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THE MOTOR & GENERAL FINANCE LIMITED

M.G.F. HOUSE,
Regd. & H.O. : 4/17-B, ASAF ALI ROAD, NEW DELHI-110 002
CIN NO. : L74899DL1930PLC000208

DLI:CS:BSE:NSE:14

October 20, 2014

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

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

Dear Sir,

Re: Resolutions to be passed through Postal Ballot

In terms of the Listing requirements, kindly be informed that at the Board Meeting held today i.e.October 20,2014, the Board of Directors have considered the following Items:-

1. Special Resolution under Section 180 (1) (a) and other application provisions, if any, of the Companies Act,2013 to sell, lease or otherwise dispose of or mortgage/create charges on the properties of the company upto Rs.500 Crores.
2. Special Resolution under Section 180(1)(c) and other application provisions of the Companies Act,2013 to borrow money upto Rs.500 Crores.
3. Special Resolution under Section 188 and other applicable provisions of the Companies Act,2013 being transactions with related parties.
4. Special Resolution under Section 188 and other applicable provisions of the Companies Act,2013 regarding Leave & License Agreement with related party.
5. Special Resolution under Section 186 and other applicable provisions of the Companies Act,2013 to grant loan(s)/give guarantee(s) or security(ies) and make investment in securities, etc.
6. Special Resolution under Section 14 and all other applicable provisions of the Companies Act,2013 to adopt new set of Articles of Association in place of existing Articles of Association.
7. Special Resolution under Sections 196,197,198 and 203 read with Schedule V and other applicable provisions of the Companies Act,2013 for approving the variation in the terms of remuneration of Sh. Rajiv Gupta, Chairman & Managing Director.
8. Special Resolution under Sections 196,197,198 and 203 read with Schedule V and other applicable provisions of the Companies Act,2013 for approving the variation in the terms of remuneration of Smt. Arti Gupta, Joint Managing Director.





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: 2 :

9. Special Resolution under Sections 196,197,198 and 203 read with Schedule V and other applicable provisions of the Companies Act,2013 for approving the variation in the terms of remuneration of Sh. Arun Mitter, Executive Director.

All the above resolutions shall be passed pursuant to Section 110 of the Companies Act,2013 read with the Companies(Management and Administration rules),2014 by the members of the company through Postal Ballot. A copy of the published notice of Postal Ballot , which is under print, and as and when sent to the shareholders, will be mailed to you. However, a copy of the draft notice is enclosed.

This is for your information.

Thanking you,

Yours faithfully,
For THE MOTOR & GENRAL FINANCE LIMITED

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

DRAFT COPY

THE MOTOR & GENERAL FINANCE LIMITED
Regd Office: MGF HOUSE, 4/17-B,
ASAF ALI ROAD, NEW DELHI-110002
CIN : L74899dl1930plc000208
Telephone Nos.23272216-18, 23278001-02,Fax:23274606,
Website: <http://www.mgfild.com> , E-mail: mgfild@hotmail.com

NOTICE OF POSTAL BALLOT
(Pursuant to Section 110 of the Companies Act,2013)

To

The Members of The Motor & General Finance Limited

Notice is hereby given pursuant to Section 110 of the Companies Act,2013("the Act") read with the Companies(Management and Administration Rules),2014(including any statutory modifications or re-enactment thereof for the time being in force)("the Rules") that the Resolutions appended below are proposed to be passed by the Members as a Special /Ordinary Resolution(s) by way of Postal Ballot by giving their assent/dissent. The Explanatory Statement pertaining to all the Resolutions setting out the material facts and the reasons thereof is annexed hereto alongwith a Postal Ballot Form.

In the event of the draft Resolutions as set out are assented to by requisite majority of Members by means of a Postal Ballot, they shall be deemed to have been passed as Special Business. The Ordinary Resolution shall be declared as passed, with a simple majority and Special Resolutions shall be declared as passed if the number of votes cast in their favour are not less than three times the number of votes cast, if any, against the said Resolutions. The date of the announcement of result of Postal Ballot shall be considered to be the date of passing of the said Resolutions.

The Board of Directors has appointed Ms.Anjali Yadav, Practising Company Secretary, as the Scrutinizer for conducting the Postal Ballot Process in a fair and transparent manner. You are requested to carefully read the instructions printed on the Form, record your assent or dissent therein and return the same in original duly completed in the attached self addressed, postage pre-paid envelope, if posted in India so as to reach the Scrutinizer not later than the close of working hours i.e. 6.00 p.m. on December 9,2014. Please note that any Postal Ballot Form(s) received after the said date will be strictly treated as if no reply has been received from the member. No other form thereof shall be permitted.

Members desiring to opt for e-voting as per facilities arranged by the company are requested to read the notes to the Notice and instructions overleaf the Postal Ballot Form.

