SHARMA** | **125304** | **0.65** | **125304** | **0.65** |
| 7 | **SHANTA K MOHAN** | **119338** | **0.62** | **119338** | **0.62** |
| 8 | **RAJ GUPTA** | **109686** | **0.57** | **109686** | **0.57** |
| 9 | **MEERA SAWHNEY** | **96982** | **0.50** | **96982** | **0.50** |
| 10 | **SHANTA K MOHAN** | **74551** | **0.38** | **74551** | **0.38** |

**v Shareholding of Directors and Key Managerial Personnel)**

| Sl No. | Particulars | Shareholding of the beginning of the year | | Cumulative Shareholding during the year | |
|---|---|---|---|---|---|
| | | No. of shares | % of total shares of the company | No. of shares | % of total shares of the co |
| 8 | **RAJIV GUPTA / ARTI GUPTA** | | | | |
| | At the beginning of the year | 1756859 | **9.07%** | 1756859 | **9.07%** |
| | Off/Market purchase during the year | 236721 | **1.22%** | 236721 | **1.22%** |
| | At the end of the year | 1993580 | **10.30%** | 1993580 | **10.30%** |

## V INDEBTEDNESS

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

| Particulars | Secured Loans excluding deposits | Unsecured Loans | Deposits | Total Indebtedness |
|---|---|---|---|---|
| Secured Loans | | | | |
| i) **Term loan** | 339600000 | - | - | |
| ii) **Working Capital Term Loan** | 117056208 | | | |
| iii) **Vehicle Loan** | 9425056 | - | - | **466081264** |
| **Unsecured Loans** | **-** | **63000000** | **-** | **63000000** |
| **Advances amount outstanding due to related parties** | **-** | **-** | **115200000** | **115200000** |
| **Security Deposits Outstanding** | **-** | **-** | **85693000** | **85693000** |
| **Total** | **466081264** | **63000000** | **200893000** | **729974264** |

## VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

| **Name of Director** | Basic salary & allowance | Perquisites | Contribution to Provident Fund | Total(Rs) |
|---|---|---|---|---|
| Sh. Rajiv Gupta Chairman & Managing Director & CEO | 1152000 | 260536 | 144000 | 1556536 |
| Smt. Arti Gupta Joint Managing Director | 1056000 | 184120 | 158400 | 1398520 |
| Sh. Arun Mitter Executive Director | 1408000 | 258006 | 105600 | 1771606 |
| Sh. M.K. Madan, Vice - President & Company Secretary & CFO | 1012250 | 188800 | 78270 | 1279320 |

The median remuneration of employees of the company was Rs.57600. In the Financial Year, there was an average increase of 17.65% in the median remuneration of employees.

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

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

**VII. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES:**

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

**Annexure - D**

**Form No. MR-3**

## SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31st March, 2015

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

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

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

Based on my verification of the company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on 31st March, 2015 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2015 according to the provisions of:

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

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

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

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

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

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

   (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;

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

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

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

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

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

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

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

(i) Secretarial Standards issued by The Institute of Company Secretaries of India; **(Not applicable as the same was not notified during the period covered by the report)**

(ii) The Listing Agreements entered into by the Company with Bombay Stock Exchange Limited, National Stock Exchange of India Limited.

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

**I further report that**

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

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

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

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

**For Anjali Yadav & Associates**

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

Place : New Delhi
Date : 10th August, 2015

This Report is to be read with our letter of even date which is annexed as **annexure D1** and forms an integral part of this Report.

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**Annexure "D1"**

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

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

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

**For Anjali Yadav & Associates**

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

Place : New Delhi
Date : 10th August, 2015

**Annexure "E"**

## Report on Corporate Social Responsibility (CSR)

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

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

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

3. Average net profits of the company for last three financial years is ₹ 416.45 lacs

4. Prescribed CSR Expenditure (two per cent of the amount as in item 3 above) is ₹ 8.33 lacs

5. Details of CSR spent during the financial year is ₹ 15.40 lacs.

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

   (b) Amount unspent, if any; - Nil

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

| (1) S. No | (2) CSR project or activity identified | (3) Sector in which the Project is covered | (4) Projects or programs (1) Local area or other(2) Specify the State and district where projects or programs was undertaken | (5) Amount outlay (budget) project or programs wise | (6) Amount spent on the projects or programs Sub – heads: (1) Direct expenditure on projects or programs (2) Overheads | (7) Cumulative expenditure upto to the reporting period | (8) Amount spent : Direct or through implementing agency* |
|---|---|---|---|---|---|---|---|
| 1 | Promoting education | Education | Local area | - | Direct expenditure | Rs.15.40 lacs | Direct |

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

Sd/-
(ABHIRAM SETH)
CHAIRMAN OF CSR COMMITTEE

## INDEPENDENT AUDITOR'S REPORT

**To the Members of**

**The Motor & General Finance Limited**

**Report on the 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, 2015, 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**

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

**Auditor's Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by Company's Directors, as well as evaluating the overall presentation of the financial statements.

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

**Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the company as at March 31, 2015 and its loss and its cash flows for the year ended on that date.

**Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2015 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

2. As required by Section 143 (3) of the Act, we report that:

(a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the 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;

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

(e) On the basis of written representations received from the directors as on March 31, 2015, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2015, from being appointed as a director in terms of Section 164 (2) of the Act; and

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

i The company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note no. 26 of the financial statements.

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

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the company.

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

**(S. K. Khattar)**
Partner
Membership No. 084993

Place: New Delhi
Date: May 29, 2015

## Annexure to Independent Auditor's Report

(The Annexure referred to in paragraph 1 of Report on Other Legal and Regulatory Requirements of even date on the financial statements of **The Motor & General Finance Limited** for the year ended March 31, 2015)

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.

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. According to the information and explanations given to us, the company has granted unsecured loans, to companies, firms or other parties covered in the register maintained under Section 189 of the Companies Act, 2013.

(a) 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.

(b) As stated above no repayment schedule have been specified and there are no overdue amounts in excess of Rs. one lacs.

iv. In our opinion, and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business for the purchase of stock in trade, fixed assets and sale of services. Further, on the basis of our examination of the books and records of the company, and according to the information and explanations given to us, we have neither come across, nor have been informed of, any continuing failure to correct major weaknesses in the aforesaid internal control system

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

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

vii. (a) According to the information and explanations given to us and on the basis of our examination of the records of the company, amounts deducted/accrued in the books of accounts in respect of undisputed statutory dues including income tax, provident fund, employees' state insurance, sales tax, wealth tax, service tax and other material statutory dues, as applicable to the company, have generally been regularly deposited with the appropriate authorities. According to the information and explanations given to us, no undisputed demand payable in respect of aforesaid statutory dues were in arrears, as at 31st March, 2015 for a period of more than six months from the date they became payable.

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

| Name of the statute | Nature of dues/Year | Amount in Rs. | Forum where dispute is pending |
|---|---|---|---|
| Electricity Act | Electricity charges (1993-94 & 2004) | 6,924,304 | BSES Yamuna Power Ltd. |
| Employee State Insurance Corporation Act, 1948 | ESIC's Dues | 7,475,606 (1989-2010) | ESIC Court |
| Finance Act | Services tax (2008-09) | 10,351,192 | Commissioner of Service Tax |

(c) According to the information and explanations given to us and the records of the company examined by us, no amount required to be transferred to investor education and protection fund in accordance with the relevant provisions of the Companies Act, 1956 (1 of 1956) and rules made there under.

viii. 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 loss during the financial year covered by our audit and in the immediately preceding financial year.

ix. 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.

x. In our opinion and 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. Accordingly, the provisions of paragraph 3(x) of the Order are not applicable to the company.

xi. In our opinion and according to the information and explanations given to us, and on overall examination of the Balance Sheet of the company, we report that term loans have been applied for the purpose for which they were obtained.

xii. In course of our examination of the books and records of the company, carried out in accordance with the generally accepted auditing practices in India, we have not come across any instance of fraud on or by the company, and according to the information and explanations given to us, no fraud was noticed or reported during the year by the management.

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

**(S. K. Khattar)**
Partner
Membership No. 084993

Place: New Delhi
Date: May 29, 2015

## BALANCE SHEET AS AT MARCH 31, 2015

| PARTICULARS | Note No. | As at 31.03.2015 ₹ | As at 31.03.2014 ₹ |
|---|---|---|---|
| **EQUITY AND LIABILITIES** | | | |
| **Shareholders' funds** | | | |
| a) Share capital | 2 | **193,635,950** | 193,635,950 |
| b) Reserves and surplus | 3 | **685,815,588** | 693,565,149 |
| | | **879,451,538** | 887,201,099 |
| **Non-current liabilities** | | | |
| a) Long-term borrowings | 4 | **424,652,187** | 237,443,285 |
| b) Other long term liabilities | 5 | **85,693,000** | 62,893,000 |
| c) Long-term provisions | 6 | **8,745,444** | 7,931,051 |
| | | **519,090,631** | 308,267,336 |
| **Current liabilities** | | | |
| a) Short-term borrowings | 7 | **63,000,000** | 166,100,000 |
| b) Other current liabilities | 8 | **224,116,816** | 574,374,551 |
| c) Short-term provisions | 9 | **6,511,999** | 6,282,377 |
| | | **293,628,815** | 746,756,928 |
| **TOTAL** | | **1,692,170,984** | 1,942,225,363 |
| **ASSETS** | | | |
| **Non-current assets** | | | |
| a) Fixed assets | | | |
| Tangible assets | 10 | **279,559,433** | 269,889,551 |
| b) Non current investments | 11 | **284,529,489** | 307,887,015 |
| c) Deferred tax assets (net) | 12 | **12,626,884** | 5,023,194 |
| d) Long-term loans and advances | 13 | **-** | 414,350,000 |
| e) Other non-current assets | 14 | **31,044,448** | 25,323,903 |
| | | **607,760,254** | 1,022,473,663 |
| **Current assets** | | | |
| a) Stock in trade | 15 | **889,373,472** | 885,193,602 |
| b) Trade receivables | 16 | **2,182,231** | - |
| c) Cash and bank balances | 17 | **6,874,932** | 12,587,067 |
| d) Short -term loans and advances | 18 | **173,800,000** | - |
| e) Other current assets | 19 | **12,180,095** | 21,971,031 |
| | | **1,084,410,730** | 919,751,700 |
| **TOTAL** | | **1,692,170,984** | 1,942,225,363 |
| 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
Firm's Reg No. 000050N

