MGF

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Website : http://www.mgfltd.com
E-mail : mgfltd@hotmail.com
CIN No. : L74899DL1930PLC000208
GSTIN : 07AAACT2356D2ZN

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:18

October 1,2018

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

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

Dear Sir,

Re: Submission of Annual Report for the year 2017-18 under Regulation 34 of SEBI(LODR) Regulations,2015

In terms of Regulation 34 of SEBI(LODR) Regulations,2015, we are enclosing herewith soft copy of the Annual Report for the year 2017-18 which on its receipt may kindly be acknowledged.

Thanking you,

Yours faithfully,
For THE MOTOR & GENERAL FINANCE LIMITED

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

MGF

88th Annual Report 2017-2018

THE MOTOR & GENERAL FINANCE LIMITED

Shri Ved Prakash Gupta

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

A True Karmayogi.

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

THE MOTOR & GENERAL FINANCE LIMITED

MANAGEMENT

BOARD OF DIRECTORS

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

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. JAGDISH CHAND & CO.,
CHARTERED ACCOUNTANTS
H-20, LGF, GREEN PARK(MAIN)
NEW DELHI-110016
PHONE: 011-26511953, 26533626

REGISTRAR & SHARE TRANSFER AGENTS

M/S ALANKIT ASSIGNMENTS LIMITED
ALANKIT HEIGHTS, 3E/7,
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
GST No. : 07AAACT2356D2ZN

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DIRECTOR'S REPORT

Your Directors take pleasure in presenting their 88th Report on the business and operations of the company and the accounts for the financial year ended March 31, 2018.

Financial Summary

The Board's Report is prepared based on the Standalone Financial Statements of the company. Your company has adopted Indian Accounting Standards('IND-AS') with effect from April 1,2017. Financial Statements for the year ended March 31, 2018 along with its comparative financial statement for the year ended March 31,2017 & as on April 01,2016 have been prepared in accordance with IND-AS notified under the Companies (Indian Accounting Standards)Rules, 2015, as amended, by the Companies(Indian Accounting Standards) Rules,2017 read with Section 133 and other applicable provisions of the Companies Act,2013. The company has modified the accounting and reporting system to facilitate the changes.:-

		(₹ in lacs)
Financial Results	**Year ended March 31, 2018**	Year ended March 31, 2017
Gross Profit before depreciation, finance cost and provisioning	**340.71**	547.07
Less: Finance Cost	**389.34**	523.25
Less: Depreciation including impairment	**117.35**	(125.15)
Profit /(Loss) before exceptional items and tax	**(165.99)**	(101.34)
Exceptional Items	**-**	-
Profit /(Loss) before, tax	**(165.99)**	(101.34)
Provision for tax /Deferred Tax/Tax adjustments	**93.30**	138.73
Profit(/Loss) for the year	**(72.69)**	37.39
Other Comprehensive income(net of tax)	**3.87**	2.35
Total comprehensive income for the year	**(68.82)**	39.74

Revenue from operations on Standalone Basis is rent from properties which is ₹.1055.55 Lacs as on March 31, 2018. The company has made provision of ₹. 25.26 Lacs as on March 31, 2018 for diminution in value of long term investments.

Dividend

In view of loss, your Board has not recommended any dividend for the year.

Share Capital

The Paid up Equity Share capital as on March 31, 2018 stood at ₹.1936.35 lacs. During the year, there is no increase in the Share Capital.

IND-AS effect

In view of applicability of IND-AS, the reconciliation and description of the effects of this transaction has been explained in Note No.38.3(i) to 38.3(iii) of the Financial Statement.

General Reserves

The company has not transferred any amount to the General Reserves for the financial year ended March 31,2018.

Disclosure under Section 43(a)(ii) of the Companies Act,2013

The company has not issued any shares with differential rights and hence no information as per provisions of Section 43(a) (ii) of the Act read with Rule 4(4) of the Companies (Share Capital and Debenture)Rules,2014 has been furnished.

Disclosure under Section 54(1) (d) of the Companies Act, 2013

The company has not issued any Sweat Equity Shares during the financial year under review and hence no information as per provisions of Section 54(1)(d) of the Act read with Rule 8(13) of the Companies (Share Capital and Debenture) Rules, 2014 has been furnished.

Disclosure under Section 62(1)(b) of the Companies Act,2013

The company has not issued any equity shares under Employees Stock Option Scheme during the financial year under review and hence no information as per provisions of Section 62(1)(b) of the Act read with Rules 12(9) of the Companies (Share Capital and Debenture)Rules,2014 has been issued.

Material changes and commitments, if any, affecting financial position of the company from the end of the financial year and till the date of this report

No material changes and commitments which could affect the company's financial position and/or future operations and /or Going Concern have occurred since the close of the financial year i.e. March 31,2018 till the date of the Board's Report.

Further, it is hereby confirmed that there has been no change in the nature of business of the company

Significant and Material Orders passed by the Regulators or Courts or Tribunal

There are no significant and/or material orders passed by the Regulator(s) or Court(s) or Tribunal(s) impacting the Going Concern status of the company and its business operations in future.

Corporate Governance

As stipulated under the provisions of Regulation 34(3) read with Schedule V (C) of the Listing Regulations, a Compliance Certificate on Corporate Governance signed by the Statutory Auditors is enclosed forming an integral part of this Board's Report. The company is committed to maintain the highest standards of Corporate Governance and adhere to the Corporate Governance requirements set out by the Securities and Exchange Board of India(SEBI).

Your company is committed to transparency in all its dealings and places higher emphasis on business ethics. The requisite Compliance Certificate as required under Part E of Schedule V of the Listing Regulations, issued by M/s. Anjali Yadav & Associates, Practising Company Secretaries, Delhi, Secretarial Auditors of the company pertaining to the compliance of conditions of Corporate Governance is, annexed.

Extract of Annual Return

The details forming part of the extract of Annual Return as on March 31,2018 is available in Form MGT 9 which is in accordance with Section 92 of the Companies Act,2013 read with the Companies(Management and Administration) Rules, 2014 included in this report as **Annexure 'C'** and forms an integral part of this report.

Board of Directors & Key Managerial Personnel

Necessary resolutions relating to Directors who are seeking re-appointment as required under Regulation 36 of the Listing Regulations is enclosed as part of the Notice dated August 10,2018 of the ensuing 88th Annual General Meeting.

As per the requirements under the provisions of Section 203 of the Companies Act,2013, the Board of Directors noted that Sh. Rajiv Gupta(DIN:00022964), Chairman & Managing Director &CEO, Smt. Arti Gupta(DIN:00023237), Joint Managing Director, Sh. Arun Mitter(DIN:00022941), Executive Director and Sh. M.K. Madan, Vice President & Company Secretary &CFO are the Key Managerial Personnel of the company as on the date of this Board's Report.

As on March 31, 2018, your company has 7 (Seven) Directors consisting of 4(Four) Non Executive Independent Directors, 3(Three) Executive Directors including one Woman Director.

None of the Directors of your company is disqualified under the provisions of Section 164(2)(a) and (b) of the Companies Act,2013.

Sh. Onkar Nath Aggarwal (DIN:00629878) was appointed from March 31, 2015 to March 30,2020 as Non Executive Independent Director by the shareholders till the conclusion of the Annual General Meeting of March 30, 2020 vide Regulation 17(1A) of SEBI(LODR) (Amendment)Regulations, 2018 vide notification dated May 9,2018 although applicable from April 1, 2019, has prescribed the maximum age limit for Non Executive Independent Director to 75(Seventy Five) years and he may continue in office by passing a Special Resolution. Since, Sh. Onkar Nath Aggarwal has attained such age and consented to continue in office, hence a resolution to that effect has been proposed.

Directors Retiring by Rotation

In accordance with the provisions of Section 152 of the Companies Act,2013 and the Articles of Association of the company, Sh. Rajiv Gupta(DIN:00022964), Chairman & Managing Director &CEO, Smt. Arti Gupta(DIN:00023237), Joint Managing Director and Sh. Arun Mitter(DIN:00022941), Executive Director shall retire by rotation at the ensuing 88th Annual General Meeting and being eligible, offer themselves for re-appointment.

Independent Directors with materially significant, pecuniary or business relationship with the company.

There is no pecuniary or business relationship between Non Executive Independent Directors and the company, except for the Board Meeting Fee in accordance with the applicable laws and with the approval of the shareholders. A declaration to this effect is also submitted by all the Directors at the beginning of each financial year.

Directorship and Membership on Committees and Shareholding of Non executive Directors

All the Directors at the beginning of the financial year, have periodically and regularly informed the company about their Directorship and Membership on the Board/Committees of the Board of other companies. As per the disclosures received, none of the Directors of the company hold Memberships/Chairmanships of more than the prescribed limits across all companies in which he/she is a Director.

Secretarial Standards

The Directors state that applicable Secretarial Standards relating to Meetings of the Board of Directors and General Meeting respectively, have been duly followed by the company.

Director's Responsibility Statement

Pursuant to Section 134(3)(c)/134(5) of the Companies Act,2013(including any statutory modification(s) or re-enactment(s) for the time being in force), the Directors of your company confirm that:-

i) In the preparation of the annual accounts for the financial year ended March 31,2018, applicable Indian Accounting Standards (Ind AS) and Division II of IND-AS Schedule III of the Companies Act,2013(including any statutory modification(s) or en-enactment(s) for the time being in force), have been followed and there are no material departures from the same;

ii) Such accounting policies have been selected and applied consistently and the Directors have 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 as at March 31, 2018 and of the Profit & Loss of the company for the year ended on that date;

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

iv) The annual accounts have been prepared on a 'Going Concern' basis;

v) Internal financial controls have been laid down to be followed by the company and that such internal financial controls are adequate and operating effectively; and

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

Board Evaluation

Schedule IV of the Companies Act,2013 and the Rules thereunder mandate that the Independent Directors of the company to hold at least one meeting in a year, without the attendance of Non Independent Directors.

Pursuant to the provisions of the Act and the Listing Regulations, the Non Independent Directors and the Executive Directors of the company were evaluated by the Independent Directors of the company in a separate meeting of Independent Directors held on March 1, 2018. The formal Annual evaluation of the Board as a whole, Chairman of the Company, Committees of the Board, namely, Audit Committee, Stakeholders Relationship Committee, Corporate Social Responsibility Committee, Nomination & Remuneration Committee and Risk Management Committee and all the Directors were undertaken in the Board Meeting.

More details on the same are provided in the Corporate Governance Report which forms part of this Annual Report.

At the first meeting of the Board for the Financial Year 2017-18, the Independent Directors have confirmed that they meet the criteria of independence required under sub-section (7) of Section 149 of the Act. The Board was also of the opinion that Non Executive Independent Directors, detailed hereunder, meet the criteria of independence under sub-section (6) of Section 149 of the Act.