The Scrutinizer will submit his report to the Chairman or any other person authorized by the Chairman after completion of the scrutiny of the Postal Ballot Forms and the results of the Postal Ballot will be announced at the Registered Office of the company at 4.P.M. at MGF House, 4/17-B, Asaf Ali Road, New Delhi-110002 on December 11,2014 during the business hours of the company.

1. To consider and if thought fit, to give assent/ dissent with or without modification(s), the following resolution as a Special Resolution

"Resolved that in supersession of the earlier Resolutions passed in this regard and pursuant to the provisions of Section 180(1)(a) and other applicable provisions of the Companies Act,2013(including any statutory modification(s) or re-enactment thereof for the time being in force), the consent of the company be and is hereby accorded to the Board of Directors(hereinafter called the "Board"), which term shall be deemed to include any Committee thereof, which the Board may have constituted or hereinafter constitute to exercise its powers including the powers conferred by this resolution and with the power to delegate such authority to any person or person(s), to mortgage and/or charge any of its movable and/or immovable properties wherever situated both present and future or to sell, lease or otherwise dispose off the whole or substantially the whole of the undertaking of the company or where the company owns more than one undertaking, of the whole or substantially the whole of any such undertaking(s) and to create a mortgage and/or charge, on such terms and conditions at such time(s) and in such form and manner, and with such ranking as to priority as the Board in its absolute discretion thinks fit on the whole or substantially the whole of the company's any one or more of the undertakings or all of the undertakings of the company in favour of Kotak Mahindra Bank Ltd, Kotak Mahindra Prime Ltd, Kotak Mahindra Investments Ltd and/or any other bank(s) or any financial institutions or body(ies) corporate or person(s), whether shareholders of the company or not, together with interest, cost, charges and expenses thereon for an amount not exceeding ₹500 Crores.(Rupees Five Hundred Crores only.) over and above the aggregate of the paid up share capital and free reserves of the company;

Resolved Further that the securities to be created by the company aforesaid may rank prior/pari passu/subsequent with/to the mortgages and/or charges already created or to be created by the company as may be agreed to between the concerned parties".

2. To consider and if thought fit, to give assent/ dissent with or without modification(s), the following resolution as a Special Resolution:

"Resolved that in supersession of the Ordinary Resolution adopted at the Annual General Meeting held on September 30,1994 and pursuant to Section 180(1) (c) and any other applicable provisions of the Companies Act,2013 and the rules



made thereunder (including any statutory modification(s) or en-enactment thereof for the time being in force), the consent of the company be and is hereby accorded to the Board of Directors to borrow moneys in excess of the aggregate of the paid up share capital and free reserves of the company, provided that the total amount borrowed and outstanding at any point of time, apart from temporary loans obtained/to be obtained from the company's bankers in the ordinary course of business, shall not be in excess of ₹ 500 Crores(Rupees Five Hundred Crores only) over and above the aggregate of the paid up share capital and free reserves of the company".

3. Transactions with Related Parties u/s 188 of the Companies Act,2013

To consider and if thought fit, to give assent/ dissent with or without modification, the following as a Special Resolution:-

"RESOLVED THAT pursuant to the provisions of Section 188 and all other applicable provisions, if any, of the Companies Act,2013(the Act) read with the Companies(Meetings of Board and its Powers)Rules,2014 and revised clause 49(VII) of the Equity Listing Agreement as contained in SEBI Circular CIR/CFD/POLICY CELL/2/2014 dated April 17,2014 and amended there to and subject to such approvals, consents, sanctions and permissions as may be necessary, consent of the members of the company be accorded to the Board of Directors of the company to enter into contracts and/or agreements or arrangements with the following related parties and its associates for the purpose of giving property on lease/rent or out right sale or appointment of such related party to any office or place of profit in the company, or associate company upto ₹.300 Crores(Rupees Three Hundred Crores only) from the date of this meeting including the transactions already entered into with such party/parties from April 1,2014 till the date of this meeting on such terms and conditions as may be mutually agreed upon between the Board of Directors of the company and related parties and the company hereby approves, ratifies and confirms the said agreements entered into with the related parties:-

Description of contract	Name of Related Party	Period of Contract	Total Cumulative Value of transactions during contract period with related party (₹ in Crores)
Selling or otherwise disposing of, or buying/ leasing of property of any kind and availing or rendering of any services or appointment to an office or place of profit	India Lease Development Ltd	April 1,2014 to March 31,2017	20
	Jayabharat Credit Ltd	April 1,2014 to March 31,2017	50
	Bahubali Services Ltd	April 1,2014 to March 31,2017	120
	Grosvenor Estates Pvt Ltd	April 1,2014 to March 31,2017	40
	Gee Gee Holdings Pvt Ltd	April 1,2014 to March 31,2017	40