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

**Place: New Delhi**
**Dated: May 29, 2015**

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

**ARUN MITTER**
Executive Director
DIN : 00022941

**ONKAR NATH AGGARWAL**
Director
DIN : 00629878

**ARTI GUPTA**
Joint Managing Director
DIN : 00023237

**BHARAT KUMAR**
Director
DIN: 00990117

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

## STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED MARCH 31, 2015

| PARTICULARS | Note No. | Year Ended 31.03.2015 ₹ | Year Ended 31.03.2014 ₹ |
|---|---|---|---|
| **INCOME** | | | |
| Revenue from operations | 20 | **115,959,102** | 125,551,437 |
| Other income | 21 | **80,835,475** | 51,632,829 |
| **Total (A)** | | **196,794,577** | 177,184,266 |
| **EXPENDITURE AND CHARGES** | | | |
| Finance costs | 22 | **70,147,312** | 54,541,338 |
| Employee benefit expenses | 23 | **25,952,065** | 23,486,921 |
| Operating, administrative and other expenses | 24 | **78,888,134** | 59,304,743 |
| Depreciation and amortization expenses | 25 | **9,013,757** | 6,606,155 |
| **Total (B)** | | **184,001,268** | 143,939,157 |
| **Profit/(Loss) before provisions, exceptional Items, extra ordinary items and tax (A-B)** | | **12,793,309** | 33,245,109 |
| Provision for doubtful debts written back | | **-** | 7,393,857 |
| Provision for diminution in value of investments | | **(21,456,726)** | (791,480) |
| **Profit/(Loss) before exceptional Items, extra ordinary items and tax** | | **(8,663,417)** | 39,847,486 |
| **Exceptional items** | | | |
| Amount written off | | **-** | (6,158,718) |
| Excess depreciation of earlier years written back | | **1,153,702** | - |
| **Profit/(Loss) before tax for the year** | | **(7,509,715)** | 33,688,768 |
| **Tax Expenses:** | | | |
| Current Tax | | **(7,000,000)** | (6,500,000) |
| Deferred Tax | | **7,603,690** | 5,023,194 |
| Excess/(Short) provision of earlier years | | **(2,693,578)** | 439,121 |
| **Profit/(Loss) after tax for the year** | | **(9,599,603)** | 32,651,083 |
| **Earnings Per Share (Face Value - ₹ 10 per share)** | | | |
| Basic | | **(0.50)** | 1.69 |
| Diluted | | **(0.50)** | 1.69 |
| 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
Firm's Reg No. 000050N

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

**Place: New Delhi**
**Dated: May 29, 2015**

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

**ARUN MITTER**
Executive Director
DIN : 00022941

**ONKAR NATH AGGARWAL**
Director
DIN : 00629878

**ARTI GUPTA**
Joint Managing Director
DIN : 00023237

**BHARAT KUMAR**
Director
DIN: 00990117

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

## CASH FLOW STATEMENT FOR YEAR ENDED MARCH 31, 2015

| | | Year Ended March 31, 2015 ₹ | Year Ended March 31, 2014 ₹ |
|---|---|---|---|
| **A.** | **CASH FLOW FROM OPERATING ACTIVITIES** | | |
| | Profit Before Tax | **(7,509,715)** | 33,688,768 |
| | Adjustments for: | | |
| | Depreciation/Amortization | **7,860,055** | 6,606,155 |
| | Profit on sale of Fixed Assets | **(35,595,919)** | - |
| | Profit on sale of investments | **(552,656)** | |
| | Addition/(Reversal) of Provision for Doubtful Debts and , shortfall in Investments | **21,456,726** | (6,602,377) |
| | Interest Paid | **70,147,312** | 54,541,338 |
| | Interest received | **(31,441,503)** | (28,780,390) |
| | Provision for Gratuity | **950,529** | 940,975 |
| | Provision for Leave Encashment | **93,486** | 26,853 |
| | **Operating Profit Before Working Capital Changes** | **25,408,315** | 60,421,322 |
| | Increase/(Decrease) in Trade payable | **-** | (5,814,862) |
| | Increase/(Decrease) in other Long term Liabilities | **22,800,000** | (9,525,000) |
| | Increase/(Decrease) in other Current Liablities | **(266,814,536)** | 199,351,650 |
| | (Increase)/Decrease in Trade Receivables | **(2,182,231)** | 6,258,085 |
| | (Increase)/Decrease in Long Term Loans and Advances | **414,350,000** | (65,950,000) |
| | (Increase)/Decrease in Short Term Loans and Advances | **(173,800,000)** | **-** |
| | (Increase)/Decrease in Other Non Current Assets | **(132,269)** | 1,657,970 |
| | (Increase)/Decrease in Other Current Assets | **9,790,936** | 9,888,080 |
| | (Increase)/Decrease Stock in Trade | **(4,179,870)** | (40,813,455) |
| | **Net Cash Used in Operations** | **25,240,345** | 155,473,790 |
| | Income Tax Paid | **(15,281,854)** | (15,448,187) |
| | **Net Cash Flow From Operating Activities** | **9,958,491** | 140,025,603 |
| **B.** | **CASH FLOWS FROM INVESTING ACTIVITIES** | | |
| | Purchase of Fixed Assets | **(16,896,670)** | (2,756,605) |
| | Sale of Fixed Assets | **38,116,150** | - |
| | Sale/(Addition) in Investment | **1,150,000** | - |
| | Interest Received | **31,441,503** | 28,780,390 |
| | **Net Cash Flow From Investing Activities** | **53,810,983** | 26,023,785 |
| **C.** | **CASH FLOWS FROM FINANCING ACTIVITIES** | | |
| | Increase/(Decrease) in Long Term Borrowings | **187,208,903** | 71,276,619 |
| | Increase/(Decrease) in Short Term Borrowings | **(186,539,425)** | (176,766,105) |
| | Interest Paid | **(70,147,312)** | (54,541,338) |
| | Dividend Paid | **(3,775)** | 85,637 |
| | **Net Cash Flow From Financing Activities** | **(69,481,609)** | (159,945,187) |
| | **NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS** | **(5,712,135)** | 6,104,201 |
| | Opening Cash and Cash Equivalents | **12,587,067** | 6,482,866 |
| | **Closing Cash and Cash Equivalents** | **6,874,932** | 12,587,067 |

**Note:**

| | | | |
|---|---|---|---|
| 1 | Components of Cash and Cash Equivalents: | **March 31, 2015** | March 31, 2014 |
| | Cash and Cheques in Hand | **97,153** | 6,873,316 |
| | Balances with Banks | **6,777,779** | 5,713,751 |
| | | **6,874,932** | 12,587,067 |

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

As per our report of even date attached

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

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

**Place: New Delhi**
**Dated: May 29, 2015**

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

**ARUN MITTER**
Executive Director
DIN : 00022941

**ONKAR NATH AGGARWAL**
Director
DIN : 00629878

**ARTI GUPTA**
Joint Managing Director
DIN : 00023237

**BHARAT KUMAR**
Director
DIN: 00990117

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

## 1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES AND PRACTICES

(Annexed to and forming part of the financial statements for the year ended March 31, 2015)

### i) Accounting Conventions

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

### ii) Fixed Assets

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

### iii) Investments

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

### iv) Stock in Trade-Projects

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

### v) Depreciation

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

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

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

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

### vi) Revenue Recognition

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

b) Insurance claims are accounted for on receipt basis.

c) Dividend 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 recognised 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 recognised 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 31.03.2015 ₹ | As at 31.03.2014 ₹ |
|---|---|---|
| **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.) Reconciliation of the shares outstanding at the beginning and at the end of the year**

| | As at 31.03.2015 | | As at 31.03.2014 | |
|---|---|---|---|---|
| | Nos. | ₹ | Nos. | ₹ |
| **Equity Shares** | | | | |
| At the beginning of the year | **19,363,595** | **193,635,950** | 19,363,595 | 193,635,950 |
| Add: Issued during the year | **-** | **-** | - | - |
| **Outstanding at the end of the year** | **19,363,595** | **193,635,950** | 19,363,595 | 193,635,950 |

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

| | As at 31.03.2015 | | As at 31.03.2014 | |
|---|---|---|---|---|
| | Nos. | % holding | Nos. | % holding |
| Equity shares of ₹ 10/- each fully paid up | | | | |
| Bahubali Services Limited | **4,094,800** | **21.15** | 4,094,800 | 21.15 |
| Shri Rajiv Gupta & Smt. Arti Gupta | **1,993,580** | **10.30** | 1,756,859 | 9.07 |
| Smt. Arti Gupta & Shri Rajiv Gupta | **981,000** | **5.07** | 981,000 | 5.07 |