1. Sh. Bharat Kumar (DIN:01090141)
2. Sh. Onkar Nath Aggarwal (DIN:00629878)
3. Sh. Abhiram Seth (DIN:00176144)
4. Sh. Karun Pratap Hoon (DIN:05202566)

There has been no change in the circumstances which may affect their status as Independent Director during the financial year under review.

Number of Meetings of the Board

10 (ten) meetings of the Board of Directors were held during the financial year. The details of the meetings of the Board of Directors of the company and its Committees convened during the financial year 2017-18 are given in the Corporate Governance Report which forms part of this Report.

Policy on Sexual Harassment of Women at Workplace(Prevention, Prohibition and Redressal) Act,2013.

The company has zero tolerance for sexual harassment at workplace. A policy has been adopted in line with the Sexual Harassment of Women at Workplace(Prevention, Prohibition and Redressal) Act, 2013 and rules framed therein. During the year, no complaint pertaining to sexual harassment was received.

Vigil Mechanism Policy

In compliance with the provisions of Section 177(9) of the Companies Act,2013 read with the Rules made thereunder, the Company has instituted a Whistle Blower Mechanism which, inter-alia, facilitates its employees to report genuine concerns. The mechanism provides for adequate safeguards against victimisation of persons using the mechanism and make provision for direct access to the Chairman of the Audit Committee in appropriate or exceptional cases. The policy is available on the Company's website at htt/ **www.mgfltd.com**

Particulars of Loans/Advances/Investments as required under the Listing Regulations

The details of related party disclosures with respect to loans/advances/investments during the year, as required under Part A of Schedule V of the Listing Regulations have been provided in the Financial Statements of the company.

The company as on signing of this report, has prepaid the liabilities towards secured loans of Kotak Mahindera Bank Ltd and Kotak Mahindra Investments Ltd .

Related Party Transactions

All contracts/arrangements/transactions entered by the company with Related Parties were in the ordinary course of business and on an arm's length basis.

During the year under review, the company has not entered into any contracts/arrangements/transactions with related parties which qualify as material in accordance with the policy of the company on materiality of related party transactions.

All transactions with related parties were reviewed and approved by the Audit Committee and are in accordance with the Policy on Related Party Transactions formulated by the company.

There are no materially significant related party transactions that may have potential conflict with interest of the company at large.

The details of the related party transactions as per Indian Accounting Standards (IND-AS)-24 are set out in **Note No. 33** to the Standalone Financial Statements of the company.

Form AOC-2 pursuant to Section 134(3) (h) of the Companies Act,2013 read with Rule 8(2) of the Companies(Accounts)Rules, 2014 is set out in the Annexure **'B2'** to this Report.

Associate Companies

The company has two associate companies as at March 31,2018 as disclosed in the accounts. Accordingly, a statement under the provisions of Section 129(3) of the Companies Act,2013, containing salient features of the financial statements of the Associate Companies in Form AOC-1 is enclosed as per Annexure **' B1'**

Board

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

Code of Conduct for Directors and Senior Management

The Board of Directors of the company has adopted a Code of Conduct for all members of the Board and Senior Management and the same is available on the website of the company i.e. **http//www.mgfltd.com.**

Statutory Auditors

At the 87th Annual General Meeting held on September 26, 2017, the members approved appointment of M/s. Jagdish Chand & Co, Chartered Accountants(ICAI Firm Registration No.000129N) to hold office from the conclusion of 87th Annual General Meeting until the conclusion of 92nd Annual General Meeting(subject to ratification of the appointment by the members at every Annual General Meeting held after 87th Annual General Meeting) on such remuneration as may be fixed by the Board on the recommendation of Audit Committee.

Further M/s Jagdish Chand & Co, Chartered Accountants(ICAI Firm Registration No.000129N) have confirmed their independence and eligibility under the provisions of the Act & SEBI Listing Regulations.

In view of the amendment to the said Section 139 through the Companies(Amendment Act),2017 notified on May 7,2018, ratification of auditor's appointment is no longer required. However, as required under Section 142 of the Companies Act,2013, a proposal is put up for approval of members for authorizing the Board of Directors of the company to fix Auditors remuneration for the year 2018-19 and thereafter. The members are requested to approve the same.

The Statutory Audit Report for the year 2017-18 for Standalone Financial Results does not contain any qualification, reservation or adverse remark or disclaimer made by statutory auditor.

During the year under review, the Auditors have not reported any matter under Section 143(12) of the Act., therefore, no detail is required to be disclosed under Section 134 (3)(ca) of the Companies Act, 2013.

Consolidated Financial Statements

As per Regulations 33 of the Securities and Exchange Board of India(Listing Obligations and Disclosure Requirements) Regulations,2015(hereinafter referred to as "Listing Regulations") and in accordance with the applicable provisions of the Companies Act, 2013 read with the Rules issued thereunder and IND-AS-110, the Consolidated Financial Statements of the Company for the Financial Year 2017-18 have been prepared in compliance with the applicable Indian Accounting Standards and on the basis of audited financial statements of the company and Associate Companies, as approved by the respective Board of Directors.

The Auditors, in their Consolidated Financial Statements, have taken on record the adverse opinion given by an Independent firm of Chartered Accountants on the Audit Report on the Financial Statements of Jayabharat Credit Limited, an associate company. Comments offered by the management of an associate company are self explanatory.

Further, the Directors referring to Para 7 & 11(e) of the Audit Report on consolidated financial statement are of the view that these trade receivables and long term loans and advances are recoverable. Accordingly, it will not have any adverse impact on the functioning of the company and its associate.

Cost Auditors

Pursuant to the provisions of Section 141 read with Section 148 of the Companies Act,2013 and Rules made thereunder M/s PCK & Associates, Cost Accountants(Firm Regd No.00514), on the recommendations of the Audit Committee, were re-appointed as the Cost Auditors of the company for the Financial Year ending 2018-19 at a remuneration of ₹.40,000 plus GST, as applicable. As required under the Companies Act, 2013, a resolution seeking members' approval for their appointment & the remuneration payable to the Cost Auditor forms part of the Notice.

Secretarial Auditors

Pursuant to the provisions of Section 204 of the Companies Act,2013 and the Companies(Appointment and Remuneration of Managerial Personnel)Rules,2014 made thereunder, the Board has re-appointed M/s Anjali Yadav & Associates,(FCS No.6628 & CP No.7257) as the Secretarial Auditor to conduct and audit the secretarial records for the Financial Year 2017-18.

The Secretarial Audit Report for the financial year ended March 31,2018 is annexed herewith as **Annexure 'D"** in Form No. MR-3 and forms an integral part of this report. The Secretarial Audit Report does not contain any qualification, reservations or adverse remarks.

M/s Anjali Yadav & Associates, Secretarial Auditor have also been appointed as scrutinizer to scrutinize the e-voting process.

Internal Auditor & Internal Control

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

Board Committees

The Board has the following committees:-

Audit Committee

The Audit Committee of the Board of Directors has been reconstituted on February 13,2018 and as on the date of signing of this report comprises of 5 (Five) Directors, namely, Sh. Arun Mitter, Executive Director, Sh. Bharat Kumar, Sh. Abhiram Seth, Sh. Onkar Nath Aggarwal and Sh. Karun Pratap Hoon , 4(Four) of them being Non Executive Independent Directors. Sh. Bharat Kumar, a Non Executive Independent Director, is the Chairman of the Audit Committee.

The Board accepts recommendations of the Audit Committee.

Nomination & Remuneration Committee

Nomination & Remuneration Committee has been reconstituted on February 13,2018 and as on the date of signing of this report comprises of 5(five) Directors namely, Sh. Rajiv Gupta, Chairman & Managing Director & CEO of the company, Sh. Bharat Kumar, Sh. Abhiram Seth, Sh. Onkar Nath Aggarwal and Sh. Karun Pratap Hoon. Out of 5(five) Directors, 4 (four) Directors are Non Executive Independent Directors. Sh. Abhiram Seth, a Non Executive Independent Director, is the Chairman of the Committee.

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

Stakeholders Relationship Committee

Stakeholders Relationship Committee has been reconstituted on February 13, 2018 and as on the date of signing of this report comprises of 6 (six) Directors, namely Sh. Rajiv Gupta, Chairman & Managing Director & CEO, Smt. Arti Gupta, Joint Managing Director, Sh. Arun Mitter, Executive Director, Sh. Bharat Kumar, Sh. Abhiram Seth and Sh.Karun Pratap Hoon, Non Executive Independent Directors. Out of 6(six) Directors, 3 (three) Directors are Independent Directors. Sh. Abhiram Seth, a Non Executive Independent Director, is the Chairman of the Committee.

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

Corporate Social Responsibility (CSR) Committee

Corporate Social Responsibility (CSR) Committee has also been reconstituted on February 13,2018 and as on the date of signing of this report comprises of 4(four) Directors, namely Sh.Arun Mitter, Executive Director, Abhiram Seth, Sh. Onkar Nath Aggarwal and Sh. Karun Pratap Hoon, Non Executive Independent Directors. Out of 4(four) Directors, 3(three) Directors are Independent Directors . Sh. Abhiram Seth, Non Executive Independent Director is the Chairman of the Committee.

Risk Management Committee

Risk Management Committee comprises of 3(three) Directors, namely, Sh. Arun Mitter, Executive Director, Sh. Bharat Kumar and Sh. Abhiram Seth, Non Executive Independent Directors. Out of three Directors, 2(two) Directors are Independent Directors. Sh. Bharat Kumar, a Non Executive Independent Director, is the Chairman of the Committee.

Policies

SEBI(LODR) Regulations,2015 mandated the formulation of certain policies for all listed companies. In compliance with the same, the company has formulated the Corporate Governance Policies viz Policy on Related Party Transactions, Policy on Disclosure of Material Event/information, Unpublished Sensitive Information(UPSI) under SEBI(Prohibition of Insider Trading) Regulations, 2015, Whistle Blower Policy, Policy on Document Preservation, Policy on Board Diversity, Policy on Familiarization Programme for Independent Directors, Policy on Sexual Harassment of Women at Workplace(Prevention, Prohibition and Redressal) Act,2013(POSH) etc are available on company's website **www.mfgltd.com**

Corporate Social Responsibility(CSR)

As a part of its initiative under the Corporate Social Responsibility (CSR) drive, the company had undertaken projects in the area of promoting education, renovation of school building and running of school and libraries etc. This is in accordance with the Schedule VII of the Companies Act,2013 and the company's CSR policy. However, As per the provisions of Section 135 of the Companies Act,2013, the company is not falling in the criteria as is prescribed in the said section and as such, CSR is not applicable during this year. CSR Policy of the company is available on company's website **www.mgfltd.com**

CEO/CFO Certification

As required under Regulation 17 of the Listing Regulations, the CEO/FCFO certificate for the financial year 2017-18 signed by Sh. Rajiv Gupta, Chairman & Managing Director &CEO and Sh. M.K. Madan, Vice President & Company Secretary &CFO, was placed before the Board of Directors of the company at their meeting held on August 10,2018.