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

4. To approve the Leave & License Agreement with the related party

To approve the Leave and License agreement to be entered into between the company and Mr. Sidharth Gupta for utilizing the residential premises being the part portion on the First Floor admeasuring 2000 sq.ft. and Second Floor admeasuring 2500 sq.ft. of the residential premises at 50 Golf Links, New Delhi and to consider and if thought fit to give assent/dissent, with or without modification(s) the following resolution as a Special Resolution:-

"Resolved that pursuant to Section 188 and any other applicable provisions of the Companies Act,2013, and Rules made thereunder (including any statutory modifications or re-enactments thereof for the time being in force), and subject to such approval(s), consent(s), permission(s) and sanction(s) as may be necessary, the consent of the company be and is hereby accorded to enter into leave and license agreement with Mr. Siddharth Gupta for occupying the part portion on the First Floor admeasuring 2000 sq.ft and Second Floor admeasuring 2500 sq.ft. of the residential premises of the company at 50 Golf Links, New Delhi on the following terms(s) and conditions:

Sl No.	Period of contract/agreement	Contract value proposed (Amount in Rupees)
1.	Initially the agreement is for a period of nine years.Further Mr.Siddharth Gupta has the option to renew/extend the lease for a further period of nine years and so on with an increase in rent by 15% over the last rent paid.	An amount of ₹5 Crores(Rupees Five Crores only) shall be paid by Mr. Siddharth Gupta to the company as interest free security at the time of entering into an agreement. Further he will also pay a monthly rent of ₹.1,00,000 for the premises to be occupied by him and his family. The security deposit would remain with the company so long as Mr. Siddharth Gupta is in occupation of the part portion of First and Second Floor of the premises at Golf Links, New Delhi and on its vacation, security deposit will be reimbursed/refunded to him.

5. Authority to the Board of Directors to grant loan(s)/give guarantee(s) or security(ies) and make investment in securities

To consider and if thought fit, to give assent/ dissent with or without modification, the following as a Special Resolution:-

"Resolved that pursuant to the provisions of Section 186 and other applicable provisions, if any, of the Companies Act,2013(including any statutory modification(s) or re-enactment thereof for the time being in force) read with the Companies (Meetings of Board and its Powers) Rules,2014 and the Articles of Association of the company and subject to such approvals, consents and permissions, as may be necessary, the consent of the company be and is hereby accorded to the Board of Directors(hereinafter referred to as the 'Board', which terms shall include any Committee thereof constituted/to be constituted by the Board), to give, from time to time, any loan(s) and/or give any guarantee or provide security in connection with a loan or make investment in the securities relating to the following bodies corporate, in one or more trenches in excess of 60% of the aggregate of the paid up capital and free reserves or 100% of the free reserves of the company:-

Name of the Company	Amount(₹)
Jayabharat Credit Limited upto the limits of	60 Crores
India Lease Development Limited upto the limit of	20 Crores
Bahubali Services Limited upto the limit of	40 Crores
Gee Gee Holdings Pvt Ltd upto the limit of	30 Crores
Grosvenor Estates Pvt Ltd upto the limit of	30 Crores
MGF Estates Pvt Ltd upto to the limit of	30 Crores
To give loans and/or guarantee(s) or provide security and/or Investments in bodies corporate not specifically mentioned	90 Crores
Total	300 Crores

Resolved Further that the Board be and is hereby authorized to delegate all or any of the powers herein conferred, to any Committee of Directors or any one or more Directors of the company with power to delegate to any Officers of the company to discuss, negotiate and finalise the terms and conditions of the proposed loans, inter corporate loans, investment, lending or giving guarantees or security(ies) and /or making acquisitions which they may deem fit in the best interests of the company and to do and perform all such acts, deeds, matters and things, as may be necessary or expedient in this regard and to exercise all the rights and powers which would vest in the company in pursuance of such loans, investment, lending or giving guarantee or security(ies) and/or making acquisitions"

6. To adopt new set of Articles of Association in line with the provisions of the Companies Act,2013.

To consider and if thought fit, to give assent/ dissent with or without modification, the following as a Special Resolution:-

"Resolved That pursuant to the provisions of Section 14 and all other applicable provisions of the Companies Act,2013 (including any statutory modification(s) or re-enactment thereof, for the time being in force), the existing Articles of

Association of the company be and are being substituted by a new set of Articles of Association, which is available for inspection at the Registered Office of the company as well as on company's website <http://www.mgfild.com> forming part of this resolution, be and are hereby approved and adopted.