## 3. RESERVES AND SURPLUS

| | As at 31.03.2015 ₹ | As at 31.03.2014 ₹ |
|---|---|---|
| **Capital Reserve** | **610,050** | 610,050 |
| **Securities Premium Account** | **88,840,900** | 88,840,900 |
| **Statutory Reserve Fund** | | |
| Opening balance | **-** | 166,436,883 |
| Less: Transferred to General Reserve | **-** | (166,436,883) |
| **Closing balance** | - | - |
| **Revaluation Reserve** | | |
| Opening balance | **262,153,487** | 263,081,403 |
| Less: Transferred to General Reserve | **2,615,661** | |
| Less: Transferred to depreciation & amortization | **-** | 927,916 |
| **Closing balance** | **259,537,826** | 262,153,487 |
| **Property Reserve** | | |
| Opening balance | **57,057,165** | 53,722,216 |
| Add: Transferred from depreciation & amortization | **3,153,498** | 3,334,949 |
| | **60,210,663** | 57,057,165 |
| Less: deductions during the year | **1,303,456** | - |
| **Closing balance** | **58,907,207** | 57,057,165 |
| **General Reserve** | | |
| Opening balance | **424,223,989** | 257,787,106 |
| Add: Transferred from Revaluation Reserve | **2,615,661** | |
| Add: Transferred from Statutory Reserve | **-** | 166,436,883 |
| **Closing balance** | **426,839,650** | 424,223,989 |
| **Surplus/ (deficit) in statement of profit & loss** | | |
| Opening balance | **(139,320,442)** | (171,971,525) |
| Add: profit/(loss) for the year | **(9,599,603)** | 32,651,083 |
| **Closing balance** | **(148,920,045)** | (139,320,442) |
| **Total** | **685,815,588** | 693,565,149 |

## 4. LONG TERM BORROWINGS

| | As at 31.03.2015 ₹ | As at 31.03.2014 ₹ |
|---|---|---|
| **Secured** | | |
| **Term Loans** | | |
| From Bank (Kotak Mahindra Bank Limited) | **-** | 111,592,849 |
| From Bank (Kotak Mahindra Bank Limited) | **302,000,000** | - |
| From others (Kotak Mahindra Prime Limited) | **-** | 25,850,436 |
| **Working Capital Loan** | | |
| From others (Kotak Mahindra Investment Ltd.) | **115,000,000** | 100,000,000 |
| **Vehicle Loan** | | |
| From others (Kotak Mahindra Prime Ltd.) | **7,652,187** | **-** |
| **Total** | **424,652,187** | 237,443,285 |

**Notes:-**

a) Term Loans from Kotak Mahindra Bank Limited are secured by way of mortgage of one of company's properties and hypothecation of trade receivables including all present and future lease rentals and personal guarantee of two directors. The principal of term loans are repayable by way of monthly installments and the rate of interest ranging from 13 % to 12.25%. Loan repayable in FY 2016-17 ₹ 41,800,000/- FY 2017-18 ₹ 49,700,000/- FY 2018-19 ₹ 57,000,000/-, FY 2019-20 ₹ 59,800,000/-, FY 2020-21 ₹ 68,800,000/-,FY 2021-22 ₹ 24,900,000/- .

b) Working Capital Loan from Kotak Mahindra Investments Limited is secured against the securities of mutual funds, shares etc. held by the directors and there family members and group entities. The loan is repayable in sixty months and the rate of interest is ranging from 12.25 to 11.75% .

c) Vehicle Loan from Kotak Mahindra Prime Limited is secured against hypothecation of vehicle and personal guarantee of one of the directors of the Company. The principal of loans are repayable by way of monthly installments and the rate of interest is 9.8 %. Loan repayable in FY 2016-17 ₹ 1,897,434/- FY 2017-18 ₹ 2,083,714/- FY 2018-19 ₹ 2,288,279/-, FY 2019-20 ₹ 1,382,760/- .

## 5. OTHER LONG TERM LIABILITIES

| | | |
|---|---|---|
| Security Deposits | **85,693,000** | 62,893,000 |
| **Total** | **85,693,000** | 62,893,000 |

## 6. LONG TERM PROVISIONS

| | | |
|---|---|---|
| For gratuity | **7,927,404** | 7,204,326 |
| For leave encashment | **818,040** | 726,725 |
| **Total** | **8,745,444** | 7,931,051 |

| 7. | SHORT TERM BORROWINGS | As at 31.03.2015 ₹ | As at 31.03.2014 ₹ |
|---|---|---|---|
| | **Unsecured** | | |
| | Inter corporate deposits from related parties | | |
| | - Bahubali Services Ltd. | **63,000,000** | 166,100,000 |
| | **Total** | **63,000,000** | 166,100,000 |
| **8.** | **OTHER CURRENT LIABILITIES** | | |
| | Current maturities of long term borrowings | **39,327,805** | 122,767,229 |
| | Other liabilities | **62,905,480** | 63,447,596 |
| | Advances from related parties | **115,200,000** | 360,575,000 |
| | Bank book overdraft | **1,119,264** | 4,264,469 |
| | Interest accrued and due on Loans | **-** | 5,000,000 |
| | Interest accrued but not due on Loans | **2,101,272** | 14,853,487 |
| | Unclaimed dividend * | **3,462,995** | 3,466,770 |
| | **Total** | **224,116,816** | 574,374,551 |
| | * There are no amount due and outstanding to be credited to Investors Education and Protection Fund | | |
| **9.** | **SHORT TERM PROVISIONS** | | |
| | For gratuity | **6,021,923** | 5,794,472 |
| | For leave encashment | **490,076** | 487,905 |
| | **Total** | **6,511,999** | 6,282,377 |

## 10. FIXED ASSETS

| | As at 31.03.2015 ₹ | As at 31.03.2015 ₹ |
|---|---|---|
| Gross Block | | |
| Other Assets | **393,215,316** | 388,313,919 |
| Less: Depreciation | **113,655,883** | 118,424,368 |
| Net Block | **279,559,433** | 269,889,551 |

## 10 A : FIXED ASSETS

(₹)

| | GROSS BLOCK | | | | DEPRECIATION | | | | NET BLOCK | | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| **PARTICULARS** | **As at 01.04.2014** | **Additions during the year** | **Deductions** | **As at 31.03.2015** | **Up to 01.04.2014** | **Additions** | **Deductions** | **Adjustments** | **Up to 31.03.2015** | **As at 31.03.2015** | As at 31.03.2014 |
| **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 | 52,567,593 | - | 11,995,273 | **40,572,320** | 40,787,901 | **457,952** | **9,475,042** | **(11,879)** | **31,758,932** | **8,813,388** | 11,779,692 |
| Leasehold | 36,000,000 | - | - | **36,000,000** | 30,157,606 | **318,410** | **-** | **-** | **30,476,016** | **5,523,984** | 5,842,394 |
| Two Wheelers | 249,622 | - | - | **249,622** | 148,869 | **26,129** | **-** | **-** | **174,998** | **74,624** | 100,753 |
| Vehicles | 10,845,522 | 12,323,250 | - | **23,168,772** | 7,502,841 | **2,776,678** | **-** | **(19,668)** | **10,259,851** | **12,908,921** | 3,342,681 |
| Furniture & Fixtures | 1,465,032 | - | - | **1,465,032** | 914,339 | **182,187** | **-** | **-** | **1,096,526** | **368,506** | 550,693 |
| Office Machines | 4,750,178 | - | - | **4,750,178** | 4,477,275 | **139,548** | **-** | **(133,492)** | **4,483,331** | **266,847** | 272,903 |
| Computer | 1,530,160 | 22,995 | - | **1,553,155** | 1,340,677 | **120,666** | **-** | **(53,633)** | **1,407,710** | **145,445** | 189,483 |
| Electric Fittings, Equipment & Fans etc. | 20,351,575 | 3,158,466 | - | **23,510,041** | 17,063,557 | **1,158,527** | **-** | **(462,641)** | **17,759,443** | **5,750,598** | 3,288,018 |
| Lifts | 3,891,729 | - | - | **3,891,729** | 3,777,166 | **3,034** | **-** | **(94,110)** | **3,686,090** | **205,639** | 114,563 |
| Air Conditioners & Coolers | 14,013,663 | 1,391,959 | - | **15,405,622** | 12,254,137 | **677,128** | **-** | **(378,279)** | **12,552,986** | **2,852,636** | 1,759,526 |
| **Total** | **388,313,919** | **16,896,670** | **11,995,273** | **393,215,316** | **118,424,368** | **5,860,259** | **9,475,042** | **(1,153,702)** | **113,655,883** | **279,559,433** | 269,889,551 |
| Previous year | 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 | |

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

## 11. NON-CURRENT INVESTMENTS

| | PARTICULARS | VALUE As at 31.03.2015 ₹ | As at 31.03.2014 ₹ |
|---|---|---|---|
| 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 shares of ₹ 10/- each of Mawana Sugars Limited | **9,000** | 9,000 |
| | | **91,623,308** | 91,623,308 |
| | Less: Provision for diminution in value of Investments | **22,248,206** | 791,480 |
| | | **69,375,102** | 90,831,828 |
| | * Companies under the same management | | |
| | **Unquoted** | | |
| 2. | **SHARES IN COOPERATIVE SOCIETIES** | | |
| | **50** (50) shares of ₹ 10 each in Atlanta Premises Cooperative Society Ltd. | **500** | 500 |
| | | **500** | 500 |
| 3. | **INVESTMENT IN IMMOVABLE PROPERTIES** | | |
| | Building on Leasehold Land | **191,696,057** | 191,696,057 |
| | Building on Freehold Land | **23,457,830** | 25,358,630 |
| | | **215,153,887** | 217,054,687 |
| | **TOTAL** | **284,529,489** | 307,887,015 |

| **NOTES:** | | **Cost** | **Market Value** |
|---|---|---|---|
| i) | Aggregate value of quoted long term investments | **91,623,308** | **69,375,102** |
| | | (91,623,308) | (39,713,983) |
| ii) | Aggregate value of Investments in unquoted investments | **215,154,387** | **-** |
| | | (217,055,187) | (-) |

