MGF

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CIN NO. : L74899DL1930PLC000208

THE MOTOR & GENERAL FINANCE LIMITED

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

DLI:CS:BSE:NSE:17

June 16,2017

The Secretary,
Bombay Stock Exchange Limited.,
25th Floor, P.J. Towers,
Dalal Street,
Mumbai-400001
Stock Code: 501343

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
Stock Code: Motogenfin

Dear Sir,

Re: Consolidated Audited Financial Results for the year ended March 31,2017 along with Auditors Report pursuant to Regulation 33 of SEBI (LODR), Regulations,2015

In continuation to our letter No. DLI:CS:BSE:NSE:17 dated June 15,2017, we wish to state that while approving the Standalone and Consolidated Audited Financial Results for the quarter and year ended March 31,2017, we had intimated that in view of certain details/data not available from one of our associate companies, the Consolidated Audited Financial Results for the year ended March 31,2017 could not be prepared.

As the data has since been retrieved, the Consolidated Audited Financial Results have been prepared and on the recommendations of the Audit Committee, the same was placed before the Board to consider, review and approve the Consolidated Audited Financial Results for the year ended March 31,2017 along with Independent Audit Report of the Auditors for the said period at a Board Meeting held on June 15,2017. However, during the said meeting, for want of certain information, the meeting continued to be held on June 16,2017, for which necessary intimation was given to the Stock Exchange.

The Board of Directors, in their meeting held on June 15,2017 which continued on June 16,2017 have approved the Consolidated Financial Results for the year ended March 31,2017 along with Independent Audit Report of the Auditors in compliance of Regulation 33 of SEBI(LODR) Regulations,2015 which we enclose herewith and request to take the same on record.

We sincerely regret for the inconvenience caused on account of circumstances beyond our control. It is pertinent to mention here that the company has never defaulted in the past while complying with the regulations.

The Board Meeting commenced on June 15,2017 at 4.30 p.m and continued to be held on June 16,2017 at 2.00.p.m. and concluded at 6.30 p.m..

Thanking you,

Yours faithfully,
For THE MOTOR & GENERAL FINANCE LIMITED

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

THE MOTOR & GENERAL FINANCE LIMITED

REGD. OFFICE : MGF HOUSE , 4 / 17B, ASAF ALI ROAD, NEW DELHI 110002.

CIN : L74899DL1930PLC000206, Email ID: mgfltd@hotmail.com, Website : http://www.mgfltd.com, Phone : 23272216-18, 23278001-02

Statement of Consolidated Audited Results for the Year ended 31st March, 2017

(₹ in Lacs)

Part I			
Sl.	Particulars	Consolidated Year Ended	
		31.03.2017 Audited	31.03.2016 Audited
1	**Income from Operations**		
	(a) Net Income from Operations	1321.85	1382.74
2	**Expenses**		
	(a) Employee benefits expense	273.07	286.37
	(b) Depreciation expense	125.15	99.74
	(c) Rates & Taxes	259.49	265.09
	(d) Transport, travelling and motor car expenses	77.48	87.47
	(e) Legal & professional charges	63.37	78.81
	(f) Rent	4.24	4.12
	(g) Amount irrecoverable written off	0.00	0.27
	(h) Other Expenses	298.56	327.90
	Total Expenses	1101.36	1149.77
3	**Profit/(Loss) from Operations before Other Income, Finance Cost and Exceptional Items (1-2)**	220.49	232.97
4	Other Income	227.10	605.51
5	Provision for NPA/diminution in investment	34.76	94.40
6	**Profit/(Loss) from Ordinary activities before Finance Cost and Exceptional Items (3+4-5)**	412.83	744.08
7	Finance Costs	481.96	550.10
8	**Profit/(Loss) from Ordinary Activities after Finance Cost but before Exceptional Items (6-7)**	(69.13)	193.98
9	Exceptional Items	0.00	0.00
10	**Profit/ (Loss) from Ordinary Activities before Tax (8-9)**	(69.13)	193.98
11	Tax Expense (inclusive of earlier years)	15.00	73.50
12	Deferred Tax	50.06	20.82
13	**Net Profit /(Loss) from Ordinary Activities after Tax (10-11+12)**	(34.07)	141.30
14	Extraordinary Items	-	-
15	**Net Profit/(Loss) for the period (13-14)**	(34.07)	141.30
16	Share of Profit/(Loss) of Associates	(2.49)	(145.96)
17	**Net Profit/(Loss) after share of Profit/(Loss) of Associates (15+16)**	(36.56)	(4.66)
18	Paid up Equity Share Capital Face Value Rs. 10 / -	1936.36	1936.36
19	Reserves excluding Revaluation Reserves as per Balance Sheet of Previous Accounting Year.	3864.92	4194.35
19.i	**Earnings Per Share (before Extra Ordinary Items) (of Rs10/- each) (not annualised)** Basic and Diluted	(0.19)	(0.02)
19.ii	**Earnings Per Share (after Extra Ordinary Items) (of Rs10/- each) (not annualised)** Basic and Diluted	(0.19)	(0.02)