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.

Investor Education & Protection Fund(IEPF)

Pursuant to Section 124(5) of the Act read with the IEPF Authority(Accounting Audit, Transfer and Refund)Rules,2016("the Rules"), all unpaid or unclaimed dividends are required to be transferred by the company to the IEPF established by the Central Government, after the completion of continuous seven years. In accordance with the aforesaid provisions, ₹.11,94,500/**-** was transferred to IEPF on 3-11-2017: In respect of dividend for Financial Year 2009-10.

Pursuant to Section 124(6) of Act read with the Rules, such shares in respect of which dividend has remained unpaid or unclaimed for seven consecutive years shall be transferred to Demat Account maintained by IEPF Authority. In accordance with the aforesaid provisions, 2,03,659 equity shares of the company were transferred to the Demat account maintained by IEPF Authority.

Further, the company vide letter dated June 4, 2018 & reminder on August 10,2018 has already written to such shareholders, who have not claimed dividend pertaining to Financial Year 2010-11, to claim dividend on or before September 21,2018. The company has also published notice in the newspapers as per the IEPF Rules. The company has also on its website **www.mgfltd.com** uploaded the details regarding Unpaid/Unclaimed dividend. The Unclaimed/Unpaid Dividend for the above year shall be transferred to the IEPF on the due date i.e. November 4,2018 and the corresponding eligible shares shall also be transferred to demat account maintained by IEPF.

The respective due date of transfer of the unclaimed/unencashed dividend to the Investors Education & Protection Fund("IE&P) of the Central Government is as below:

Financial year to which dividend relates	Date of Declaration	Due date for transfer to IEPF
2010-11	29-09-2011	04-11-2018

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(s) with whom, they have dematerialized account, to the company's registrar and transfer agents, M/s Alankit Assignments Limited, Alankit Heights, 3E/7, Jhandewalan Extension, New Delhi-110055.

In pursuance to compliance of Notification bearing no.SEBI/LAD-NRO/GN/2018/24 dated June 8,2018 issued by SEBI(LODR) Regulations,2015, the equity shares held by shareholder in physical form after the notified date i.e. December 8,2018 shall not be processed unless the securities are held in dematerialized form with the Depository. Therefore, it has become mandatory to convert physical holding into electronic mode i.e. demat mode before placing the request for transfer of shares.

Transfer/Transmission/transposition of shares

Pursuant to SEBI Circular no. SEBI/HO/MIRSD/DOP1/P/2018/73 dated April 20, 2018, shareholders holding shares are mandatorily required to furnish the PAN and bank account details to the Company/Registrar & Transfer Agent(RTA) for registration under their Folio for :-

- Registration of physical transfer of shares

- Deletion of name of deceased shareholder(s) where shares are held jointly in the name of two or more shareholders

- Transmission of shares to the legal heirs where shares are held solely in the name of deceased shareholder; and

- Transposition of shares where order of names of shareholders are to be changed in the physical shares held jointly by two or more shareholders.

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

Business Responsibility Report

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

Public Deposits

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

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:-

(₹ **in Lacs**)

			March 31, 2018	March 31, 2017
a)	Technology		It is not applicable	-
b)	Conservation of Energy		-do-	-
c)	Transactions in Foreign Currency		**Nil**	Nil
a)	Expenditure in Foreign Currency			
	i)	Repayment of Foreign Currency loan	**-**	-
	ii)	Interest on Foreign Currency Loan	**-**	**-**
	iii)	Travelling Expenses	₹ **1.91 lacs**	₹ 0.91
b)	Shares held by Non Resident Shareholders		**173316**	169740
	No. of Shareholders		**34**	30

The company had no earnings in foreign exchange

E-mail ID for Investor's Grievances

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

Nomination Facility

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

Listing Fee

The listing fee for the year 2018-19 has already been paid to the credit of both the stock exchanges.

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.

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.

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

Place: New Delhi
Dated: August 10, 2018

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

(ARTI GUPTA)
JOINT MANAGING DIRECTOR
DIN:00023237

Annexure 'A' to the Directors Report

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

CORPORATE GOVERNANCE REPORT

1. Company's Philosophy on Code of Corporate Governance

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

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

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

2) Board of Directors ("Board")

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

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

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

The Board meets at least once every quarter to review the quarterly results and other items of the Agenda and if necessary, additional meetings are held. The gap between two Board Meetings does not exceed 120 days. The Board is apprised and informed of all the important information relating to the business of the company including those listed in Annexure X to clause 49 of the Listing agreement and Part A of Schedule II to the **Regulation 17(7)** of the SEBI(LODR) Regulations, 2015("Listing Regulations") applicable effective from December 1,2015. The Chairman & Managing Director and the Company Secretary discuss the items to be included in the Agenda which is sent in advance to the Directors along with the draft of the relevant documents and explanatory statement wherever required, to enable the Board to discharge its responsibilities effectively and take informed decisions. The company is in compliance with the provisions of the Secretarial Standards to the meetings of the Board of Directors.

None of the Directors on the Board hold directorships in more than ten public limited companies. Further none of them is a member of more than ten committees or Chairman of more than five committees across all the public companies in which he/she is a director. Also none of the Independent Directors has served as an Independent Director in more than seven listed companies. Necessary disclosures regarding committee positions in other public companies as on March 31,2018 have been made by the Directors.

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)	Non Executive- Independent Director
5.	Sh. Onkar Nath Aggarwal (DIN:00629878)	Non Executive -Independent Director
6.	Sh. Abhiram Seth (DIN:00176144)	Non Executive -Independent Director
7.	Sh. Karun Pratap Hoon* (DIN:05202566)	Non Executive -Independent Director

*Appointed as Non Executive Independent Director w.e.f. October 18,2017

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

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

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

Independent Directors

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

Role of independent Directors

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

Independent Directors play an important role in deliberations at the Board, Audit Committee, Nomination & Remuneration Committee, Stakeholders Relationship Committee, Risk Management Committee and CSR Committee where they have majority. These committees function with the defined terms of reference in accordance with the Companies Act, 2013, the LODR 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 Section 149 (6)** of the Companies Act,2013 read with **Regulation 25 of SEBI(LODR) Regulations,2015.** In the opinion of the Board, each Independent Director possesses appropriate balance of skills, experience and knowledge, as required.

Pecuniary Relationship

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

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

Details of Board Meetings

Seven Board Meetings were held during the year and the gap between two meetings did not exceed 120 days. The said meetings were held on May 29, 2017, June 15, 2017, June 16, 2017, July 25, 2017, August 17, 2017, September 14, 2017, October 18, 2017, December 14, 2017, February 13, 2018 and March 6, 2018.The necessary quorum was present for all the meetings.

During the year 2017-18, information as mentioned in Schedule II Part A of the SEBI Listing Regulations, has been placed before the Board for its consideration.

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

b) The Board periodically reviews the compliance reports of all laws applicable to the company.

c) The details of the familiarization programme of the Independent Directors are available on the website of the company (**http://www.mgfltd.com)**

d) The meetings of the Board of Directors are informed well in advance and are held generally at the Registered Office i.e. MGF House, 4/17-B, Asaf Ali Road, New Delhi-110002. The notice confirming the minutes of the previous meeting and the detailed agenda for the ensuing meeting is sent invariably at least seven days in advance to all the Directors. In terms of the company's Corporate Governance policy, all significant and material information are placed before the Board to enable them to discharge their responsibilities. As per the directions of the Chairman, the Company Secretary who is also the Compliance Officer, convene the meetings.

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

Number of Board Meetings:

During the financial year from April 1, 2017 to March 31, 2018, the Board of Directors met (10)ten times on the following dates:-

S.No.	Date of Meeting	Board Strength	No.of Directors present
1.	May 29, 2017	6	6
2.	June 15, 2017	6	4
3.	June 16, 2017	6	4
4.	July 25, 2017	6	4
5.	August 17, 2017	6	6
6.	September 14, 2017	6	6
7.	October 18, 2017	7	5
8.	December 14, 2017	7	7
9.	February 13, 2018	7	7
10.	March 6, 2018	7	6

(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 Memberships in all Committees of the Board as on March 31, 2018	
					Chairmanships	Memberships
1.	Sh.Rajiv Gupta	10	10	Not attended	-	4
2.	Mrs.Arti Gupta	10	10	Not attended	-	1
3.	Sh.Arun Mitter	10	10	Present	3	4
4.	Sh. Bharat Kumar	10	10	Present	1	1
5.	Sh. Onkar Nath Aggarwal	10	6	Not attended.	-	1
6.	Sh. Abhiram Seth	10	5	Not attended	1	1
7.	Sh. Karun Pratap Hoon*	10	4	Not attended	-	2

*****Appointed as Non Executive Independent Director after the AGM i.e.September 26,2017 i.e. w.e.f October 18, 2018

- None of the directors holds office as a director, in more than twenty companies at the same time. None of them has directorships in more than ten public Limited companies.
- As per the declarations received, none of the directors serve as an Independent Director in more than seven listed companies. Further, the Whole Time Director in the company does not serve as an independent director in more than three listed companies.
- None of the directors was a member in more than 10(ten) committees, nor a Chairman in more than 5(five) committees across all companies in which he was a director.

- Memberships is in only Audit Committee and Stakeholders Relationship Committee in Public Limited Companies in accordance with Regulation 26 (1) (a) of SEBI(LODR) Regulations,2015. Members of the Board of the company do not have 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(Compliance Officer) attends the committee meetings and advises on compliances with applicable laws and governance.

Details of equity shares of the company held by Directors as on March 31,2018

Name of Director	Category	No. of Equity Shares
Sh. Rajiv Gupta	Non Independent, Executive	22,71,865
Smt. Arti Gupta	Non Independent, Executive	9,81,000
Sh. Arun Mitter	Non Independent, Executive	10606
Sh. Bharat Kumar	Independent, Non Executive	-
Sh. Onkar Nath Aggarwal	Independent, Non Executive	-
Sh. Abhiram Seth	Independent, Non Executive	10298
Sh. Karun Pratap Hoon	Independent, Non Executive	-

Evaluation of Directors and the Board

The Board of Directors has carried out an annual evaluation of its own performance, Board Committees and individual directors pursuant to the provisions of the Act and the Corporate Governance requirements as prescribed by Regulation 17 of SEBI (LODR) Regulations,2015 (“SEBI Listing Regulations”)

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

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

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

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

Performance evaluation of independent directors was done by the entire board, excluding the independent director being evaluated.

Meeting Fee to Directors:

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

Disclosure of relationships between Directors inter-se:

Mrs. Arti Gupta (Holding DIN 00023237) on the Board is wife of Mr. Rajiv Gupta (Holding DIN 00022964)

None of the other Directors are related to any other Director on the Board.