| | | As at 31.03.2015 ₹ | As at 31.03.2014 ₹ |
|---|---|---|---|
| **12.** | **DEFERRED TAX ASSETS/ (LIABILITIES) (NET)** | | |
| | Depreciation | **(2,628,109)** | (3,775,334) |
| | Provision for leave encashment | **404,208** | 375,321 |
| | Provision for gratuity | **4,310,342** | 4,016,629 |
| | Provision for diminution in the value of investments | **6,874,696** | 244,567 |
| | Business loss | **3,665,747** | 4,162,011 |
| | **Total** | **12,626,884** | 5,023,194 |
| **13.** | **LONG TERM LOANS AND ADVANCES** | | |
| | **Inter Corporate Deposits** | | |
| | (Unsecured and Considered Good ) | | |
| | Deposits with related parties | | |
| | Jaya Bharat Credit Limited | **-** | 414,350,000 |
| | **Total** | **-** | 414,350,000 |
| **14.** | **OTHER NON CURRENT ASSETS** | | |
| | **Considered good** | | |
| | Security deposits | **3,249,564** | 3,249,564 |
| | Fixed deposits with banks having maturities of more than twelve months * | **133,279** | - |
| | Saving bank account with post office | - | 1,010 |
| | (Pledged with excise department) | | |
| | Advance tax/tax deducted at source | **27,661,605** | 22,073,329 |
| | (net of provisions) | | |
| | **Total** | **31,044,448** | 25,323,903 |
| | * lodged as margin for issuing bank guarantees to government authorities. | | |

| | | As at 31.03.2015 ₹ | As at 31.03.2014 ₹ |
|---|---|---|---|
| **15.** | **STOCK IN TRADE** | | |
| | Commercial project | **889,373,472** | 885,193,602 |
| | **Total** | **889,373,472** | 885,193,602 |
| **16.** | **TRADE RECEIVABLES** | | |
| | Other debts (Unsecured and Considered Good) | **2,182,231** | - |
| | **Total** | **2,182,231** | - |
| **17.** | **CASH AND BANK BALANCES** | | |
| | **Cash & cash equivalents** | | |
| | Cash in hand and stamps | **97,153** | 97,936 |
| | Cheques in hand | **-** | 6,775,380 |
| | With Scheduled Banks in: | | |
| | Current accounts | **5,181,575** | 4,242,932 |
| | **Other bank balances** | | |
| | Fixed deposits having maturities upto twelve months* | **1,596,204** | 1,470,819 |
| | **Total** | **6,874,932** | 12,587,067 |

**NOTES:**

Balance in current accounts include ₹ **3,462,995/-** (Previous Year ₹ 3,466,770/-) earmarked against unclaimed dividend.

* Include ₹ **331,230/-** (Previous Year ₹ 518,471/- ) lodged as margin for issuing bank guarantees to government authorities.

| | | | |
|---|---|---|---|
| **18.** | **SHORT TERM LOANS AND ADVANCES** | | |
| | **Inter Corporate Deposits** | | |
| | (Unsecured and Considered Good) | | |
| | **Deposits with related parties** | | |
| | Jaya Bharat Credit Limited | **173,800,000** | - |
| | **Total** | **173,800,000** | - |
| **19.** | **OTHER CURRENT ASSETS** | | |
| | (Unsecured, Considered Good) | | |
| | Interest accrued on inter corporate deposits | **5,816,947** | 6,771,470 |
| | Interest accrued but not due on fixed deposits | **26,989** | 44,648 |
| | Advances recoverable in cash or in kind or for value to be received | **6,336,159** | 15,154,913 |
| | **Total** | **12,180,095** | 21,971,031 |

| | | Year Ended 31.03.2015 ₹ | Year Ended 31.03.2014 ₹ |
|---|---|---|---|
| **20.** | **REVENUE FROM OPERATIONS** | | |
| | Rent from investments in immovable properties | **115,959,102** | 125,551,437 |
| | **Total** | **115,959,102** | 125,551,437 |
| **21.** | **OTHER INCOME** | | |
| | Interest received : | | |
| | Fixed deposits with banks | **234,504** | 129,330 |
| | Inter corporate deposits | **31,035,203** | 28,586,080 |
| | Others | **171,796** | 64,980 |
| | Miscellaneous income | **7,915,268** | 9,214,916 |
| | Additional compensation received against land acquisition | **3,830,129** | 3,086,352 |
| | Profit on sale of fixed assets/leased assets | **35,595,919** | - |
| | Profit on sale of properties held in investments | **552,656** | |
| | Amount written back | **-** | 4,536,171 |
| | Bad debts realised | **1,500,000** | 6,015,000 |
| | **Total** | **80,835,475** | 51,632,829 |
| **22.** | **FINANCE COSTS** | | |
| | Interest expenses | **64,248,412** | 53,136,838 |
| | Other borrowing costs | **5,898,900** | 1,404,500 |
| | **Total** | **70,147,312** | 54,541,338 |
| **23.** | **EMPLOYEE BENEFITS EXPENSE** | | |
| | Salaries, wages, allowances, bonus | **20,086,315** | 18,506,935 |
| | Company's contribution to provident fund / other funds | **1,700,144** | 1,555,904 |
| | Retrenchment compensation | **230,160** | - |
| | Gratuity paid/provided | **1,355,789** | 940,975 |
| | Staff welfare | **2,579,657** | 2,483,107 |
| | **Total** | **25,952,065** | 23,486,921 |

**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) and the details are given as under:**

| | | Leave Encashment | |
|---|---|---|---|
| **A.** | **Assumptions** | | |
| | Particulars | **31.03.2015** | 31.03.2014 |
| | Discount Rate | **7.80%** | 9.00% |
| | 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 | **1,214,631** | 1,187,778 |
| | Interest Cost | **109,317** | 95,022 |
| | Current Service Cost | **Nil** | Nil |
| | Benefit Paid | **(44,708)** | - |
| | Actuarial(gain)/ Loss on obligation | **28,877** | (68,169) |
| | Liability at the end of the year | **1,308,117** | 1,214,631 |
| **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 | **(1,308,117)** | (1,214,631) |
| **D.** | **Expenses recognised in the Statement of Profit & Loss** | | |
| | Interest Cost | **109,317** | 95,022 |
| | Net Actuarial (Gain)/ Loss for the period | **28,877** | (68,169) |
| | Expenses Recognised in Statement of Profit & Loss | **138,194** | 26,853 |
| **E.** | **Balance Sheet Reconciliation** | | |
| | Opening Net Liability | **1,214,631** | 1,187,778 |
| | Expenses charged to Statement of Profit & Loss | **138,194** | 26,853 |
| | Benefit Paid | **(44,708)** | - |
| | **Closing Liability as at 31.03.2015** | **1,308,117** | 1,214,631 |

**23.2 The Company has charged ₹ 13,55,789/-** (previous year ₹ 940,975/-) **to Statement of Profit & Loss for the year ended 31st March, 2015 towards Gratuity Liability as per Payment to Gratuity Act, 1972. The closing Gratuity liability(current & non current) as on 31st March, 2015 is ₹ 13,949,327/-**( previous year ₹ 12,998,798/-).

| | | Year Ended 31.03.2015 ₹ | Year Ended 31.03.2014 ₹ |
|---|---|---|---|
| **24.** | **OPERATING ADMINISTRATIVE AND OTHER EXPENSES** | | |
| | Rent | **1,180,605** | 4,990,750 |
| | Rates & taxes and ground rent | **17,798,932** | 12,853,015 |
| | **Auditors remuneration towards :** | | |
| | Audit fees | **325,000** | 325,000 |
| | Tax audit | **75,000** | 75,000 |
| | Certification | **75,000** | 75,000 |
| | Service tax | **58,711** | 58,711 |
| | Transport, travelling and motor car expenses | **9,499,003** | 8,539,118 |
| | Brokerage, commission and service charges | **2,200,000** | - |
| | Donations | **1,845,859** | 1,499,000 |
| | Corporate social responsibility expenses | **1,540,000** | - |
| | Insurance | **809,348** | 712,399 |
| | Bank charges | **169,231** | 96,671 |
| | General expenses | **9,545,575** | 7,488,458 |
| | Electricity expenses | **6,450,511** | 5,532,451 |
| | Legal & professional charges | **5,451,521** | 5,425,681 |
| | Postage, telegram & telephone expenses | **1,205,048** | 1,315,467 |
| | Printing & stationary | **2,154,616** | 2,260,008 |
| | Repairs to buildings | **1,115,657** | 848,605 |
| | Repairs to others | **3,325,458** | 2,951,865 |
| | Amount irrecoverable written off | **10,113,239** | - |
| | Sundry expenses | **3,949,820** | 4,257,544 |
| | **Total** | **78,888,134** | 59,304,743 |
| **25.** | **DEPRECIATION AND AMORTIZATION EXPENSES** | | |
| | Depreciation | **5,860,259** | 4,199,122 |
| | Property reserve | **3,153,498** | 3,334,949 |
| | Less: Transferred from revaluation reserve | **-** | 927,916 |
| | **Total** | **9,013,757** | 6,606,155 |

## 26. OTHER NOTES TO FINANCIAL STATEMENTS

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

| | Particulars | March 31, 2015 | March 31, 2014 |
|---|---|---|---|
| a) | Guarantees given to Sales Tax and other authorities, on behalf of the Company (against pledge of fixed deposits | **464,509** | 518,471 |
| b) | Other disputed demands not acknowledged as debts | | |
| | i) Electricity Charges (BSES) | **6,924,304** | 6,924,304 |
| | ii) Service Tax | **10,351,192** | - |
| | iii) Employee's State Insurance Corporation | **7,475,606** | - |

ii) In view of the company's substantial holding in Jayabharat Credit Limited (JBCL) and to preserve company's reputation and image, the Board of Directors of the company, on the legal opinion obtained, had taken a conscious decision to give Inter-Corporate Deposit (ICD), at the rate of interest mutually agreed in the financial year 2010-11 to meet the contingency in repayment of public deposits and banks of JBCL. During the year the Company has recovered substantial amount against the aforesaid outstanding. The amount due as on March 31, 2015 is ₹ **17.38** crores (Previous Year ended March 31, 2014 ₹ 41.44 crores). The company has taken steps to realize the balance outstanding amount at the earliest.