Resolved Further That the Board of Directors (which term shall include any Committee constituted or to be constituted by the Board) be and is hereby authorized to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution"

7. Variation in the Terms of Remuneration of Sh. Rajiv Gupta, Chairman & Managing Director

To consider and if thought fit, to give assent/ dissent with or without modification, the following as a Special Resolution:-

"Resolved that, in partial modification of the resolution passed by the shareholders through postal ballot on April 25, 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 increase in basic salary from ₹1,00,000 to ₹1,60,000 per month, besides existing corresponding perquisites with limit of monthly remuneration not exceeding ₹2,10,000 payable to Sh. Rajiv Gupta, Chairman & Managing Director of the company during the remaining period of his tenure w.e.f. November 1, 2014, as set out in the Explanatory Statement annexed hereto and, as approved by the Board at its meeting held on October 20, 2014.

8. Variation in the Terms of Remuneration of Smt. Arti Gupta, Joint Managing Director

To consider and if thought fit, to give assent/ dissent with or without modification, the following as a Special Resolution:-

"Resolved that, in partial modification of the resolution passed by the shareholders through postal ballot on April 25, 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 increase in basic salary from ₹ 1,00,000 to ₹1,50,000 per month, besides existing corresponding perquisites with limit of monthly remuneration not exceeding ₹ 2,00,000 payable to Smt. Arti Gupta, Joint Managing Director of the company, during the remaining period of his tenure w.e.f. November 1, 2014, as set out in the Explanatory Statement annexed hereto and as approved by the Board at its meeting held on October 20, 2014.

9. Variation in the Terms of Remuneration of Sh. Arun Mitter, Executive Director

"Resolved that, in partial modification of the resolution passed by the shareholders through postal ballot on April 25, 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 increase in basic salary from ₹ 60,000 to ₹ 1,00,000 per month, besides existing corresponding perquisites with limit of monthly remuneration not exceeding ₹ 1,60,000 payable to Sh. Arun Mitter, Executive Director of the company, during the remaining period of his tenure w.e.f. November 1, 2014, as set out in the Explanatory Statement annexed hereto, and as approved by the board at its meeting held on October 20, 2014.

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT,2013 IN RESPECT OF RESOLUTIONS AT ITEMS NOS. 1 TO 9

Item No.1

The banks referred to in the resolution have granted the term loans/working capital facilities as contained in the resolution. As per the loan agreements entered into with them, the company has to agree to create mortgage and/or charge in favour of the concerned Lender(s) on property(ies) of the company. This attracts the provisions of Section 180(1)(a) of the Companies Act,2013.

None of the directors and/or key managerial personnel of the company and their relatives is concerned or interested financially or otherwise in the resolution set out at item No.1.

The Special Resolution is accordingly recommended for members' approval.

Item No.2

The members of the company had in the 64th Annual General Meeting held on September 30,1994, approved by way of an Ordinary Resolution under Section 293(1)(d) of the erstwhile Companies Act,1956, borrowing over and above the aggregate of paid up share capital and free reserves of the company provided that the total amount of such borrowings together with the amounts already borrowed and outstanding at any point of time shall not be in excess of ₹ 500 Crores(Rupees Five Hundred Crores only).

Section 180(1) (c) of the Companies Act,2013, effective from 12th September,2013 requires that the Board of Directors shall not borrow money in excess of the company's paid up share up capital and free reserves, apart from temporary loans obtained from the company's bankers in the ordinary course of business, except with the consent of the Members of the company by way of Special Resolution.

It is, therefore, necessary for the members to pass a Special Resolution under Section 180(1)(c) and other applicable provisions of the Companies Act,2013 as set out at item No.2, to enable the Board of Directors to borrow in excess of the aggregate of paid up share capital and free reserves of the company. Approval of members is being sought to borrow money up to ₹ 500 Crores(Rupees Five Hundred Crores only) in excess of the aggregate of paid up share capital and free reserves of the company.

None of the directors and/or key managerial personnel of the company and their relatives is concerned or interested financially or otherwise in the resolution set out at item no.2.

The Special Resolution is accordingly recommended for members' approval.

Item No.3

Pursuant to Section 188 and other applicable provisions of the Companies Act,2013 and Rules made thereunder, the company can enter into transaction(s) or contract(s) etc., which are not in ordinary course of business and/or not at arm's length basis, only with the approval of members accorded by way of Special Resolution. The said section, read with the Companies(Meetings of Board and its Powers) Rules,2014, provides that the company having a paid up share capital of ₹ 10 Crores or more and proposing to enter into such transactions which are not in the ordinary course of business shall obtain consent of the company by Special Resolution. The Audit Committee and the Board of Directors of the company in their Meetings held on October 20,2014 have approved the transactions given hereunder. However, since these transactions, though may be on arm's length basis and also may be in the ordinary course of business, yet as an abundant caution, it is proposed to seek approval of members by passing a Special Resolution.