Number of Shares and Convertible Instruments held by Non Executive Independent Directors:-

None of the Non Executive Independent Directors hold any of the convertible instruments except the following Equity Shares of Rs.10/- each in their individual capacity:

Name of the Director	Category	No. of Shares held as on March 31,2018
Sh. Abhiram Seth	Non Executive Independent Director	10298

Web link where details of Familiarization Programmes imparted to Independent Directors is disclosed:

The details regarding Familiarization Programmes imparted to Independent Directors of the Company are given on the website of the Company at **www.mgfltd.com** under Investor Relations Section.

Governance Codes

Code of Business Conduct & Ethics

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

A declaration from the Managing Director that all the Board Members and Senior Managerial Personnel have affirmed that they have complied with the Code of Conduct for the financial year ended March 31, 2018 which forms part of the Annual Report. The duties of the Non Executive Independent Directors as laid down in the Companies Act, 2013 has been suitably explained in the Code of Conduct where necessary.

Insider Trading Code

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

Separate Meeting of the Independent Directors

In terms of Section of the Companies Act,2013, during the year, as per the requirements of matters listed out in Schedule IV of the Companies Act, 2013 and SEBI(LODR) Regulations, 2015 a separate meeting of the Non Executive Independent Directors of the company was held on March 1, 2018 without the attendance of Non Independent Directors and members of the management. All the four Independent Directors were present at the meeting, wherein they had, inter-alia, reviewed the performance of Non Independent Directors and the Board as a whole; reviewed the performance of the Chairman of the company, taking into account the views of the Executive Directors and the Non Executive Directors; and assessed the quality, quantity and timeliness of flow of information between the company management and the Board.

During the year ended March 31, 2018, one meeting of Non Executive Independent Directors was held on March 1, 2018.

Name of Director	No. of Meetings held	No. of Meetings attended
Sh. Bharat Kumar	1	1
Sh. Abhiram Seth	1	1
Sh. Onkar Nath Aggarwal	1	1
Sh. Karun Pratap Hoon	1	1

Board Committees:

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

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

SEBI (LODR) Regulations,2015, the composition, broad terms of reference and attendance of director of each committee is given hereunder:-

3) **Audit Committee**

The term of reference of the Audit Committee are in line with Regulation 18 of SEBI(LODR) Regulations,2015(specified in Part C of the Schedule II) and Section 177 of the Companies Act,2013.

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

Chairman:

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

Broad Terms of Reference of the Audit Committee

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

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

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

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

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

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

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

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

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

(vi) Ensuring compliance with regulatory guidelines.

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

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

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

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

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

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

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

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

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

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

During the year ended March 31, 2018 , the Committee met eight times on May 29, 2017, June 15, 2017, June 16, 2017, July 25, 2017, August 17, 2017, September 14, 2017, December 14, 2017 and February 13, 2018.

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

Attendance of the Directors in the Audit Committee Meeting:

S. No.	Name of Director	No. of Audit Committee Meetings held	No. of Meetings attended
1.	Sh. Bharat Kumar	8	8
2.	Sh. Arun Mitter	8	8
3.	Sh. Abhiram Seth	8	5
4.	Sh. Onkar Nath Aggarwal	8	5
5.	Sh. Karun Pratap Hoon*	8	1

* Appointed as a member of the Audit Committee w.e.f February 13,2018

None of the Directors on the Board is a member of more than 10(ten) committees or Chairman of more than 5(five) 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.

4) Nomination and Remuneration Committee

The terms of reference of the Nomination and Remuneration Committee are in line with Regulation 19 of SEBI(LODR) Regulations,2015(Specified in Part D of the Schedule II) and Section 178 of the Companies Act,2013.

Broad Terms of reference of the Nomination and Remuneration Committee:

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

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

Membership:

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

Chairman

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

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

During the year ended March 31, 2018, the Nomination and Remuneration Committee met two times i.e. October 18, 2017 and February 13, 2018.

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

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

* Appointed as a member of Committee w.e.f. February 13, 2018.

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.

Performance Evaluation Criteria for Independent Directors

The Performance Evaluation of all the Directors for the Financial Year 2017-18, was carried out in accordance with the criteria laid out by the Nomination and Remuneration Committee and approved by the Board.

The Performance evaluation of Independent Directors was done by the entire Board of Directors (excluding the Directors being evaluated).

REMUNERATION OF DIRECTORS

All pecuniary relationship or transactions of the Non- Executive Directors vis-à- vis the Company:

During the financial year 2017-18, the Company has not paid any remuneration to Non-Executive and Independent Director except sitting fees.

NON EXECUTIVE INDEPENDENT DIRECTORS

Name of Director	*Sitting fee for attending the Board Meetings during the year ended March 31, 2018 (Amount in ₹)
Sh. Bharat Kumar	52,250
Sh. Abhiram Seth	25,750
Sh. Onkar Nath Aggarwal	30,750
Sh. Karun Pratap Hoon*	20,000
Total	**1,28,750**

* Appointed as Non Executive Independent Director w.e.f. October 18,2017.

* including service tax/GST

No sitting fee for attending any committee meeting was paid.

Criteria of making payments to Non-Executive Directors:

The terms of appointment/re-appointment, remuneration/fees, removal of Non-Executive Directors are governed by the resolutions passed by the Board / the Nomination and Remuneration Committee, which cover the terms and conditions of such appointment/re-appointment as per the Nomination and Remuneration Policy and Articles of Association of the Company, as amended from time to time. No separate Service Contract is entered into by the Company with any Non-Executive Directors. The statutory provisions will however apply.

Further, the detailed Nomination & Remuneration Policy is annexed to Director's Report and is also available on the website of the Company at www.mgfltd.com.

Details of Remuneration paid to Executive Directors for the Year ended on March 31, 2018:

EXECUTIVE DIRECTORS & KMP

Name of Director	Basic Salary & Allowances	Perquisites	Contribution to Provident Fund	Total (₹)
Sh.Rajiv Gupta Chairman & Managing Director &CEO	25,20,000	2,69,489	3,02,400	30,91,889
Smt. Arti Gupta Joint Managing Director	24,00,000	82,560	2,88,000	27,70,560
Sh. Arun Mitter Executive Director	27,84,000	2,13,486	2,08,800	32,06,286
Sh. M.K. Madan Vice President & Company Secretary & CFO	11,93,300	2,17,600	92,220	15,03,120
Total	**88,97,300**	**7,83,135**	**8,91,420**	**1,05,71,8555**

Policy for appointment and remuneration

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

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

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

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

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

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

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

5) Stakeholders Relationship Committee.

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

Chairman

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

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

Terms of Reference

The terms of reference of the Committee includes enquiring into and redressing complaints of shareholders and investors and to resolve the grievances of the stakeholders of the company which are in line with Regulation 20 of SEBI(LODR) Regulations, 2015(Specified in part D of the Schedule II) and Section 178 of the Companies Act, 2013).

Attendance of Directors in the Stakeholders Relationship Committee Meetings:

The Stakeholders Relationship Committee met four times during the year on July 14, 2017, October 17, 2017, January 11, 2018 and February 13, 2018.The attendance for the meetings is as under :-

SNo.	Name of Director	No. of meetings held	No.of meetings attended
1.	Sh. Rajiv Gupta	4	4
2.	Mrs. Arti Gupta	4	4
3.	Sh. Arun Mitter	4	4
4.	Sh. Bharat Kumar	4	4
5.	Sh. Abhiram Seth	4	3
6.	Sh. Karun Pratap Hoon*	4	1

* Appointed as a Member of Committee w.e.f. February 13, 2018

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

The Board has delegated the powers of Share Transfer/ Transmissions to a Committee. The said committee attends to Share Transfer formalities Weekly/ Fortnightly.

Details of Investors complaints received during the year ended March 31,2018

Sl No.	Nature of Complaints	Received	Resolved	Pending
1.	Non receipt of dividend/ debenture redemption warrants	1	1	-
2.	Non receipt of share certificates after transfer/exchange/sub-division/ consolidation/merger, etc/issue of duplicate share certificate	-	-	-
3.	Non receipt of Annual Report	1	1	-
	Total	2	2	-

Number of complaints pending with the company

All the shareholders requests/complaints received during the financial year ended March 31,2018 by the company and/or their Registrar i.e. M/s Alankit Assignments Limited were replied/resolved to their satisfaction.

6) Risk Management Committee

Membership:

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

Chairman:

Sh. Bharat Kumar is the Chairman of Risk Management Committee.

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

Broad Terms of reference of the Risk Management Committee

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

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

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

During the year ended March 31,2018, the Risk Management Committee met four times on July 25,2017, August 17,2017, January 18,2018 and March 7,2018.

Attendance of the Members in the Risk Management Committee

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

None of the Directors on the Board is a member of more than 10(ten) committees or Chairman of more than 5(five) 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.

7) Corporate Social Responsibility (CSR) Committee

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

Chairman

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

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

Terms of Reference of the Corporate Social Responsibility

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

(iv) Corporate Social Responsibility (CSR) Policy

As per the provisions of Section 135 of the Companies Act,2013, the company is not falling in the criteria as is prescribed in the said section and as such, CSR is not applicable during this year.

During the year, one meeting of the Corporate Social Responsibility Committee of Board of Directors was held on February 13,2018.

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
4.	Sh. Karun Pratap Hoon*	1	1

*Appointed as a member of CSR Committee w.e.f. February 13,2018.

None of the Directors on the Board is a member of more than 10(ten) committees or Chairman of more than 5(five) 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.

8) GENERAL BODY MEETINGS:

(a) Location and time where the last three Annual General Meetings were held and Special Resolution passed there at:

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
85th	2015	September 29, 2015	12.15 P.M.	Appointment of a Non Executive Independent Director under Sections 149,150, 152 and other applicable provisions of the Companies Act, 2013,variation in terms of Remuneration payable to CMD, JMD and ED under Section 196, 197 and 198 and 203 read with Schedule V and other applicable provisions of the Companies Act, 2013, amendment in Articles of

				Association pursuant to the provisions of section 14 and all other applicable provisions, if any of the Companies Act,2013 and appointment of Cost Accountant being Cost Auditors under Section 148 of the Companies Act,2013.
86th	2016	September 28, 2016	12.15 P.M.	Re-appointment of Sh. Rajiv Gupta, CMD, Smt. Arti Gupta and Sh. Arun Mitter and payment of remuneration, under Section 196,197,198, 2013 and other applicable provisions of the Companies Act, 2013 and the rules made thereunder(including any statutory modification or re-enactment thereof) read with Schedule V of the Companies Act,2013,approval of charges for services of documents on the shareholders under Section 20 of the Companies Act,2013, Change of Articles under Section 14 and all other applicable provisions, if any, of the Companies Act,2013, Related parties transactions under Section 188 and all other applicable provisions, if any, of the Companies Act, 2013 and appointment of PCK & Associates, Cost Accountants under Section 148 of the Companies Act, 2013.
87th 2017		September 26,2017	12.30.P.M.	Appointment of M/s Jagdish Chand & Co, Chartered Accountants as Statutory Auditors, Re-appointment of M/s PCK & Associates, Cost Auditors under Section 148 of the Companies Act,2013, Related parties transactions under section 188 and all other applicable provisions, if any, of the Companies Act,2013 and modification in the remuneration payable to Sh.Rajiv Gupta, Chairman & managing Director, Smt. Arti Gupta, Joint managing Director and Sh. Arun Mitter, Executive Director.