iii) **Deferred Taxation**

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

iv) **Current Taxation:-**

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

b) Income tax assessments up to the financial year 2011-12 (Assessment Year 2012-13) have been completed and there are no pending demands against the Company.

v) **Segment information**:-

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

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

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

**a) List of Related Parties**

**i) Under Common Control**

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

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

Nil

**iii) Key Management Personnel**

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

Smt Arti Gupta (Joint Managing Director)

Shri Arun Mitter (Executive Director)

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

**b) Details of transactions entered into with related parties**:

**(Amount in ₹)**

| Particulars | Under Common Control | Enterprises over which the key management personnel is able to exercise significant influence | Key Management Personnel |
|---|---|---|---|
| ICD taken | **17,000,000** | - | - |
| | (48,100,000) | | |
| ICD repaid | **120,100,000** | **-** | - |
| | (102,000,000) | | |
| ICD given | **57,450,000** | - | - |
| | (6,845,000) | | |
| ICD given received back | **298,000,000** | | |
| | (-) | | |
| Interest received on ICD | **31,035,203** | - | |
| | (28,586,080) | | - |
| Interest paid on ICDs | **9,637,062** | **-** | - |
| | (13,824,040) | | |
| Advances taken | **326,150,000** | - | **-** |
| | (222,275,000) | | |
| Advances repaid | **571,525,000** | | |
| | (29,400,000) | | |
| Remuneration | - | - | **6,005,982** |
| | | | (5,316,355) |
| Outstanding Balance as on 31-3-2015 | | | |
| ICD receivable from Jayabharat Credit Limited | **179,616,947** | - | - |
| (including interest) | (421,121,470) | | |
| ICD payable to Bahubali Services Limited | **63,000,000** | | |
| (including interest) | (183,541,636) | - | - |
| Advances payable | **115,200,000** | | - |
| | (360,575,000) | - | |

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

i) **Remuneration** **(Amount in ₹)**

| | **2014-15** | 2013-14 |
|---|---|---|
| Salary, wages allowance & bonus | **4,628,250** | 3,937,500 |
| Contribution to Provident Fund | **486,270** | 434,340 |
| Perquisites | **891,462** | 944,515 |
| **Total** | **6,005,982** | 5,316,355 |

**ii) Directors Sitting Fees**

Sundry Expenses include ₹ **212,472/-** (Previous Year ₹ 129,216/-) 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 ₹ **203,887/-** (Previous Year ₹ 55,484/-) for Directors Travelling.

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

| | | **2014-15** | 2013-14 |
|---|---|---|---|
| a) | Net Profit/(Loss) for the year attributable to Equity Shareholders (amount in ₹) | **(95,99,603)** | 3,26,51,083 |
| b) | Weight Average Number of Equity Shares (nos.) | **19,363,595** | 19,363,595 |
| c) | Basic Earnings per Share | **(0.50)** | 1.69 |
| d) | Diluted Earnings per Share | **(0.50)** | 1.69 |
| e) | Nominal value per Share | **10.00** | 10.00 |

x) Pursuant to enactment of the Companies Act, 2013, during the year ended March 31, 2015, the company has applied useful lives of tangible fixed assets as prescribed in Schedule II of the Companies Act, 2013 except for two buildings where different useful life is taken based on independent technical evaluation, taking into account the nature of the asset, the estimated usage of the asset and the operating conditions surrounding the use of the asset etc. Accordingly the depreciation has been provided by depreciating the carrying value of the asset (Net of residual value of 5%) over the revised/remaining life of individual assets. Had the Company continued with the previously assessed useful lives, charge for depreciation for the year ended March 31, 2015 would have been higher by ₹ 872,230.

xi) Corporate Social Responsibility

As per the provisions of section 135 of the Companies Act, 2013 the Company was required to spend ₹ 833,000 on corporate social responsibility. However, the Company has incurred ₹15,40,000 on promoting of education.

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

**(Amount in ₹)**

**a) Particulars of loan given**

| **S. No.** | **Name** | **Outstanding Principal Balance as on March 31, 2015*** |
|---|---|---|
| 1 | Jayabharat Credit Limited | **173,800,000** |
| | *refer note no 26 (ii). | |

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

| **Name of entity** | **No. of equity shares of ₹10/-each** | **Amount as at March 31,2015** |
|---|---|---|
| Jayabharat Credit Limited | **2,172,300** | **29,316,380** |
| India Lease Development Ltd | **4,608,840** | **61,189,351** |
| Metal Box India Limited | **1,200** | **17,100** |
| Rajasthan Breweries Ltd | **4,700** | **140,836** |
| Sri Ramakrishna Mills(CBE) Ltd | **15,000** | **450,641** |
| MTZ (India) Ltd | **10,000** | **500,000** |
| Mawana Sugars Ltd | **450** | **9,000** |

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

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

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

As per our report of even date attached

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

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

**Place: New Delhi**
**Dated: May 29, 2015**

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

**ARUN MITTER**
Executive Director
DIN : 00022941

**ONKAR NATH AGGARWAL**
Director
DIN : 00629878

**ARTI GUPTA**
Joint Managing Director
DIN : 00023237

**BHARAT KUMAR**
Director
DIN: 00990117

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

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

New Delhi - 110 002.

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MGF

# THE MOTOR & GENERAL FINANCE LIMITED

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**Phone Nos.: 011-23272216-18, 011-23278001-02 Fax: 011-23274606**
**Website: http:/www.mgfltd.com Email-mgfltd@hotmail.com**
**CIN: L74899DL1930PLC000208**

## NOTICE

NOTICE is hereby given that the Eighty Fifth (85th) 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 Tuesday, the September 29, 2015 at 12.15.P.M. to transact the following business:-

**ORDINARY BUSINESS**

1. To consider and adopt the Audited Financial Statements as at March 31,2015 and the reports of the Directors and Auditors thereon.
2. To appoint a Director in the place of Sh.Rajiv Gupta (DIN:00022964) who retires by rotation and is eligible for re-appointment.
3. To appoint a Director in the place of Smt. Arti Gupta (DIN:00023237), who retires by rotation and is eligible for reappointment.
4. To appoint Auditors and to authorise Board to fix their remuneration. M/s S.N. Dhawan & Co, Chartered Accountants, New Delhi, (Firm Registration No.000050N) retires and are eligible to hold office for the second consecutive year(in the term of three consecutive years) and as such, are recommended for reappointment to audit the accounts for the financial year ending March 31, 2016. As required under the provisions of section 139 of the Companies Act, 2013, the company has obtained written confirmation that their appointment, if made, would be in conformity within the limits specified in the said section.

**SPECIAL BUSINESS**

**To consider and if thought fit, to pass with or without modification(s), the following resolutions:-**

**As a Special Resolution**

5. **Appointment of Sh. Onkar Nath Aggarwal, Independent Director**

**Resolved that** pursuant to 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, Mr. Onkar Nath Aggarwal(DIN: 00629878), a Director of the company who has submitted a declaration that he meets the criteria of independence as provided under section 149(6) of the Companies Act, 2013 and in respect of whom the company has received a notice in writing from a member along with the deposit of requisite amount under section 160 of the Companies Act,2013 proposing his candidature for the office of an Independent Director, being so eligible, be appointed as an Independent Director of the company, not liable to retire by rotation, to hold office for a term of 5(five) consecutive years commencing from March 31,2015 upto to March 30,2020 and to receive remuneration by way of fee for participation in the meeting of the Board in terms of the applicable provisions of Companies Act, 2013 as determined by the Board from time to time."

**As a Special Resolution**

6. **Variation in terms of remuneration of Sh. Rajiv Gupta, Chairman & Managing Director**

**Resolved that** on the recommendations of Nomination & Remuneration Committee and in supersession of resolution passed by the shareholders through postal ballot on December 12,2014 and subject to the applicable provisions of section 196, 197,198 and 203 read with Schedule V and other applicable provisions of the Companies Act,2013 and such other laws, rules and regulations as may be applicable and such other approvals as may be required(including any statutory modification(s) or re-enactment thereof for the time being in force), consent of the company be and is hereby accorded for the variation in the terms of remuneration viz, increase in basic salary from ₹ 1,60,000 to ₹ 2,10,000 per month, besides existing corresponding perquisites with limit of monthly remuneration not exceeding ₹ 2,50,000 payable to Sh. Rajiv Gupta (DIN:00022964), Chairman & Managing Director of the company, during the remaining period of his tenure w.e.f. October 1, 2015 upto March 31, 2017, as set out in the Explanatory Statement annexed hereto, and as approved by the Board at its meeting held on August 13, 2015.

**As a Special Resolution**

7. **Variation in terms of remuneration of Smt. Arti Gupta, Joint Managing Director**

**Resolved that** on the recommendations of Nomination & Remuneration Committee and in supersession of resolution passed by the shareholders through postal ballot on December 12,2014 and subject to the applicable provisions of section 196, 197,198 and 203 read with Schedule V and other applicable provisions of the Companies Act,2013 and such other laws, rules and regulations as may be applicable and such other approvals as may be required(including any statutory modification(s) or re-enactment thereof for the time being in force), consent of the company be and is hereby accorded for the variation in the terms of remuneration viz, increase in basic salary from ₹ 1,50,000 to ₹ 2,00,000 per month, besides existing corresponding perquisites with limit of monthly remuneration not exceeding ₹ 2,50,000 payable to Smt. Arti Gupta (DIN:00023237), Joint Managing Director of the company, during the remaining period of his tenure w.e.f. October 1, 2015 upto June 05, 2017, as set out in the Explanatory Statement annexed hereto, and as approved by the Board at its meeting held on August 13, 2015.