Nature of related interest of related parties in the company is given hereunder:-

Sl No.	Name of the related party	Nature of interest or concern
1.	India Lease Development Ltd	It is an associate company of MGF Ltd which holds 31.33% shares in the related party. Sh. Rajiv Gupta is common Chairman of Board of Directors of both companies, while Sh. Arun Mitter, Executive Director and Sh.M.K. Madan, CFO of MGF Ltd are also Directors in the related party.
2.	Jayabharat Credit Limited	It is an associate company of MGF Ltd which holds 43.5% shares in the related party. Sh. Rajiv Gupta is common Chairman of Board of Directors of both companies, while Sh. Arun Mitter, Executive Director and Sh M.K. Madan, CFO of MGF are also directors in the related party.
3.	Bahubali Services Limited(BSL)	It is an associate company of MGF Ltd in which

		related party holds 21.15% shares. Sh. Rajiv Gupta is common chairman of Board of Directors of both companies, while Smt. Arti Gupta, JMD, Sh. Arun Mitter, Executive Director and Sh. M.K. Madan, CFO of MGF Ltd are also directors in the related party.
4.	MGF Estates Pvt Ltd	Sh. Rajiv Gupta, CMD, Smt. Arti Gupta, JMD, Sh. Arun Mitter Executive Director of MGF Ltd are also directors in the related party.
5.	Grosvenor Estates Pvt Ltd	Sh. Rajiv Gupta, CMD, Smt. Arti Gupta, JMD, Sh. Arun Mitter, Executive Director, and Sh.M.K. Madan, CFO of MGF Ltd are also Directors in the related party.
6.	Gee Gee Holdings Pvt Ltd	Sh. Rajiv Gupta, JMD, Smt. Arti Gupta, JMD and Sh. Arun Mitter, Executive Director in the related party.

None of other Directors or Key Managerial Personnel or their relatives are in any way concerned or interested financial or otherwise in the resolution at Item No.3

The draft contracts and/or agreements or arrangements have been approved by the Audit Committee and Board of Directors in their meeting held on October 20,2014 and are available for inspection during the business hours at the Registered Office of the company.

Item No.4

Pursuant to the provision of Section 188 of the Companies Act,2013 and rules made there under (including any statutory modifications or re-enactments thereof for the time being in force), company shall not enter into any contract or arrangement with a related party with respect to leasing of property of any kind without shareholders approval by way of special resolution.

Sh. Rajiv Gupta, CMD and Smt. Arti Gupta, JMD are occupying the premises situated at 50, Golf Links, New Delhi which have been given as rent free accommodation by the company as per terms and conditions of their appointment. Mr.Sidharth Gupta S/o Sh. Rajiv Gupta and Smt. Arti Gupta is also staying alongwith his family on the First Floor and Second Floor admeasuring 2000sq.ft and 2500 sq.ft. respectively in the part portion of said premises.

It is in the interest of the company that during the period of stay, he should contribute for residing in the said premises. Mr. Siddharth Gupta has indicated that during his period of stay, he will also pay rent of ₹1,00,000 per month on before the 10th of every month. He would, in addition, give interest free security deposit of ₹.5 Crores which would remain with the company so long he is in occupation of the portion of the premises and on its vacation, security deposit will be reimbursed/refunded.

This agreement would be effective from the date of the resolution passed by the shareholders through Postal Ballot.

Sh. Rajiv Gupta and Smt. Arti Gupta being related to Mr. Siddharth Gupta is concerned and interested in the agreement as per Section 2(76) of the Companies Act,2013. The nature, material terms, monetary value and particulars of the contract or arrangement has been provided in the resolution proposed.

Initially this agreement will be executed for a period of nine years. Mr. Siddharath Gupta would have the option to extend the lease for a further period of nine years with an increase in rent by 15% and so on.

The proposed leave and licence agreement has been approved by the Audit Committee and Board of Directors in their meeting held on October 20,2014.

None of the Directors and Key Managerial Personnel of the company and their relatives except stated above, is concerned or interested, financial or otherwise, in the resolution set out at Item No.4.

Copy of leave and license agreement is available for inspection during the business hours of the company at its Registered Office.

Item No.5

As per the provisions of Section 186 of the Companies Act,2013, the Board of Directors of a company cannot make any loan, investment or give guarantee or provide any security to any body corporate or person beyond the prescribed ceiling of 60% of the aggregate of the paid up capital and free reserves or 100% of its free reserves, whichever is more, unless a Special Resolution is passed by the shareholders of the lending/investing company.