(a) **Details of Special Resolution passed last year through Postal Ballot and person who conducted Postal Ballot exercise:**

No Special Resolution was put through Postal Ballot in the last Annual General Meeting.

(b) **Details of Special Resolution proposed to be conducted through Postal Ballot and procedure for Postal Ballot:**

At the ensuing Annual General Meeting, there is no Special Resolution proposed to be conducted through Postal Ballot.

9) **Means of Communication**

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

Company has not made any presentation to any Institution, Investors/Analyst during the year. Company has its own website and all the vital information relating to the company is displayed on the website. Address of the website is **http://www.mgfltd.com**

10) **General Shareholders Information :**

Annual General Meeting	:	88th Annual General Meeting
Day & Date	:	Thursday, September 27, 2018
Time	:	12.30 P.M.
Venue	:	The Executive Club, 439, Village Shahoorpur, P.O. Fatehpur Beri, New Delhi-110030

Date of Book Closure : **Thursday, September 20, 2018 to Thursday, September 27, 2018 (both days inclusive)**

Financial Year : **1st April, 2018 to 31st March, 2019**

Adoption of quarterly results for the quarter ending (tentative and subject to change):

Period	**Approved by the Board of Directors**
Financial reporting for the quarter ended June 30, 2018	August, 2018
Financial reporting for the quarter and half year ended September 30, 2018	November, 2018
Financial reporting for the quarter ended December 31, 2018	February, 2019
Financial reporting for the quarter and year ended March 31,2019	May, 2019

Dividend Payment:

No dividend is declared by the company for F.Y 2017-18

Name and address of each Stock Exchange(s) at which the company's securities are listed and a confirmation about the payment of Annual Listing fee to each such Stock Exchange(s)

BSE Limited,
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

Annual Listing Fee for the Financial Year 2018-19 has been paid in time by the Company to Stock Exchanges viz. BSE and NSE

Stock Code of the Company:

BSE Limited (BSE), Mumbai

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

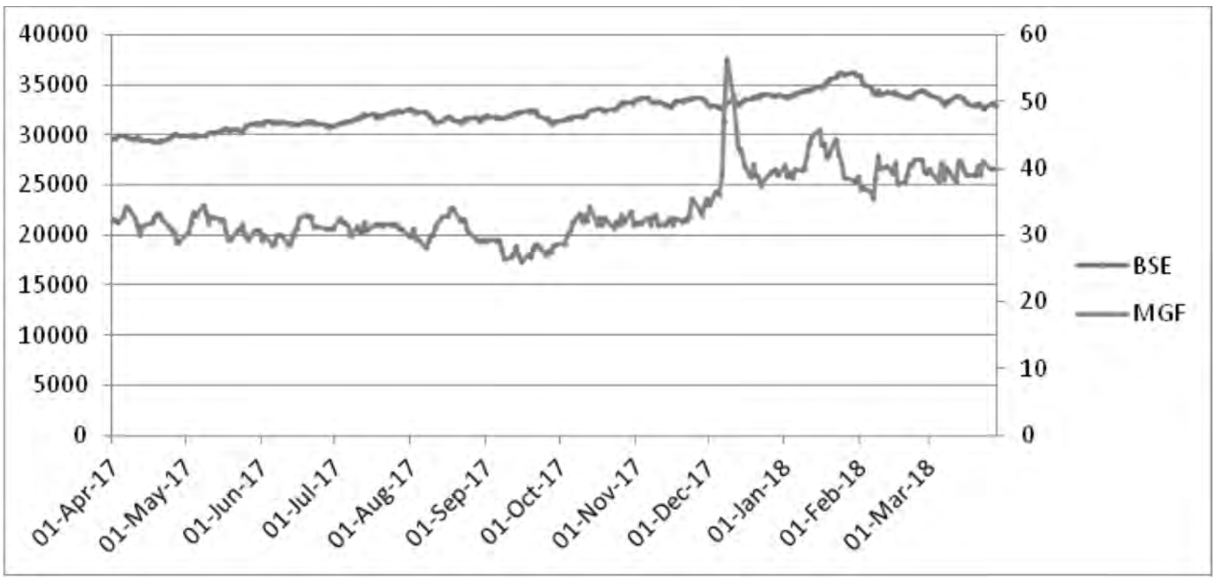
National Stock Exchange of India Ltd(NSE)

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

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

	(BSE)		(NSE)	
Month & Year	High	Low	High	Low
April, 2017	34.20	27.55	33.75	28.00
May, 2017	36.10	28.20	34.45	28.50
June, 2017	32.95	27.10	30.95	25.50
July, 2017	34.00	28.10	31.95	27.10
Aug, 2017	33.45	29.00	28.45	24.65
Sep, 2017	30.00	26.40	29.20	24.10
Oct, 2017	37.50	27.20	35.00	27.00
Nov, 2017	37.95	29.65	36.65	29.40
Dec, 2017	58.20	34.40	58.00	34.00
Jan, 2018	48.00	36.30	48.15	37.35
Feb, 2018	43.50	35.00	43.25	35.00
Mar, 2018	43.70	36.00	41.95	35.40

Performance in comparison to broad–based indices such as BSE Sensex, CRISIL Index, etc:



Category of Shareholding as on March 31, 2018

S.No	Category	No. of Shares held	% of Shareholding
A	**Promoters ***	12537392	64.747%
B	**Non Promoter Holding**	-	-
	Mutual Funds and UTI	-	-
	Banks, Financial Institutions, Insurance Companies(Central/State Government Institutions/Non Government Institutions)	208974	1.079%
C	**Others**		
	Private Corporate Bodies	378732	1.956%
	Indian Public	4977427	25.705%
	NRIs/OCBs/FIIs/Trust/Custodian	1261070	6.513%
	Total	**19363595**	**100.00%**

* includes persons acting in concert.

28. Distribution of Company's Shareholding as on March 31, 2018:

Category	Shareholders			No. of Shares(₹ 10/- per share)			Percentage(%)		
	Physical	Demat	Total	Physical	Demat	Total	Physical	Demat	Total
Upto 5000	3852	3985	7837	4144300	4513410	8657710	2.14	2.33	4.47
5001-1000	164	331	495	1201650	2681730	3883380	0.62	1.38	2.00
10001-20000	83	182	265	1174730	2768950	3943680	0.61	1.43	2.04
20001-30000	33	60	93	815270	1593250	2408520	0.42	0.82	1.24
30001-40000	14	28	42	506840	1003550	1510390	0.26	0.52	0.78
40001-50000	8	29	37	361410	1355940	1717350	0.19	0.71	0.90
50001-100000	20	47	67	1277700	3314410	4592110	0.65	1.72	2.37
100000 & above	12	68	80	3280530	163642280	166922810	1.69	84.51	86.20
Total	4186	4730	8916	12762430	180873520	193635950	6.58%	93.42%	100.00%

In case the securities are suspended from trading, the Director's Report shall explain the reason of:

Not Applicable

Registrar and Share Transfer Agents :

In compliance with SEBI directive M/s Alankit Assignments Ltd, Alankit Heights, 3E/7, Jhandewalan Extension, New Delhi – 110055. Tel No.011- 42541953/ 63 are carrying on assignment of both physical and demat mode. However, keeping in view the convenience of members, documents relating to the shares are continued to be received by the company at its Registered Office, at MGF House, 4/17-B, Asaf Ali Road, New Delhi-110002, Telephone Nos. 23272216-18, 23278001-02.

Under Demat and Physical Mode:

Alankit Assignments Limited,
Alankit Heights, 3E/7,
Jhandewalan Extension,
New Delhi – 110 055.
Phones: 011-42541953/63

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

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.

Dematerialisation of Shares

MGF's shares are available for trading with National Securities Depository Ltd(NSDL) and with Central Depository Services(India) Ltd(CDSL) . The ISIN allotted to MGF's shares is INE 861B01015

Outstanding GDRs / ADRs / Warrants / Convertible Instruments, conversion date and likely to impact on Equity:

There are no GDRs/ADRs/Warrants outstanding as on 31st March, 2018.

Commodity price risk or foreign exchange risk and hedging activities:

The Company has in place Risk Management policy in order to mitigate commodity price risk and foreign exchange risk. Pursuant to this policy natural hedge is maintained and when required forward contracts / cover are also used to cover these exposures.

Plant locations:

Not Applicable

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**
GST No.07AAACT2356D2ZN

Compliance Officer:

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

Company Secretary:

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

11) **Other Disclosures:**

a) **Transaction with Non executive Independent Directors**

The Non Executive Independent Directors of the company do not have any material pecuniary relationship or transactions vis-a-vis company except Director's meeting fee paid for attending Board Meeting(s) only.

b) **Shareholding of Directors**

The shareholding details of the directors as at March 31, 2018 are included in Form MGT-9 forming part of the Directors' Report

c) **Accounting Standards/Treatment**

The company has complied with the applicable Accounting Standards specified u/s 133 of the Companies Act,2013. The financial statements for the year have been prepared in accordance with and in compliance of Schedule III notified by the Ministry of Corporate Affairs(MCA).

d) **Number of shares pending for transfer:**

No shares were pending for transfer as on March 31, 2018.

e) **Affirmations and Disclosures**

The company has complied with all mandatory requirements as stipulated in Schedule V (C) of the Listing Regulations. The disclosures of the compliance with Corporate Governance requirements specified in Regulation 17 to 27 of the Listing Regulations, have been made in the Corporate Governance report. All the details required under clauses (b) to (m) (except clause(h), since, not applicable of sub regulation (2) of Regulation 46 of the said Regulation are displayed on the website **www.mgfltd.com**

f) **Disclosure with respect to Demat suspense Account/Unclaimed Suspense Account**

The company does not have any shares in the demat suspense account or unclaimed suspense account.

g) **Details of capital market non compliances, if any,**

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

h) **Disclosure to the extent to which the discretionary requirements as specified in part E of schedule II have been adopted**

(i) **The Board-** The Chairman of the Company at present is Executive Director and the company has adequate facility at its Registered Office to maintain an office for the Chairman.

(ii) **Shareholder's Rights –** The quarterly and year to date financial statements are disseminated through Stock Exchanges, published in newspaper and also uploaded on Company's website.

(iii) **Modified opinion(s) in audit report-** The Statutory Auditors of the company have issued an unqualified Audit Report on the Standalone Financial Results of the company for the year ended March 31,2018. However, in the case of Consolidated Financial Results, the adverse opinion has been taken on the basis of audit report submitted by the Auditors of an associate company. This has been fully explained in the Director's Report.