**As a Special Resolution**

8. **Variation in terms of remuneration of Sh. Arun Mitter, Executive Director**

**Resolved that** on the recommendations of Nomination & Remuneration Committee and in supersession of resolution passed by the shareholders through postal ballot on December 12,2014 and subject to the applicable provisions of section 196, 197,198 and 203 read with Schedule V and other applicable provisions of the Companies Act,2013 and such other laws, rules and regulations as may be applicable and such other approvals as may be required(including any statutory modification(s) or re-enactment thereof for the time being in force), consent of the company be and is hereby accorded for the variation in the terms of remuneration viz, increase in basic salary from ₹ 1,00,000 to ₹ 1,45,000 per month, besides existing corresponding perquisites with limit of monthly remuneration

not exceeding ₹ 2,50,000 payable to Sh. Arun Mitter (DIN:00022941), Executive Director of the company, during the remaining period of his tenure w.e.f. October 1, 2015 upto July 10,2017, as set out in the Explanatory Statement annexed hereto, and as approved by the Board at its meeting held on August 13,2015.

**As a Special Resolution**

9. **Amendments in Articles of Association**

**RESOLVED THAT** pursuant to the provisions of section 14 and all other applicable provisions, if any, of the Companies Act, 2013,(the "Act") read with the Companies (Incorporation)Rules,2014(including any statutory modification(s) or re-enactment thereof for the time being in force) and subject to necessary approvals, permissions and sanctions from the appropriate authorities, if any, the Articles of Association of the company be and are hereby altered in the manner set out herein below: **-**

(a) After existing clause (ii) of Article 19, the following clauses be inserted:-

"(iii) The instrument of transfer shall be in writing and the provisions of section 56 of the Act and the rules made thereunder shall be duly complied with in respect of transfer of shares and registration thereof".

"(iv) The instrument of transfer shall be in the form prescribed by the Act and the rules made thereunder."

"(v) "Subject to the provisions of these Articles and of section 58 or any other applicable provisions of the Act and Equity Listing Agreement or any other applicable provisions or any other law for the time being in force or any statutory modification(s), the Board, may on sufficient cause, refuse to register any transfer of shares or the transmission of shares by operation of law of the right to a share".

"(vi) No transfer shall be made to a person of unsound mind and no transfer of partly paid shares shall be made to a minor."

(b) After existing clause ( a) of Article 60, the following clause be inserted:-

"(aa) The directors will not be required to hold any qualification shares".

(c) Clause ( e) of existing Article 60 be substituted by the following clause:-

"(e) Subject to the provisions of section 152 of the Act, all directors, other than the directors who are not retiring by rotation, additional and alternate directors shall be persons whose period of office is liable to determination by rotation. Further, the Managing Director and Joint Managing Director shall also be liable to retirement by rotation provided that such retirement shall not be deemed as break in service, if they are re-appointed immediately on expiry of their tenure. Further, the Independent Directors of the company shall not be liable to retire by rotation. All the directors who are not retiring, except Independent Directors, shall, however, be counted for determining the number of retiring directors."

(d) After existing clause (g) of Article 60, the following clauses be inserted:-

"(h) The office of director shall, ipso facto, become vacant if at any time he commits any of the acts set out in section 167 of the Act"

"(i) Subject to the provisions of sections 184, 188 and 192 of the Act and the rules made thereunder, neither shall a director be disqualified from contracting with the company whether as vendor, purchaser or otherwise for goods, materials or services or for underwriting the subscription of any shares in or debentures of the company nor shall any such contract or agreement entered into by or on behalf of the company with the relative of such director, or firm in which such director or relative is a partner or with any other director, be void nor shall any director so contracting or being such member so interested be liable to account to the company for any profit realized by any such contract or arrangement by reason of such director holding office or of the fiduciary".

(e) After existing clause (ii) (b) of Article 61, the following clause be inserted:-

"(iii) The directors except whole time directors shall be paid sitting fee only for attending the Board Meetings. No meeting fee will be paid for attending committee meetings unless it is authorized by the Board".

**As an Ordinary Resolution**

10. **Appointment of M/s PSK & Associates, Cost Accountants**

"Resolved that pursuant to section 148 and other applicable provisions of the Companies Act,2013 and the Companies (Audit and Auditors) Rules,2014, including any statutory modification or re-enactment thereof for the time being in force, M/s.PSK & Associates, Cost Accountants(Firm Regd No. No.000514) being the Cost Auditors appointed by the Board of Directors of the company to conduct the cost audit for the financial year ending March 31, 2016, be paid the remuneration of ₹ 40,000 (apart from service tax including cess as applicable).

**By Order of the Board**

**For THE MOTOR & GENERAL FINANCE LIMITED**

**Place: New Delhi**
**Date: August 13, 2015**

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

**Registered Office:**

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

**NOTES:**

1. A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF/HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. A PERSON CAN ACT AS PROXY ON BEHALF OF 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. A PROXY FORM(FORM NO. MGT-11) IS ANNEXED TO THIS REPORT.
2. Explanatory Statement pursuant to section 102 of the Companies Act,2013 forms part of this notice.
3. Brief details of the retiring directors, who are being re-appointed and director appointed as Independent Director, 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 Thursday, September 24, 2015 to Tuesday, September 29,2015(both days inclusive).
5. The Securities and Exchange Board of India(SEBI) has mandated the submission of Permanent Account Number(PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their Depository Participants with whom they are maintaining their Demat Accounts. Members holding shares in physical form can submit their PAN direct to the company or M/s Alankit Assignments Limited.
6. a) Pursuant to section 108 of the Companies Act, 2013, read with Companies(Management and Administration) Rules, 2014, and Clause 35B of the Listing Agreement, the company is pleased to provide the facility to members to exercise the right to vote by electronic means. The company has arranged this facility in the CDSL platform. The members whose names appear in the Register of Members/List of Beneficiary Owners as on September 22, 2015 i.e. the date prior to the book closure date are entitled to vote on the resolutions set forth in the Notice.

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

   c) The e-voting period will commence on September 26, 2015 at 9.00.a.m. and will end on September 28, 2015 at 5.00.p.m. The company has appointed Ms. Anjali Yadav, Practicing Company Secretary(FCS No.6628 CP No.7257) B-6/32, Sector 15, Rohini, Delhi-110089 as Scrutinizer for conducting scrutiny of the votes cast.

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

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

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

   Shareholders holding shares in physical form are requested to inform the company and those holding shares in demat form to inform the Depository Participant about any changes in their mailing address and also to quote Folio Numbers/Client ID/DPID, in all their correspondence with the company/depository participant.
7. <u>Transfer of Unclaimed/Unpaid Dividends to the Investor Education and Protection Fund(IEPF)</u>

   As provided under the Companies Act,2013, dividend remaining unclaimed for a period of seven years shall be transferred by the company to the IE&P Fund. In the interest of the investors, the company is in the practice of sending reminders to the investors concerned, before transfer of unclaimed dividend to the IE & P Fund. Unclaimed/un-encashed dividends upto the year 2006-07 have been transferred to the IE&P Fund.
8. 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.
9. 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.
10. Corporate members are requested to send in advance duly certified copy of the Board Resolution/Power of Attorney authorising their representative to attend and vote at the Annual General Meeting.
11. Members/Proxies are requested to bring the copies of annual reports to the meeting.
12. Please note that for security reasons, no article /baggage will be allowed at the venue of the meeting.

**SHAREHOLDING INSTRUCTIONS FOR E-VOTING**

13. Voting through electronic means

    i) The voting period begins on September 26, 2015 from 9.00 a.m. and ends on September 28, 2015 at 5.00 p.m. During this period shareholders of the company holding shares either in physical form or in dematerialized form, as on the cut off date of September 22, 2015 may cast their vote electronically. The remote e-voting module shall be disabled by CDSL for voting thereafter.

    ii) The shareholders should long 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 first time user follow the steps given below:

| | 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 as well as physical shareholders)<br>- Members who have not updated their PAN with the company/depository participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field. Sequence No. is printed on the Proxy Form.<br>- 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. |

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

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

iii) For Members holding shares in physical form, details can be used only for e-voting on the resolutions continued 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 Resolutions 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 password then the Enter the User ID and the image verification code and click on "FORGOTTEN PASSWORD" and enter the details as promoted by the system.

xi) Note for Non - Individual Shareholders

- Institutional shareholders (i.e. other than individuals, HUF, NRI etc) are required to log on to ***https://www.evoting@cdslindia.com*** and register themselves as corporate.

- 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) Any person who acquires shares after despatch of Notice and holding shares as on cut off date i.e. September 22, 2015 may cast their vote by remote e-voting or Ballot Form or through Poll at the meeting. However, if you are already registered with the CDSL or remote e-voting than you can use existing User Id and Password for casting your vote.

xiii) 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***

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

xv) The Board of Directors of the company at their meeting held on August 13,2015 has appointed Ms. Anjali Yadav, Practicing Company Secretary(FCS No.6628 CP No.7257) B-2/32, 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***

xvi) The results of voting will be announced within two days of 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 Tuesday, the September 29, 2015 at 12:15 P.M. The results of the voting will be communicated to the Stock Exchanges within two days of the AGM and also shall be hosted on the website of the company's ***www.mgfltd.com***

xvii) In case of members receiving the physical copy they are advised to follow all steps from serial (i) to (ix).

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

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

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

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

**Place: New Delhi**
**Date: August 13,2015**

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

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

## Explanatory Statement pursuant to Section 102 of the Companies Act, 2013

**Item No.5**

Pursuant to section 149 and section 152 of the Companies Act,2013 read with the Companies(Appointment and Qualification of Directors) Rules,2014, it is proposed that Sh. Onkar Nath Aggarwal (DIN :00629878) existing Independent Director who meets the criteria of independence, be appointed as an Independent Director of the company, not liable to retire by rotation, to hold office for a term of 5(five) consecutive years commencing from March 31, 2015 upto March 30, 2020.