Statement of Assets & Liabilities

(₹ In Lacs)

PARTICULARS	Consolidated	
	As at 31.03.2017 (Audited)	As at 31.03.2016 (Audited)
EQUITY AND LIABILITIES		
Shareholders' funds		
a) Share capital	1936.36	1936.36
b) Reserves and surplus	6460.30	6791.49
	8396.66	8727.85
Non-current liabilities		
a) Long-term borrowings	3940.98	3858.82
b) Other long term liabilities	502.68	747.68
c) Long-term provisions	73.40	94.60
	4517.06	4701.10
Current liabilities		
a) Short-term borrowings	528.52	643.00
b) Other current liabilities	2569.08	2472.19
c) Short-term provisions	63.74	68.79
	3161.34	3183.98
TOTAL	16075.06	16612.93
ASSETS		
Non-current assets		
a) Fixed assets		
Tangible assets	2667.73	2704.30
Investment property	2075.60	-
b) Non current investments	29.71	2513.12
c) Deferred tax assets (net)	197.15	147.09
d) Other non-current assets	322.47	297.63
	5292.66	5662.14
Current assets		
a) Stock in trade	8,977.17	8,902.28
b) Trade receivables	282.06	139.31
c) Cash and bank balances	172.50	150.31
d) Short-term loans and advances	1290.00	1650.00
e) Other current assets	60.67	108.89
	10782.40	10950.79
TOTAL	16075.06	16612.93

Notes:

1 The above audited financial results are in accordance with Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 were reviewed by the Audit Committee and thereafter approved and taken on record by the Board of Directors in their meeting held on June 16, 2017.

2 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 basis of legal opinion obtained, had taken a conscious decision to give Inter-Corporate Deposit (ICD), at the rate of interest mutually agreed in the financial year 2010-11, to meet the contingency in repayment of public deposits and banks of JBCL. The amount due as on March 31, 2017 is ₹ 1290 lacs (Previous Year ended March 31, 2016 ₹ 1650 lacs). The Company has taken steps to realise the balance outstanding amount at the earliest.

3 Segment reporting as defined in Accounting Standard (AS) -17 is not applicable, since the entire operations of the Company relate to only one reportable segment.

4 As per provisions of section 129(3) of the Companies Act, 2013, the Company has prepared consolidated financial statements . These consolidated financial statements includes share of losses in its associate companies namely Jayabharat Credit Limited and India Lease Development Limited in which it holds equity shares 43.45% and 31.35% respectively. These consolidated financials has been prepared as per the equity method as specified in the Accounting standard 23, 'Accounting for Investment in Associates in Consolidated Financial Statements'.

5 During the year, in accordance with compliance the Companies (Accounting Standards) Amendment Rules 2016 as notified by the Ministry of Corporate Affairs dated 30th March 2016, Accounting Standard 13 (Accounting for Investments) stands modified which inter-alia, states that an investment property has to be accounted for in accordance with the cost model as prescribed in Accounting Standard 10 (Property, Plant & Equipment). Accordingly, the management with effect from April 01, 2016, has reclassified Investments in Building on Lands from Non-Current Investments to Property, Plant and Equipment and started providing depreciation on same in its remaining useful lives, as assessed by the management. If the Company had continued with the previous classification, amount of depreciation for the year ended March 31, 2017 would have been lower by Rs.4,762,242 and loss would have been lower by same amount.