(iv) **Separate posts of Chairman and CEO-** The company at present, has the same person as Chairman & CEO.

(v) **Reporting of Internal Auditor-** The Internal Auditor reports directly to the Audit Committee.

i) **Details of Compliance with mandatory requirements and adoption of the non mandatory requirements.**

(i) **Mandatory requirements**

The company has fully complied with the mandatory requirements of SEBI(LODR) Regulations,2015.

(ii) **Non mandatory requirements**

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

j) **Web link where policy for determining material subsidiaries is disclosed:**

In order to adhere the requirement of Regulation 16(c) of SEBI (Listing Obligations and disclosure Requirements) Regulations, 2015, the Company has adopted a Policy for determining 'material' subsidiaries of the Company. The policy is disclosed on the website of the Company at **www.mgfltd.com**

k) **Compliance Certificate**

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

l) **Related Party transactions** (RPTs)

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

None of the transactions with related parties falls under the scope of section 188(1) of the Act. Information on transactions with related parties pursuant to section 134(3)(h) of the Act read with rule 8(2) of the Companies (Accounts) Rules,2014 are given in the notes forming part of the Financial Statement Refer Note No.33.

m) **Risk Management**

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

n) **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.

12) **Management:**

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.

Recording Minutes of proceedings at Board and Committee meetings

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

Whistle Blower Policy/Vigil Mechanism

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

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.

i) Regulation 22(2) of SEBI(LODR Regulations,2015 has established the Whistle Blower Policy for Directors and employees to report concerns about unethical behavior actual or suspected fraud or violation of any of law or company's conduct of conduct, mismanagement, gross waste or misappropriation of company's funds.

ii) 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.

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

iv) 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.

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

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

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

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

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.**

Nomination Facility:

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

13) The Company has complied with the requirements of Corporate Governance Report as mentioned in sub-paras (2) to (10) of Schedule V of the SEBI(LODR) Regulations, 2015.

14) Certification of Financial Reporting and Internal Controls / (CEO/CFO certificate)

In accordance with Regulation 18(3) of SEBI(LODR) Regulations,2015, Sh. Rajiv Gupta, Chairman & Managing Director &CEO and Sh. M.K. Madan, Vice President & Company Secretary & CFO of the company, have inter-alia, certified and confirmed to the Board about the correctness of the financial statements, adequacy of internal control measures and matters to be reported to the Audit Committee.

15) 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.

16) 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 10, 2018

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

Arti Gupta
Joint Managing Director
DIN:00023237

COMPLIANCE CERTIFICATE BY AUDITOR'S PURSUANT TO CLAUSE E OF SCHEDULE V OF THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATION, 2015

TO THE MEMBERS OF

THE MOTOR & GENERAL FINANCE LTD

1. We have examined the compliance of conditions of Corporate Governance by **THE MOTOR & GENERAL FINANCE LTD** ("the Company"), for the year ended on 31st March 2018, as stipulated in Regulation 17 to 27 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

3. We have examined the relevant records of the Company in accordance with the Generally Accepted Auditing Standards in India, to the extent relevant, and as per the Guidance Note on Certificate of Corporate Governance issued by the Institute of Chartered Accountants of India.

   In our opinion and to the best of our information and according to our examination of relevant records and the explanations given to us and the representations by the Directors and the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Regulations 17 to 27 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the year ended on 31st March 2018.

4. We state that such compliance is neither as 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 Jagdish Chand & Co
Chartered Accountants
Firm Regd No.000129N

(SHYAM SUNDER)
Partner
M. No. 516790

Place: New Delhi
Date: August 10,2018

ANNEXURE 'B' TO THE DIRECTOR'S REPORT

MANAGEMENT'S DISCUSSION AND ANALYSIS REPORT:

INDUSTRY STRUCTURE AND BUSINESS DEVELOPMENTS

The company's main line of business is renting of premises. In respect of project at Shalimar Place, Shalimar Bagh, New Delhi, the company's concentration is to achieve the maximum return on the investment.

FINANCIAL

The undernoted Standalone Financial Results have been prepared in accordance with the Indian Accounting Standard(IND-AS) & as such, previous period figures have been restated to confirm to IND-AS, for comparative information.

(₹ in lacs)

Financial Results	**Year ended March 31, 2018**	Year ended March 31, 2017
Gross Profit before depreciation, finance cost and provisioning	**340.71**	**547.07**
Less: Finance Cost	**389.34**	**523.25**
Less: Depreciation including impairment and property reserves	**117.35**	**(125.15)**
Profit /(Loss) before provisions, exceptional items and tax	**(165.99)**	**(101.34)**
Exceptional items	**-**	**-**
Profit /(Loss) before tax	**(165.99)**	**(101.34)**
Provision for tax expenses	**93.30**	**138.73**
Profit/(loss) for the year	**(72.69)**	**37.39**
Other Comprehensive income(net of tax)	**3.87**	**2.35**
Total comprehensive income for the year	**(68.82)**	**(39.74)**0

OPPORTUNITIES & THREATS, RISK & CONCERNS, PERFORMANCE AND OUTLOOK

RISK & CONCERNS

Your company has formulated Risk Management Policy which provides identification of risk and measures to mitigate the same. The Risk assessment and mechanism to minimize the same is constantly reviewed by the Audit Committee from time to time. The procedures are also periodically reviewed to ensure that management control risk through means of properly defined frame work.

INTERNAL CONTROL SYSTEM AND THEIR ADEQUACY

Your company has put in place robust internal control system to prevent operational risks through a frame work of internal controls and processes. These controls ensure that the business transactions are recorded in a timely and complete manner in the financial records, resources are utilized effectively and the assets are safeguarded.

The internal control system is supplemented through an extensive internal audit programme and periodic review by the Management and Audit Committee. The Audit Committee and the Board in consultation with the internal auditor & statutory auditor approve annual internal audit plan. The scope also covers the internal financial controls and internal controls over financial reporting. The internal audit findings are placed before the Audit Committee at each of its quarterly meeting for review. The management's responses and counter measures are discussed in the Audit Committee meetings.

HUMAN RESOURCES

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

DISCLAIMER

Certain Statements in the Management Discussions and Analysis describing the company's reviews about the industry, expectations, objectives, etc may be understood within the meaning of applicable laws and regulations. Factors like changes in

Government regulations, tax laws and other factors as such industrial relations and economic developments etc, may further influence in company's operations or performance.

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

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

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

B. There are to the best of their knowledge and belief , no transactions entered into by the listed entity during the year ended March 31,2018 which are fraudulent, illegal or in violation of the company's Code of Conduct.

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

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

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

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

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

for THE MOTOR & GENERAL FINANCE LTD

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

for THE MOTOR & GENERAL FINANCE LTD

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

Place: New Delhi
Date: August 10, 2018

D E C L A R A T I O N

As provided under Regulation 34(3) and 53(f) and read with Para D of Schedule V of SEBI(LODR) Regulations,2015,the Board Members and the Senior Management Personnel have confirmed compliance with the Code of Conduct for the year ended March 31,2018.

For THE MOTOR & GENERAL FINANCE LTD

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

Place : New Delhi
Date : August 10, 2018

(Annexure 'B 1')

FORM NO. AOC 1

(Pursuant to first proviso to sub section (3) of Section 129 read with Rules 5 of the Companies(Accounts)Rules, 2014) related to Associate Company/ies and Joint Ventures

	Name of Associate Company	India Lease Development Ltd	Jayabharat Credit Ltd
1.	Latest Audited Balance Sheet Date	March 31,2018	March 31,2018
2.	Date on which the Associate was associated or acquired	November 6,1994	April 1, 2002
3.	Shares of Associate company held by the company on the year end	31.35%	43.45%
	a) Number	4,608,840 equity shares of ₹.10/-each	2,172,300 equity shares of ₹.10/- each fully paid up
	b) Amount of Investment in Associate company	₹.3,62,25,482	Nil
	c) Extent of Holding(5%)	31.35%	43.45%
4.	Description of how there is significant influence	By holding of 31.35% equity shares of India Lease Development Ltd	By holding 43.45% equity shares Jayabharat Credit Ltd
5.	Reason why the joint Venture is not consolidated	Not Applicable	Not Applicable
6.	Net worth Attributable to Shareholding as per latest audited Balance Sheet	₹.8,03,18,020	₹.6,14,54,910
7.	Profit/(loss) for the year		
	(i) Considered in Consolidation	Profit ₹. 1,19,998/- Profit ₹. 37,619/-	Loss ₹. 1,57,13,432/- Total Share of loss ₹.68,27,486/- however, due to impairment on investment, loss restricted at ₹.39,64,498/-
	ii) Not Considered in Consolidation	Profit ₹. NIL	Loss ₹. 28,62,988/-

Annexure 'B 2'

Form No.AOC-2

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

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

1. **Details of contracts or arrangements or transactions not at arm's length basis.**

   All the transactions entered into by the company during the year with related parties were on an arm's length basis.

2. **Details of material contracts or arrangements or transactions at arm's length basis.**

   The transactions entered into by the company during the year with related parties were on an arm's length basis were not material in nature.

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

Place :New Delhi
Date : August 10, 2018

Annexure 'C'