As a measure of achieving financial flexibility and to enable optimal financing structure, the permission is sought pursuant to the provisions of Section 186 of the Companies Act, 2013 to give powers to the Board of Directors or any duly constituted committee thereof, for making further investment, providing loans to, give guarantee, provide securities to and make investments in the securities of any other person or other bodies corporate to the extent of 60% of its paid up share capital, free reserves and security premium account or 100% of its free reserves and security premium account, whichever is higher, with the approval of the Board of Directors. However, where the aggregate of loans and investments made, guarantee given and securities provided exceeds the aforesaid limits, prior approval of the shareholders is required by way of special resolution.

It is, therefore, proposed that the Board of Directors of the company be authorized to invest by way of subscription and/or purchase of securities, grant of loan(s), giving of guarantee(s) and or providing of security(ies) for an amount not exceeding ₹300 Crores from time to time into one or more of the persons/entities i.e. subsidiaries, associate companies and other body(ies) corporate. The source of funds for making these investments would be met from surplus funds generated by the company through operations or from such other sources as the Board may deem appropriate. Since the proposed investments, loans, guarantee and/or securities together with the aggregate of loans made, guarantees given, securities provided from time to time by the company may exceed the limit prescribed, approval of the shareholders is required for the same.

The proposal is in the interest of the company and the Board commends the resolution.

The Board accordingly recommends to pass the Special resolution through Postal Ballot.

Except Sh. Rajiv Gupta, CMD, Smt. Arti Gupta JMD, Sh. Arun Mitter, Executive Director and Sh. M.K. Madan, CFO being Directors in the companies, stated hereinabove in item No 5, none of other Directors, Key Managerial Personnel or their relatives are in any way concerned or interested, financially or otherwise in this resolution except as members.

Item No.6

The company had previously adopted its Articles of Association ("AoA") under the Companies Act, 1956 which contain references to specific Sections of the Companies Act, 1956.

With the enactment of the Companies Act, 2013, several regulations of the existing AoA of the Company require alteration and/or deletion. Given this position, it is considered expedient to replace the existing AoA with a new set of AoA which are based on Table 'F' of the Act.

The draft AoA is being uploaded on company's website www.mgflltd.com for perusal of shareholders. The new draft AOA is also available for inspection at the Registered Office of the company on all working days between 11 A.M. to 1 P.M.

The Board of Directors accordingly commends the resolution set out at Item No.6 of the Notice for approval of special resolution.

None of the Directors, Key Managerial Personnel of the company or their relatives are, in any way, concerned or interested in the said resolution except as shareholders and directors of the company.

Item No. 7,8 & 9

Sh. Rajiv Gupta (DIN:00022964), Smt. Arti Gupta (DIN:00023237) and Sh. Arun Mitter (DIN:00022941) were appointed as the Chairman & Managing Director, 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 a basic salary of Rs 1,00,000, Rs 1,00,000 and Rs 60,000 respectively plus perquisites and their terms 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 and Remuneration Committee of the Board had approved the increase in the basic salary payable to Chairman & Managing Director, Joint Managing Director and Executive Director effective from the date of passing of resolution by the shareholders through postal ballot or December 15, 2014 whichever is later, as set out in the resolution sought to be approved in the accompanying notice.

All the other existing terms and conditions of service and perquisites of CMD, JMD and Executive Director will remain unchanged.

A copy each of the resolution passed by the Board of Directors on October 20, 2014 revising the remuneration of Sh. Rajiv Gupta, CMD, Smt. Arti Gupta, JMD and Sh. Arun Mitter, Executive Director and the agreements entered into between the company and Sh. Rajiv Gupta, CMD, Smt. Arti Gupta, JMD and Sh. Arun Mitter on October 20, 2014 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 postal ballot from 11.00 a.m. to 1.00 p.m.

The Board of Directors recommends the resolution for your approval.

Sh. Rajiv Gupta, Smt. Arti Gupta and Sh. Arun Mitter holds 1815757 equity shares, 981000 equity shares and 10606 equity shares of ₹10/- each respectively in the company.

None of the Directors or Key Managerial Personnel or their relatives directly or indirectly except Sh. Rajiv Gupta and Smt. Arti Gupta, being related to each other and Sh. Arun Mitter is concerned or interested in the resolution.

NOTES:

1. The relevant Explanatory Statement pursuant to section 102 of the Companies Act, 2013, corresponding to Section 173(2) of the Companies Act, 1956 setting out material facts is annexed hereto and forms part of the notice.
2. Pursuant to the provisions of Section 192A of the Companies Act, 1956 read with Companies (Passing of the Resolution by Postal Ballot) Rules, 2001, a company has the option to seek the approval of the members to any resolution through Postal Ballot, instead of getting it passed at a General Meeting. Accordingly, your approval is sought for the resolution contained in this notice through Postal Ballot.
3. The Board of Directors of the company at their meeting held on October 20, 2014 has appointed Ms. Anjali Yadav, Practising Company Secretary (FCS No. 6628 CP No. 7257) B-6/32, Sector 15, Rohini, Delhi-110089 as Scrutinizer to receive, and scrutinize the completed ballot papers from the members and also scrutinize the e-voting process in fair and transparent manner, whose e-mail address is anjaliyadav.associates@gmail.com. The postal Ballot Form and the prepaid self addressed Business Reply Envelope are enclosed for the use of the members.
4. A member desiring to exercise vote by Postal Ballot, is requested to carefully read the instructions printed in the Postal Ballot Form and return the duly completed Form (No other Form or photocopy thereof is permitted) in the attached prepaid self addressed Business Reply Envelope, so as to reach the Scrutinizer on or before the close of working hours i.e. 5.30 P.M. on December 9, 2014. Postal Ballot Form(s) received after the said date will be treated as not having been received.