The above director is not disqualified from being appointed as Independent Director by virtue of the provisions of section 164 of the Companies Act, 2013. He has also given a declaration under section 149(7) of the Companies Act,2013 that he meets the criteria of independence as provided in section 149(6) of the Companies Act, 2013.

A notice has been received from a member of the company along with requisite deposit or ₹ 1,00,000 signifying his intention to propose Sh. Onkar Nath Aggarwal as a candidate for the office of Independent Director of the company.

In the opinion of the Board, Sh. Onkar Nath Aggarwal fulfils the conditions specified in the Companies Act, 2013 and rules made thereunder for his appointment as an Independent Director of the company. Having regard to the qualifications, knowledge and experience, his appointment as an Independent Director will be in the interest of the company. Copy of the draft letter of appointment for Independent Director setting out the terms and conditions is available for inspection without any fee by the members at the Registered Office of the company during normal business hours on any working day, excluding Saturday and Sunday. The Board recommends his appointment as an Independent Director in the interest of the company. Brief profile of Sh. Onkar Nath Aggarwal, Independent Director is also provided in the Director's Report forming part of the Annual Report.

Sh. Onkar Nath Aggarwal was born on October 27,1935 and is more than 70 years of age. As per Schedule V of the Companies Act,2013, his appointment requires to be approved by members, as Special Resolution.

The Directors recommend passing of resolution at Item No. 5 as a Special Resolution.

Except Sh. Onkar Nath Aggarwal who is interested in his appointment as an Independent Director, none of other Directors, Key Managerial Personnel of the company and their respective relatives are, in any way, financially or otherwise, deemed to be concerned or interested in this item of business.

**Item No.6, 7 & 8**

Sh. Rajiv Gupta(DIN:00022964),Smt. Arti Gupta (DIN: 00023237) and Sh. Arun Mitter(DIN:00022941) on the recommendations of the Remuneration Committee were appointed as Chairman & Managing Director & CEO, Joint Managing Director and Executive Director of the company with effect from April 1, 2014, June 5,2014 and July 11, 2014 respectively for a period of three years on basic salary of ₹ 1,00,000, ₹ 90,000 and ₹ 60,000 respectively with gross salary including perquisites payable not to exceed ₹ 1,50,000, ₹ 1,50,000 and ₹ 1,20,000 and their term of appointments were approved by the members of the company through Postal Ballot on April 25,2014 with liberty to the Board to revise the remuneration component as and when deemed fit . The Board in its meeting held on October 20, 2014 concurring to the recommendations made by Nomination & Remuneration Committee of the Board approved the variation in the terms of remuneration viz increase in the basic salary to ₹ 1,60,000, ₹ 1,50,000 and ₹ 1,00,000 payable to the Chairman & Managing Director & CEO, Joint Managing Director and Executive Director respectively together with gross salary including perks payable not to exceed ₹ 2,10,000, ₹ 2,00,000 and ₹ 1,90,000 respectively to be effective from December 1, 2014. The Board in its meeting held on August 13, 2015 on the recommendations of Nomination & Remuneration Committee again approved revision in the basic salary to ₹ 2,10,000, ₹ 2,00,000 and ₹ 1,45,000 respectively including perks payable not to exceed ₹ 2,50,000 in all the cases to be effective from October 1, 2015 as set out in the resolutions sought to be approved in the accompanying Notice.

All the other existing terms and conditions of service of Chairman & Managing Director & CEO, Joint Managing Director and Executive Director will remain unchanged.

A copy of each of the resolution passed by the Nomination and Remuneration Committee and the Board of Directors on August 13, 2015 revising the terms of remuneration of Sh. Rajiv Gupta, Chairman & Managing Director & CEO, Smt. Arti Gupta, Joint Managing Director and

Mr. Arun Mitter, Executive Director and the agreement entered into between the company and Sh. Arun Mitter, Executive Director on August 13,2015 is available for inspection by the members of the company at Registered Office of the company on all working days till the date of the passing of the resolution by the shareholders from 11.00 A.M. to 1.00 P.M.

The Board of Directors recommends the resolution at Item No. 6, 7 & 8 for your approval.

Sh. Rajiv Gupta, Smt. Arti Gupta and Sh. Arun Mitter hold 1993580, 981000 and 10606 equity shares of ₹10/-each respectively in the company.

None of the Directors or Key Managerial Personnel or their relatives are directly or indirectly interested in the proposed resolution except Sh. Rajiv Gupta, Smt. Arti Gupta (related to each other) and Arun Mitter, being the appointees, who are concerned or interested, financially or otherwise, in this resolution.

**Item No.9.**

The shareholders through Postal Ballot dated December 12, 2014 had passed the resolution giving their approval in substituting the entire set of Articles of Association which were not in conformity with the Companies Act, 2013. Your directors have decided to make amendments in some of the articles keeping in view the likely need and smooth operations of the company.

As per section 14 of the Companies Act, 2013, approval of the shareholders of the company by way of a Special Resolution is required for bringing any alteration/amendment in the articles of association.

None of the Directors, Key Managerial Personnel or their relatives are in any way, concerned or interested, financially or otherwise, in this resolution, except as members of the company.

The Board recommend the resolution set out at Item No.9 to the shareholders for their approval.

A copy of amendments now being sought is available for inspection.

**Item No.10.**

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 2015-16 on the gross remuneration of ₹ 40,000 apart from service tax including cess and reimbursement of actual travel and out of pocket expenses.

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 at Item No. 10 for approval of the shareholders.

None of the Directors, Key Managerial Personnel or their relatives are in any way, concerned or interested, financially or otherwise, in this resolution.

## ANNEXURE TO THE NOTICE

**BRIEF RESUME OF DIRECTORS SEEKING RE-APPOINTMENT, APPOINTMENT OF INDEPENDENT DIRECTOR AND VARIATION IN THE REMUNERATION PAYABLE TO CHAIRMAN & MANAGING DIRECTOR & CEO, JOINT MANAGING DIRECTOR & EXECUTIVE DIRECTOR AT THE 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.**

1) **Director being re-appointed by rotation and variation in the remuneration payable to Sh. Rajiv Gupa, Chairman & Managing Director & CEO (Resolution at item no.2 & 6 )**

| | | |
|---|---|---|
| **Name** | : | **Sh. Rajiv Gupta** |
| **Age & Date of Birth** | : | 69 years(13.8.1946) |
| **Qualification** | : | B.E.(IIT ,Delhi) |

**Experience in specific functional area**

Sh. Rajiv Gupta is Bachelor in Engineering from IIT, Delhi. He has been earlier associated with Leasing & Hire Purchase business since,1969. Sh. Rajiv Gupta worked in various capacities and has remained at the helm of affairs of the company ever since he was inducted on the Board on 14th April,1988 as Whole Time Director. He was designated Chairman & Managing Director with effect from September 1, 2005.

He has extensive business experience and all around knowledge on issues concerning hire purchase, leasing, corporate finance, real estate, administration, etc. His continued association with the company as its helmsman is concerned absolutely necessary.

**Other Directorship:**

Jayabharat Credit Ltd, India Lease Development Ltd, Bahubali Services Ltd, Associated Traders & Engg Pvt. Ltd, Upper India Hire Purchase Co Association Ltd., MGF Securities Pvt Ltd, Grosvenor Estates Pvt Ltd, Gee Gee Holdings Pvt Ltd, Ram Prakash & Co Pvt Ltd, MGF Estates Pvt Ltd, Cards Services India Pvt. Ltd and Local Goods Carriers Pvt Ltd

**Committee Membership**

**The Motor & General Finance Ltd**

Audit Committee

Nomination & Remuneration Committee

Stakeholders Relationship Committee

Share Transfer Committee

**India Lease Development Ltd**

Audit Committee

Nomination & Remuneration Committee

Stakeholders Relationship Committee

**Jayabharat Credit Ltd**

Stakeholders Relationship Committee

Nomination & Remuneration Committee

Sh. Rajiv Gupta holds 1993580 shares i.e.10.295 % of the total Paid up Capital of the company

2). **Director being re-appointed by rotation and variation in the remuneration payable to Smt. Arti Gupta Joint Managing Director (Resolution at item no.3 & 7 )**

| | | |
|---|---|---|
| **Name** | : | **Smt. Arti Gupta** |
| **Age & Date of Birth** | : | 62 Years(5.11.1953) |
| **Qualification** | : | B.A. |

**Experience in specific functional area**

She is a graduate and has gained sufficient experience in business which is useful for the company.

**Other Directorship:**

Bahubali Services Ltd, MGF Estates Pvt Ltd, Ram Prakash & Co Pvt Ltd, Gee Gee Holdings Pvt Ltd, Grosvenor Estates Pvt Ltd, Associated Traders & Engineers Pvt Ltd and Local Goods Carriers Pvt Ltd.