Form No.MGT-9

EXTRACT OF ANNUAL RETURN

As on Financial Year ended on March 31, 2018

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

I. Registration & Other Details

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

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

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

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

Sl No.	Name and address of the Associate Companies	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, 2017)				No. of Shares held of the beginning of the year (As on April 1, 2018)				% Change during the year
(I)	(II)	(V)		(IV)		(V)		(IV)		
(A)	***Shareholding of Promoter and Promoter Group2**									
(1)	**Indian**									
(a)	Individual / Hindu Undivided Family	5124026	796837	5920863	30.58%	5859155	61708	5920863	30.58%	0.00%
(b)	Central Government / State Government(s)									-
(c)	Bodies Corporate	6528527	0	6528527	33.72%	6616529	0	6616529	34.17%	0.45%
(d)	Financial Institutions / Banks									-
(e)	Any other (specify)									-
	Sub - Total (A) (1)	**11652553**	**796837**	**12449390**	**64.29**	**12475684**	**61708**	**12537392**	**64.75**	**0.45%**
(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)	**11652553**	**796837**	**12449390**	**64.29**	**12475684**	**61708**	**12537392**	**64.75**	**0.45%**
(B)	**Public Shareholding3**									
(1)	**Institutions**									
(a)	Mutual Funds / UTI									
(b)	Financial Institutions / Banks	5828	1138	6966	0.04%	0	1138	1138	0.00%	-0.03%
(c)	Central Government/ State Government(s)	4177	-	4177	0.02%	11928	-	11928	0.06%	0.04%
(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)	6000	0	6000	0.03%	6000	0	6000	0.03%	0.00%
	Sub - Total (B) (1)	**530452**	**1138**	**531590**	**2.75%**	**532375**	**1138**	**533513**	**2.76%**	**0.01%**
(2)	**Non - Institutions**									
(a)	Bodies Corporate	348473	41912	390385	2.02%	335112	37620	372732	1.92%	-0.10%
(b)	**Individual :-**									
(i)	Individual shareholders holding nominal share capital upto ₹1 lakh.	1927003	1227910	3154913	16.29	1692242	1012463	2704705	13.97	-2.32%
(ii)	Individual shareholders holding nominal share capital in excess of ₹1 lakh.	1937137	156333	2093470	10.81%	1933540	156333	2089873	10.79%	-0.02%
(c)	Any other (specify)									
(i)	NRI	162759	6981	169740	0.88%	166335	6981	173316	0.89%	0.01%
(ii)	TRUST	573307	0	573307	2.96%	573307	0	573307	2.96%	0.00%
(iii)	Resident HUF	0	0	0	0.00%	182849	0	182849	0.94%	0.94%
(iv)	OTHERS (IEPF)	0	0	0	0.00%	195908	0	195908	1.01%	1.01%
	Sub - Total (B) (2)	**4948679**	**1433936**	**6382615**	**32.96%**	**5079293**	**1213397**	**6292690**	**32.50%**	**-0.46%**
	Total Public Shareholding	**5479131**	**1435074**	**6914205**	**35.71%**	**5611668**	**1214535**	**6826203**	**35.25%**	**-0.46%**
	(B) = (B) (1) + (B) (2) Total (A) + (B)	**17131684**	**2231911**	**19363595**	**100%**	**18087352**	**1276243**	**19363595**	**100%**	**0.00%**
(C)	**Shares held by Custodians and against which Depository Receipts have been issued**									
C1	Promoter and Promoter group	0	0	0	0.00%	0	0	0	0.00%	0.00%
C2	Public	0	0	0	0.00%	0	0	0	0.00%	0.00%
	TOTAL C = C1+C2	**0**	0	**0**	0.00%	**0**	0	**0**	0.00%	0.00%
	Grand Total (A)+(B)+(C)	**17131684**	**2231911**	**19363595**	**100%**	**17131684**	**2231911**	**19363595**	**100%**	**0.00%**

ii. Shareholding of Promoters :-

Sl No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No.of shares	% of total shares of the company	% of shares/ pledged/ encumbered to total shares	No.of shares	% of total shares of the company	% of shares pledged/ encumbered total shares	
1	ANJALI GUPTA / ARTI GUPTA	78106	0.40%	0.00%	0	0.00%	0.00%	-0.40%
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%	734487	3.79%	0.00%	2.71%
4	ARTI GUPTA / ANJALI GUPTA	447607	2.31%	0.00%	0	0.00%	0.00%	-2.31%
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	2271865	11.73%	0.00%	2271865	11.73%	0.00%	0.00%
9	SAIESHA GUPTA	100000	0.52%	0.00%	100000	0.52%	0.00%	0.00%
10	SHRADHA GUPTA	100000	0.52%	0.00%	100000	0.52%	0.00%	0.00%
11	SHILPA GUPTA	131089	0.68%	0.00%	131089	0.68%	0.00%	0.00%
12	SIDDHARTH GUPTA	137389	0.71%	0.00%	137389	0.71%	0.00%	0.00%
13	SUMANA VERMA	500000	2.58%	0.00%	500000	2.58%	0.00%	0.00%
14	USHA MITTER	1092	0.01%	0.00%	1092	0.01%	0.00%	0.00%
15	VED PRAKASH GUPTA HUF	200348	1.03%	0.00%	200348	1.03%	0.00%	0.00%
16	VISHWA MITTER	2520	0.01%	0.00%	2520	0.01%	0.00%	0.00%
17	VISHWA MITTER HUF	814	0.00%	0.00%	814	0.00%	0.00%	0.00%
18	ABHIRAM SETH	10245	0.05%	0.00%	10245	0.05%	0.00%	0.00%
19	ABHIRAM SETH	53	0.00%	0.00%	53	0.00%	0.00%	0.00%
20	ISHIKA SETH	43431	0.22%	0.00%	43431	0.22%	0.00%	0.00%
21	ISHIKA SETH	3245	0.02%	0.00%	3245	0.02%	0.00%	0.00%
22	NEERU AGGARWAL / SHARAD AGGARWAL	140084	0.00%	0.00%	140084	0.00%	0.00%	0.00%
23	PUNAM AGGARWAL	11127	0.06%	0.00%	11127	0.06%	0.00%	0.00%
24	RADHIKA SETH	147181	0.76%	82.11%	147181	0.76%	82.11%	0.00%
25	RADHIKA SETH / ABHIRAM SETH	6319	0.03%	63.30%	6319	0.03%	63.30%	0.00%
26	SHARAD AGGARWAL	133120	0.69%	0.00%	133120	0.69%	0.00%	0.00%
27	TANMAYE SETH	9895	0.05%	0.00%	9895	0.05%	0.00%	0.00%
28	UMA AGGARWAL	44953	0.23%	0.00%	44953	0.23%	0.00%	0.00%
29	BAHUBALI SERVICES LIMITED	4094800	21.15%	0.00%	4094800	21.15%	0.00%	0.00%
30	GEE GEE HOLDINGS (P) LIMITED	319517	1.65%	0.00%	319517	1.65%	0.00%	0.00%
31	GROSVENOR ESTATES (P) LIMITED	220000	1.14%	0.00%	220000	1.14%	0.00%	0.00%
32	INDIA LEASE DEVELOPMENT LIMITED	740000	3.82%	0.00%	540000	2.79%	0.00%	-1.03%
33	RAM PRAKASH & CO.(P) LTD	648321	3.35%	0.00%	782630	4.04%	0.00%	0.69%
34	MGF ESTATES (P) LIMITED	413373	2.13%	0.00%	413373	2.13%	0.00%	0.00%
34	ASSOCIATED TRADERS & ENGG.(P) LTD	92516	0.48%	0.00%	246209	1.27%	0.00%	0.79%
	TOTAL	12449390	64.29%	145.41%	12537392	64.75%	145.41%	0.46%

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 company
8	**RAJIV GUPTA / ARTI GUPTA**				
	At the beginning of the year	2271865	**11.73%**	2271865	**11.73%**
	Off/Market purchase during the year	0	**0.00%**	0	**0.00%**
	At the end of the year	2271865	**11.73%**	2271865	**11.73%**

iv Shareholding Pattern of top ten (10) shareholders

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

Sl No.	Particulars	Shareholding of the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	ASHOK VISWANATHAN	617499	3.19%	660546	3.41%
2	DAULAT RAM COLLEGE SOCIETY	573307	2.96%	573307	2.96%
3	ATYANT CAPITAL MANAGEMENT LTD	514447	2.66%	514447	2.66%
4	VENKATARAMAN S	300850	1.55%	304200	1.57%
5	ANJALI GUPTA	0	0.00%	202703	1.05%
6	HINDUSTAN COMM.INV.TRUST LTD	200000	1.03%	200000	1.03%
7	INVESTOR EDUCATION & PROTECTION FUND (IEPF)	0	0.00%	195908	1.01%
8	SHANTA K MOHAN	119338	0.62%	119338	0.62%
9	SIDDHANT AGGARWAL	110000	0.57%	110000	0.57%
10	SUJATA SHARMA	125304	0.65%	100704	0.52%

v Shareholding of Directors and Key Managerial Personnel

Sl No.	Particulars	Shareholding of the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
8	**RAJIV GUPTA / ARTI GUPTA**				
	At the beginning of the year	2271865	**11.73%**	2271865	**11.73%**
	Off/Market purchase during the year	0	**0.00%**	1380	**0.00%**
	At the end of the year	2271865	**11.73%**	2271865	**11.73%**

V INDEBTEDNESS

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

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Secured Loans				
i) **Term loan**	-	-	-	
ii) **Working Capital Term Loan**	184128464			
iii) **Vehicle Loan**	3687892	-	**-**	**187816356**
Unsecured Loans	**-**	**-**	**-**	**-**
Advances amount outstanding due to related parties	**-**	**-**	**255752500**	**255752500**
Security Deposits Outstanding	**-**	**-**	**32328509**	**32328509**
Total	**187816356**	**-**	**288081009**	**475897365**

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	2520000	269489	302400	3091889
Smt. Arti Gupta Joint Managing Director	2400000	82560	288000	2770560
Sh. Arun Mitter Executive Director	2784000	213486	208800	3206286
Sh. M.K. Madan, Vice President & Company Secretary & CFO	1193300	217600	92200	1503120

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

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

VII. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES:

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

VIII. EXECUTIVE DIRECTOR & KMP IN CORPORATE GOVERNANCE REPORT

The ratio of remuneration of Chairman & Managing Director & CEO, Joint Managing Director and Executive Director to the median remuneration of the employees of the company for the financial year ended March 31,2018 is as below:-

Sl No.	Name of Director	Designation	Ratio	Increase in remuneration over previous Financial Year(in %)
1.	Sh. Rajiv Gupta	Chairman & Managing Director &CEO	3.06:1	(4.70%)
2.	Smt. Arun Mitter	Joint Managing Director	2.74:1	2.43%
3.	Sh. Arun Mitter	Executive Director	3.17:1	(0.25%)

The percentage increase in the median remuneration of employees in the financial year ended March 31, 2018 : 7.5%

The number of permanent employees on the rolls of company as at March 31, 2018 : 24

Remuneration to employees for the year 2017-18 has not exceeded the remuneration paid to any of the Directors.

The remuneration of the Directors, Key Managerial Personnel and other employees is in accordance with the remuneration of Policy of the company provided under the section Report on Corporate Governance which forms part of the Report and Accounts.

Annexure 'D'

Form No. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31st March, 2018

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

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

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **The Motor and General Finance Limited (CIN: L74899DL1930PLC000208)** ("the Company"). Secretarial Audit was conducted in a manner that provides us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2018 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2018 according to the provisions of:

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

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

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

(iv) Foreign Exchange Management Act, 1999 and the rules and regulations made under that Act to the extent applicable to Overseas Direct Investment (ODI) **– Not Applicable to the company during the audit period**

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

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

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

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

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

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

  (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 audit period**

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

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

i. Secretarial Standards issued by The Institute of Company Secretaries of India.

ii. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirement) Regulations, 2015

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

We further report that:

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. 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 notices were given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance to all the directors 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.

All decisions at the Board Meetings and Committee Meetings were carried out unanimously as recorded in the Minutes of the Board of Directors or Committee of the Board, as the case may be.

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.

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

For Anjali Yadav & Associates
Practising Company Secretaries

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

Place: New Delhi
Date: August 1, 2018

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

Annexure 'A'

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

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

1. Maintenance of Secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the Secretarial records. The verification was done on test check basis to ensure that correct facts are reflected in Secretarial records. We believe that the process and practices, we followed provide a reasonable basis of our opinion.
3. We have not verified the correctness and appropriateness of financial records, cost 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.
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
Practising Company Secretaries.