5. Voting through electronic means

- i) The voting period begins on December 2, 2014 from 9.00 am (IST) and ends on December 4, 2014 6.00 PM (IST). During this period shareholders of the company holding shares either in physical form or in dematerialized form, as on the cut off date of October 16, 2014 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- ii) The shareholders should log on to the e-voting website www.mgfild.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.

For Members holding shares in demat Form and in Physical Form	
PAN	Enter your 10 digit alphanumeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders). - Members who have not updated their PAN with the company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the of the sequence number in the PAN field. - In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL Letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field- Sequence number is communicated in the Covering Letter.
DOB or Dividend Bank Details or Number of shares	Enter the Date of Birth or Dividend Bank Details in order to login. If the details are not recorded with the depository or company please enter the number of shares held by you as on October 16, 2014 in the Dividend Bank Details field.

- i) After entering these details appropriately, click on "SUBMIT" tab
- ii) Members holding shares in physical form will then directly reach the company section screen. However, members holding shares in demat form will now reach "Password Creation" menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- iii) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- iv) Click on the EVSN for the relevant "The Motor & General Finance Limited" on which you choose to vote.

- v) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option No implies that you dissent to the Resolution.
 - vi) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
 - vii) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
 - viii) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
 - ix) You can also take out print of the voting done by you by click on "CLICK HERE TO PRINT" option on the Voting page.
 - x) If Demat account holder has forgotten the same password then Enter the User ID and the image verification code and click on "FORGOT PASSWORD" and enter the details as prompted by the system.
 - xi) Note for Institutional Shareholders.
- Institutional shareholders (i.e. other than Individuals, HUF, NRI etc) are required to log on to <https://www.evotingindia.com> and register themselves as Corporates.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com After receiving the login details they have to create a user who would be able to link the account(s) which they wish to vote on.
 - The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - A scanned copy of the Board Resolution and Power of Attorney(POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- xii) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQ") and e-voting manual available at www.evotingindia.com under help section or write an email to helpdesk.evoting@cdslindia.com.
 - xiii) The voting rights of shareholders shall be in proportion to their share of the paid up equity share capital of the company.
6. The Scrutinizer will submit her report to the Chairman & Managing Director & CEO of the company or in his absence to any other person authorized by the Chairman & Managing Director after completion of the scrutiny and the results of the postal ballot and e-voting process will be announced on Thursday, December 11, 2014 at 4.00.P.M. at the Registered Office of the company at MGF House, 4/17-B, Asaf Ali Road, New Delhi. The date of declaration of the Postal Ballot and e-voting result will be taken to be the date of passing the Special Resolutions.
 7. The results of the Postal Ballot and e-voting will also be published in the leading English and Hindi Newspapers in New Delhi after such announcement. The results will also be communicated to the Bombay Stock Exchange Ltd and National Stock Exchange of India Ltd.
 8. Members are requested to carefully read the instructions printed on the back side of the Postal Ballot Form before exercising their vote.
 9. Please note that the company is providing facility to the shareholders through Postal Ballot Form and e-voting

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

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

Place: New Delhi
Date: October 20, 2014

THE MOTOR & GENERAL FINANCE LIMITED
4/17-B, ASAF ALI ROAD, NEW DELHI-110002
PHONE NOS.23272216-18,23278001-02, FAX 23274606
WEBSITE: <http://www.mgf11d.com> E-mail: mgfited@hotmail.com

POSTAL BALLOT FORM

1. Name and Registered Address of the sole/First Name 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 in respect of the Resolutions set out in the Notice to be passed through Postal Ballot by sending my /our assent or dissent to the said resolutions by placing the tick(-/) mark at the appropriate box below:

Sl No.	Item	No. of Shares	(FOR) I/We Assent to the Resolution	(AGAINST) I/We Dissent to the Resolution
1.	Special Resolution under Section 180(1)(a) and other applicable provisions, if any, of the Companies Act,2013 to sell, lease or otherwise dispose of or mortgage/create charges on the properties of the company upto ₹500 Crores.			
2.	Special Resolution under Section 180(1) (c) and other applicable provisions of the Companies Act,2013 to borrow money upto ₹500 Crores.			
3.	Special Resolution under Section 188 and all other applicable provisions of the Companies Act,2013 being transactions with related parties.			
4.	Special Resolution under Section 188 and other applicable provisions of the Companies Act,2013 – Leave & License Agreement with related party.			
5.	Special Resolution under Section 186 and other applicable provisions of the Companies Act,2013 to grant loan(s)/give guarantee(s) or security(ies) and make investment in securities, etc.			
6.	Special Resolution under Section 14 and all other applicable provisions of the Companies Act,2013 to adopt new set of Articles of Association in place of existing Articles of Association			
7.	Special Resolution under Sections 196,197,198 and 203 read with Schedule V and other applicable provisions of the Companies Act,2013 for approving the variation in the terms of remuneration of Sh. Rajiv Gupta(DIN 00022964), Chairman & Managing Director			
8.	Special Resolution under Sections 196,197,198 and 203 read with Schedule V and other applicable provisions of the Companies Act,2013 for approving the variation in the terms of remuneration of Smt. Arti Gupta (DIN 00023237), Joint Managing Director			

9.	Special Resolution under Sections 196,197,198 and 203 read with Schedule V and other applicable provisions of the Companies Act,2013 for approving the variation in the terms of remuneration of Sh. Arun Mitter (DIN 00022941), Executive Director.			
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Place : New Delhi

Date:

(SIGNATURE OF THE SHAREHOLDER(S))

INSTRUCTIONS

1. A member desiring to exercise vote by Postal Ballot Form(no other Form or photocopy thereof is permitted) and send it to the Scrutinizer in the enclosed self addressed envelope. Postage will be borne by and paid by the company. However, envelopes containing Postal Ballot Form, if deposited in person or sent by courier at the expense of the member will also be accepted.
2. The self addressed envelope being sent herewith bears the address of the Scrutinizer appointed for conducting Postal Ballot process.
3. There will be one Postal Form/e-voting for every Client ID No./Folio No., irrespective of the number of joint holders.
4. Members can opt for only one mode of voting i.e. either by Postal Ballot or through e-voting. In case you are opting for voting by Postal Ballot, then please do not cast your vote by e-voting and vice versa. In case Members cast their votes both by Postal Ballot and e-voting, the votes cast through e-voting shall prevail and the votes cast through Postal Ballot form shall be considered invalid.
5. Voting rights in the Postal Ballot/e-voting cannot be exercised by proxy.
6. Voting rights shall be reckoned on the paid up value of shares registered in the name(s) of the member(s) on October 16,2014 (cut off date for ascertaining the members for despatch of Notice).
7. The Postal Ballot form should be completed and signed by the member(as per specimen signatures registered with the company/Depository Participant). 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 member and so.
8. In case of shares held by the companies, trust, societies, the duly completed Postal Ballot Form should be signed by the authorized signatory, whose signature is already registered with the RTA(please quote the registration No. beneath the signature), or it should be accompanied by attested/certified true copy of the Board Resolution/Authority.
9. The votes should be cast their in favour or against by putting tick(-/) mark in the column provide for assent or dissent. Postal Ballot Form bearing tick marks in both the column will render the Form invalid.
10. Duly completed Postal Ballot Form should be received by the Scrutinizer not later than the close of working hours(i.e. before 6.00.P.M.) on December 9,2014.
11. Incomplete, unsigned or incorrect Postal Ballot Form will be rejected. The Scrutinizer's decision on the validity of the Postal Ballot shall be binding.
12. A member may request for a duplicate Postal Ballot Form, if so required. However, the duly completed duplicate Postal Ballot Form should reach the Scrutinizer not later than the date specified therein before.

13. Member are requested not to send any other paper alongwith the Postal Ballot Form in the enclosed self addressed business reply envelope in as much as all such envelope will be delivered to the Scrutinizer and the Scrutinizer would destroy any extraneous paper found in such envelope.
14. The Scrutinizer will submit her report to the Chairman or in his absence to the Company Secretary, after completion of scrutiny, on or before December 10,2014.
15. The company shall announce the results of the Postal Ballot at its Registered Office situated at MGF House, 4/17-B, Asaf Ali Road, New Delhi-110002 on Thursday, December 11,2014. The date of declaration of Postal Ballot Results and will be taken to be the date of passing the resolutions contained in this Notice.
16. The Postal Ballot and other papers relating to Postal Ballot including voting by electronic means, shall be under safe custody of the Scrutinizer till the Chairman considers, approves and signs the minutes and thereafter, the Scrutinizer shall return the ballot papers and other related papers or register to the company who shall preserve such Postal Ballot papers and other related papers or register safely.