Committee Memberships:

**The Motor & General Finance Limited**

Stakeholders Relationship Committee

Mrs. Arti Gupta holds 9,81,000 shares i.e 5.066 % of the total Paid up Capital

**3). Appointment of Independent Director (Resolution at Item No.5)**

| | | |
|---|---|---|
| **Name** | : | **Sh. Onkar Nath Aggarwal** |
| **Age & Date of Birth** | : | 80 years (27.10.1935) |
| **Qualification** | : | DLCT(Hons) England |
| | : | BE Mechanical Engineering |

**Experience in specific functional area**

He is a qualified engineer. Considering his experience and competence, the appointment as an Independent Director will be in the interest of the company

**Other Directorships:**

Knit Foulds Pvt Ltd, Sondhi Polyamide Pvt Ltd, Oaykay Forgings Pvt Ltd, Makro Lease Pvt Ltd, Jaye Vee Leatherite Pvt Ltd, Forgings & Chemical Industries, Hamilton Land Developers Pvt Ltd, Jazz Foods Pvt Ltd, K.F. Belting Pvt Ltd and Sterling Hotliers and Investments Pvt Ltd

**Committee Memberships:**

**The Motor & General Finance Limited**

Audit Committee

Nomination and Remuneration Committee

Stakeholders Relationship Commitee

Corporate Social Responsibility (CSR) Committee

Sh. Onkar Nath Aggarwal holds Nil shares in the company

4. **Variation in the Remuneration payable to Sh. Arun Mitter, Executive Director (Resolution at Item No.8)**

| | | |
|---|---|---|
| **Name** | : | **Sh. Arun Mitter** |
| **Age & Date of Birth** | : | 53 years(27.11.1962) |
| **Qualification** | : | B.Com, ACA |

**Experience in specific functional area**

Sh. Arun Mitter, a qualified Chartered Accountant. He has extensive business experience in general and financial management of corporate bodies. His continued association with the company is considered necessary in the interest of the company.

**Other Directorships:**

MGF Developments Ltd, Jayabharat Credit Ltd, India Lease Development Ltd, Bahubali Services Ltd, Upper India Hire Purchase Co Association Ltd, Technofab Engineering Ltd, Ram Prakash & Co Pvt Ltd, Discovery Holdings Pvt Ltd, Grosvenor Estates Pvt Ltd,

Gee Gee Holdings Pvt Ltd, MGF Securities Pvt Ltd, North Delhi Metro Mall Pvt Ltd, Cards Services India Pvt Ltd, Nanny Infrastructure Pvt Ltd, MGF Promotions & Events Pvt Ltd, MGF Estates Management Pvt Ltd, Metroplex Construction Pvt Ltd, Vishnu Apartments Pvt Ltd and MGF Market Place Mall Management Pvt Ltd.

**Committee Memberships:**

**The Motor & General Finance Ltd**

Audit Committee
Nomination & Remuneration Committee
Stakeholders Relationship Committee
Share Transfer Committee
Risk Management Committee
Corporate Social Responsibility Committee

**India Lease Development Ltd**

Audit Committee
Stakeholders Relationship Committee
Risk Management Committee

**Jayabharat Credit Ltd**

Audit Committee
Nomination & Remuneration Committee

**Technofab Engineering Ltd**

Audit Committee
Nomination & Remuneration Committee

Mr. Arun Mitter holds 10606 shares i.e 0.055 % of the total Paid up Capital of the company.

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## SHAREHOLDERS INFORMATION

| | | |
|---|---|---|
| **Head Office & Registered Office** | : | MGF HOUSE<br>4/17-B, Asaf Ali Road,<br>New Delhi-110002 |
| **Internet Facility** | | |
| **E-mail** | : | **mgfltd@hotmail.com** |
| **Company Website** | : | **www.mgfltd.com** |
| **Telephone No** | : | 23272216-18, 23278001-02 |
| **Fax No** | : | 23274606 |
| **Date of Annual General Meeting** | : | September 29,2015 |
| **Time** | : | 12.15.P.M. |
| **Day** | : | Tuesday, |
| **Venue** | : | The Executive Club<br>439, Village Shahoorpur,<br>P.O. Fatehpur Beri<br>New Delhi-110030 |
| **Day and Date of Book Closure** | : | Thursday, the September 24, 2015 to<br>Tuesday, the September 29, 2015<br>(both days inclusive) |
| **Shares listed at** | : | **Bombay Stock Exchange Ltd**<br>Phiroze Jeejeebhoy Towers,<br>Dalal Street,<br>Mumbai-400001<br>**National Stock Exchange of India Ltd**<br>Exchange Plaza, Plot No.C/1,<br>G Block, Bandra Kurla Complex,<br>Bandra(E)<br>Mumbai-400051 |

The Company confirms that it has paid the Annual Listing Fees to the above Stock Exchanges for the year 2015-16.

**MGF**

# THE MOTOR & GENERAL FINANCE LIMITED

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

## BALLOT FORM

Sr No……..

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

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

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

(4) Number of Share(s) held :

(5) User ID :

(6) Sequence No :

(7) EVSN(Electronic voting Sequence No.)

(8) I/We hereby exercise my/our vote(s) in respect of the Resolutions set out in the Notice of the Eighty Fifth Annual General Meeting(AGM) of the company to be held on Tuesday, September 29, 2015 at 12.15 P.M. by sending my/our assent or dissent to the said resolution by placing a tick (✓) mark at the appropriate box below:

| Sr No. | Description | No.of Shares | I/We assent to the Resolution (FOR) | I/We dissent to the Resolution (AGAINST) |
|---|---|---|---|---|
| 1. | Consider and adopt the Audited Financial Statements for the year ended March 31,2015 and Reports of the Directors and Auditors thereon | | | |
| 2. | Appoint a Director in the place of Sh. Rajiv Gupta(DIN:00022964) who retires by rotation and is eligible for re-appointment | | | |
| 3. | Appoint a Director in the place of Smt. Arti Gupta(DIN:00023237), who retires by rotation and is eligible for re-appointment | | | |
| 4. | Appoint Statutory Auditors and to fix their remuneration M/s S.N. Dhawan & Co, Chartered Accountants, New Delhi(ICAI Regd No.000050N) retires and eligible for re-appointment | | | |
| 5. | Special Resolution for appointment of Sh. Onkar Nath Aggarwal (DIN:00629878) as Independent Director of the Company | | | |
| 6. | Special Resolution for variation in terms of remuneration of Sh. Rajiv Gupta (DIN:00022964) | | | |
| 7. | Special Resolution for variation in terms of remuneration of Smt. Arti Gupta (DIN:00023237) | | | |
| 8. | Special Resolution for variation in terms of remuneration of Sh. Arun Mitter (DIN:00022941) | | | |
| 9. | Special Resolution for Amendments in Articles of Association | | | |
| 10. | Ordinary Resolution for appointment of M/s PCK & Associates, Cost Accountants (Firm Regd No. 000514) for the year 2015-16 | | | |

**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 remote e-voting or by Ballot. If a Member casts votes by both modes, then voting done through remote e-voting shall prevail and Ballot shall be treated as invalid.

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

4. The Scrutinizer will collate the votes downloaded from the remote e-voting system and votes received through post to declare the final 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 photocopy thereof is permitted) and send it so as to reach the Scrutinizer appointed by the Board of Directors of the company i.e. Ms. Anjali Yadav, Practising Company Secretary, (Membership No.FCS -6628/CP-7257), (B-6/32, Sector 15, Rohini, Delhi-110089) C/o The Motor & General Finance Limited, MGF House, 4/17B, Asaf Ali Road, New Delhi - 110002, Mobile No.+91 9810655161, E-mail ID: ***anjaliyadav.associates@gmail.com***

2. The Form should be signed by the 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 September 22, 2015 and as per the Register of Members of the company.

6. Duly completed Ballot Form should reach the Scrutinizer not later than September 28, 2015 at 5.00 p.m. Ballot Form received after the said date and time will be strictly treated as if the reply from the Member has not been received.

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

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

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

10. The result shall be placed on the company's website ***www.mgfltd.com*** within two days of the AGM of the company on September 29,2015 and communicated to BSE Limited and National Stock Exchange of India Limited, where the shares of the company are listed.

**MGF** **ATTENDANCE SLIP**

# THE MOTOR & GENERAL FINANCE LIMITED

**Registered Office: MGF HOUSE , 4/17-B, Asaf Ali Road, New Delhi-110002**
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**Website: http:/www.mgfltd.com Email-mgfltd@hotmail.com**
**CIN: L74899DL1930PLC000208**

**85th Annual General Meeting - Tuesday, September 29, 2015 at 12.15 p.m.**

| | |
|---|---|
| Name of the Member (In Block Letters) | |
| Name of Proxy, If any (In Block Letters) (In case Proxy attends the meeting in place of member | |
| DP ID/Client ID/Folio No. | |
| No. of Shares held | |

I certify that I am a member / proxy for the member of the Company.

I/We hereby record my/our presence at the 85th Annual General Meeting of the company at The Executive Club, 439, Village Shahoorpur, P.O. Fatehpur Beri, New Delhi - 110030 on Tuesday, the September 29, 2015 at 12.15 p.m.

| Member's Folio/ DPID-Client ID No. | Member's/Proxy's in Block Letters | Member's/Proxy's Signature |
|---|---|---|

**Note:**

1. Please complete the Folio /DPID Client ID No. and name, sign his Attendance Slip and hand it over at the entrance of the MEETING HALL.
2. Physical copy of the Annual Report for 2014-15 and Notice of the Annual General Meeting (AGM) alongwith the Attendance Slip and Proxy Form is sent in the permitted mode(s) to all members whose email is not registered or have requested for a hard copy.

## E-VOTING PARTICULARS

| EVSN(E-Voting Sequence Number) | USER ID | PASSWORD |
|---|---|---|
| | | |

Note : Please read instructions given at Note No. 13 of the 85th Annual General Meeting of the Company before casting your vote though 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

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**CIN: L74899DL1930PLC000208**

**85th Annual General Meeting - Tuesday, September 29, 2015 at 12.15 p.m.**

**Name of member(s) :**

**Registered address :**

**E Mail Id:**

**Folio No. / DP ID - Client ID:**

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

1) Name: _____ E Mail:_____

Address:_____

_____Signature _____Or failing him / her

2) Name: _____ E Mail:_____

Address:_____

_____Signature _____Or failing him / her

3) Name: _____ E Mail:_____

Address:_____

_____Signature

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 85th Annual General Meeting of the company to be held on Tuesday, the September 29, 2015 at 12.15 p.m. at The Executive Club, 439, Village Shahoorpur, P.O. Fatehpur Beri, New Delhi-110030 or /and at any adjournment thereof.

Signed this…… day of…… 2015

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.