6 Previous year figures have been regrouped/rearranged where ever considered necessary.

7 The Board has not recommended any dividend for the year 2016-17.

FOR THE MOTOR & GENERAL FINANCE LIMITED

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

M.G.F. LTD. N. DELHI 110 ASAF ALI RD.

Place : New Delhi
Dated: June 16, 2017

Independent Auditor's Report

To the Members of The Motor & General Finance Limited

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of **The Motor & General Finance Limited**, ("the Company") and its associates, comprising of the Consolidated Balance Sheet as at March 31, 2017, the Consolidated Statement of Profit and Loss and the Consolidated Cash Flow Statement, for the year then ended, and a summary of the significant accounting policies and other explanatory information ("the consolidated financial statements")

Management's Responsibility for the Consolidated Financial Statements

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

Auditor's Responsibility

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

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

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

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



S.N. Dhawan & Co. (a partnership firm with Registration No. 2054/71) converted into S.N. DHAWAN & CO. LLP (a limited liability partnership with LLP Identification No. AAH-1125) with efect from 8th August 2016)

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Act in the manner so required and, give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Company and its associates at March 31, 2017, and their consolidated loss, and their consolidated cash flows for the year ended on that date.

Other Matter(s)

The consolidated financial statements include the Company's share of net loss of Rs. Nil for the year ended March 31, 2017, as considered in the consolidated financial statements, in respect of one associate, whose financial statements has not been audited by us. These financial statements has been audited by other auditor whose report has been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of this associate, and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid associate, is based solely on the reports of the other auditor.

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

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act and based on the auditor's report and other financial information of an associate, as noted in the 'Other matter' paragraph, 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 of the aforesaid consolidated financial statements;

   b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors;

   c) The consolidated financial statements dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.

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

   e) On the basis of the written representations received from the directors of the Company as on 31st March 2017 taken on record by the Board of Directors of the Company and the reports of the other statutory auditor of its associate incorporated in India, none of the other is disqualified as on March 31, 2017 from being appointed as a director in terms of Section 164 (2) of the Act.



f) With respect to the adequacy of the internal financial controls over financial reporting of the company and its associates incorporated in India and the operating effectiveness of such controls, refer to our separate Report in "Annexure A"

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

i. The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Company and its associates, Refer Note 25(ii) to the consolidated financial statements;

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

iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company and its associates incorporated in India during the year ended March 31, 2017.

iv. The Company and its associates incorporated in India have provided requisite disclosures in the financial statements as to holdings as well as dealings in Specified Bank Notes during the period from November 8, 2016 to December 30, 2016. Based on audit procedures and relying on the management representation we report that the disclosures are in accordance with books of account maintained by the Company and its associates incorporated in India and as produced to us by the Management Refer Note 25(x).

For **S. N. Dhawan & Co LLP**
(*Formerly S. N. Dhawan& Co.*)
Chartered Accountants
Firm Registration No.: 000050N/N500045

S.N. DHAWAN & CO. LLP ★ CHARTERED ACCOUNTANTS ★ NEW DELHI

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

Place: New Delhi
Date: June 16, 2017

Annexure "A"

Independent Auditor's report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended March 31, 2017, we have audited the internal financial controls over financial reporting of The Motor & General Finance Limited (hereinafter referred to as "the Company") and its associate companies, which are companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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

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

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

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial controls over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that

S.N. DHAWAN & CO. LLP NEW DELHI CHARTERED ACCOUNTANTS

transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorisations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, the Company and its associate companies, which are companies incorporated in India, have, in all material respects, adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2017, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Other Matters

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

For **S. N. Dhawan & Co LLP**
(*Formerly S. N. Dhawan& Co.*)
Chartered Accountants
Firm Registration No.: 000050N/N500045

S.N. DHAWAN & CO. LLP ★ CHARTERED ACCOUNTANTS ★ NEW DELHI

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

Place: New Delhi
Date: June 16, 2017