Anjali Yadav
Proprietor

FCS No. 6628
C P No. 7257

Place : New Delhi
Date : August 1, 2018

Annexure 'E'

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 programmes proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programmes. 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 four Directors, namely Sh. Abhiram Seth, Sh. Arun Mitter, Sh. Onkar Nath Aggarwal and Sh. Karan Pratap Hoon. Out of four Directors, three Directors are Non Executive Independent Directors.

3. Sh. Abhiram Seth, Non Executive Independent Director, is the Chairman of the Corporate Social Responsibility Committee.

4. Average net profits of the company for last three financial years

5. Prescribed CSR Expenditure(two per cent of the amount as)

6. Details of CSR spent during the financial year

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

   (b) Amount unspent, if any; - Nil

Not Applicable
[Refer Page 8 of the Director's Report under the heading Corporate Social Responsibility (CSR)]

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

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Sd/-
(ABHIRAM SETH)
CHAIRMAN OF CSR COMMITTEE

INDEPENDENT AUDITOR'S REPORT

To The Members of **The Motor & General Finance Limited**

Report on the Standalone Indian Accounting Standards (Ind AS) Financial Statements

1. We have audited the accompanying standalone Ind AS financial statements of The Motor & General Finance Limited ("the Company"), which comprise the Balance Sheet as at 31st March, 2018, the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Standalone Ind AS Financial Statements

2. The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone Ind AS financial statements to give a true and fair view of the financial position, financial performance (including other comprehensive income), cash flows and changes in equity of the Company in accordance with the Indian Accounting Standards (Ind AS) prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, and other accounting principles generally accepted in India.

   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 standalone Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

3. Our responsibility is to express an opinion on these standalone Ind AS financial statements based on our audit.
4. In conducting our audit, we have taken into account the provisions of the Act and the Rules made thereunder including 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.
5. We conducted our audit of the standalone Ind AS financial statements 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 standalone Ind AS financial statements are free from material misstatement.
6. An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the standalone Ind AS financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the standalone Ind AS 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 standalone Ind AS 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 Directors, as well as evaluating the overall presentation of the standalone Ind AS financial statements.
7. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the standalone Ind AS financial statements.

Opinion

8. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone Ind AS 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 Ind AS and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2018, and its loss (including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

Other Matters

9. The comparative financial information of the Company for the year ended 31st March 2017 and the transition date opening balance sheet as at 1st April 2016 included in these standalone Ind AS financial statements, are based on the statutory financial statements prepared in accordance with the Companies (Accounting Standards) Rules, 2006 audited by the predecessor auditor whose report for the year ended 31st March 2017 and 31st March 2016 dated 29th May, 2017 and 28th May, 2016 respectively expressed an unmodified opinion on those standalone financial statements, and have been restated to comply with Ind AS. Adjustments made to the previously issued said financial information prepared in accordance with the Companies (Accounting Standards) Rules, 2006 to comply with Ind AS have been audited by us.

Our opinion on the standalone Ind AS financial statements is not modified in respect of this matter.

Report on Other Legal and Regulatory Requirements

10. As required by Section 143 (3) of the Act, based on our audit, we report that:

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

    b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

    c) The Balance Sheet, the Statement of Profit and Loss (including other comprehensive income), the Cash Flow Statement and the Statement of Changes in equity dealt with by this Report are in agreement with the relevant books of account.

    d) In our opinion, the aforesaid standalone Ind AS financial statements comply with the Indian Accounting Standards prescribed under Section 133 of the Act.

    e) On the basis of the written representations received from the directors of the Company as on 31st March, 2018 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2018 from being appointed as a director in terms of Section 164(2) of the Act.

    f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in Annexure A. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.

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

        i. The Company has disclosed the impact of pending litigations on its financial position in its standalone Ind AS financial statements – Refer Note No. 30;

        ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses during the year ended 31st March, 2018.

        iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company during the year ended 31st March, 2018.

11. As required by the Companies (Auditor's Report) Order, 2016, issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act ("the Order"), and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in the Annexure B a statement on the matters specified in paragraphs 3 and 4 of the Order.

For **JAGDISH CHAND & CO**
Chartered Accountants
Firm Registration Number: 000129N

(Praveen Kumar Jain)
Partner
Membership Number: 85629

Place of signature: New Delhi
Date: May 28, 2018

ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT

Referred to in paragraph 10 of the Independent Auditors' Report of even date to the members of **The Motor & General Finance Limited** on the standalone Ind AS financial statements for the year ended 31st March, 2018

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

1. We have audited the internal financial controls over financial reporting of The Motor & General Finance Limited ("the Company") as of 31st March, 2018 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

2. The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies,

the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors' Responsibility

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

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

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

Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

8. In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2018, 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.

For **JAGDISH CHAND & CO**
Chartered Accountants
Firm Registration Number: 000129N

(Praveen Kumar Jain)
Partner
Membership Number: 85629

Place of signature: New Delhi
Date: May 28, 2018

ANNEXURE "B" TO THE INDEPENDENT AUDITOR'S REPORT

Referred to in paragraph 11 of the Independent Auditors' Report of even date to the members of The Motor & General Finance Limited on the Standalone Ind AS financial statements as of and for the year ended 31st March, 2018

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

(b) The fixed assets of the Company have been physically verified by the Management during the year. The discrepancies noticed on such verification were not material and have been properly dealt with in the books of account. In our opinion, the frequency of verification is reasonable.

(c) The title deeds of immovable properties, as disclosed in Note 3 on fixed assets to the financial statements, are held in the name of the Company.

ii. The physical verification of inventory comprising of stock in trade of commercial project has been conducted at reasonable intervals by the Management during the year. There were no discrepancies noticed on physical verification of inventory as compared to book records.

iii. According to the information and explanations given to us, the Company has granted unsecured loans to companies covered in the register maintained under Section 189 of the Act; and with respect to the same:

(a) in our opinion the terms and conditions of grant of such loans are not, prima facie, prejudicial to the Company's interest.

(b) The loan has been repaid during the year along with interest.

(c) as stated above loan has been repaid during the year, therefore there are no amount which is overdue for more than 90 days.

iv. In our opinion, and according to the information and explanations given to us, the Company has complied with the provisions of Section 185 and 186 of the Companies Act, 2013 in respect of the loans and investments made, and guarantees and security provided by it.

v. In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits during the year and had no unclaimed deposits at the beginning of the year within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable.

vi. Pursuant to the rules made by the Central Government of India, the Company is required to maintain cost records as specified under Section 148(1) of the Act in respect of its products/ Services. We have broadly reviewed the same, and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. We have not, however, made a detailed examination of the records with a view to determine whether they are accurate or complete.

vii. (a) According to the records of the Company and information and explanations given to us and the records of the Company examined by us, the Company has been regular in depositing the undisputed statutory dues including provident fund, employees state insurance, income tax, Investor education and protection fund, goods and service tax, sales tax, service tax and other material statutory dues applicable to it with the appropriate authorities.

(b) According to the information and explanations given to us and the records of the Company examined by us, the particulars of dues of employees state insurance, Income Tax, goods and service tax, service tax, value added tax/ sales tax as at 31st March, 2018 which have not been deposited on account of a dispute are as follows:

Name of the Statute	Nature of the Due	Amount (₹ In millions)	Period to which the amount relates	Forum where dispute is pending
Finance Act	**Service Tax**	**1,03,51,192/-**	**2008-09**	**Commissioner of Service Tax**
Employees State Insurance Act	**Employees State Insurance**	**74,75,606/-**	**1989-90 to 2012-2013**	**Civil Court at Delhi**
NDMC Act	**Property Tax**	**1,62,15,990/-**	**1999-00 to 2016-17**	**Hon'ble High Court, Delhi**
DMC Act	**Property Tax**	**96,23,152/-**	**2004-05 to 2009-10**	**Hon'ble Municipal Taxation Tribunal**

viii. According to the records of the Company examined by us and the information and explanation given to us, the Company has not defaulted in repayment of loans or borrowings to any financial institution or bank or Government. The company has not issued any debentures during the year.

ix. The Company has not raised any moneys by way of initial public offer, further public offer (including debt instruments). Term loans have been applied for the purposes for which they were obtained.

x. During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company by its officers or employees, noticed or reported during the year, nor have we been informed of any such case by the Management.

xi. The Company has paid/ provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.

xii. As the Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it, the provisions of Clause 3(xii) of the Order are not applicable to the Company.

xiii. The Company has entered into transactions with related parties in compliance with the provisions of Sections 177 and 188 of the Act. The details of such related party transactions have been disclosed in the financial statements as required under Indian Accounting Standard (Ind AS) 24, Related Party Disclosures specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

xiv. The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the provisions of Clause 3(xiv) of the Order are not applicable to the Company.

xv. The Company has not entered into any non-cash transactions with its directors or persons connected with him. Accordingly, the provisions of Clause 3(xv) of the Order are not applicable to the Company.

xvi. The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the provisions of Clause 3(xvi) of the Order are not applicable to the Company.

For **JAGDISH CHAND & CO**
Chartered Accountants
Firm Registration Number: 000129N

(Praveen Kumar Jain)
Partner
Membership Number: 85629

Place of signature: New Delhi
Date: May 28, 2018

BALANCE SHEET AS AT MARCH 31, 2018

(All amounts in ₹ unless stated otherwise)

PARTICULARS	Note No.	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
I. ASSETS				
1 Non-Current Assets				
(a) Property, Plant and Equipment	3	**26,70,35,790**	26,67,73,428	27,04,29,925
(b) Investment Property	4	**27,28,37,524**	20,75,60,019	21,51,53,887
(c) Financial Assets				
(i) Investments	5	**5,38,71,464**	5,64,88,336	5,99,38,280
(ii) Loans	6	**41,37,030**	30,90,039	30,90,039
(d) Deferred Tax Asset (Net)	7	**2,48,36,921**	1,86,31,107	33,19,983
		62,27,18,729	55,25,42,929	55,19,32,114
2 Current Assets				
(a) Inventories	8	**92,42,17,428**	89,77,17,423	89,02,28,235
(b) Financial Assets				
(i) Trade Receivables	9	**4,04,29,743**	2,82,06,215	1,39,30,905
(ii) Cash and Cash Equivalents	10	**37,48,769**	1,34,72,295	1,10,82,265
(iii) Other Bank Balances	11	**11,30,182**	37,77,036	39,48,830
(iv) Loans	12	**-**	12,90,00,000	16,50,00,000
(v) Other Financial Assets	13	**84,899**	28,27,646	58,89,706
(c) Current Tax Assets (Net)	14	**2,31,12,662**	2,91,56,565	2,66,72,638
(d) Other Current Assets	15	**34,91,609**	32,39,348	49,98,861
		99,62,15,292	1,10,73,96,528	1,12,17,51,440
TOTAL ASSETS		**1,61,89,34,021**	1,65,99,39,457	1,67,36,83,554
II. EQUITY AND LIABILITIES				
1 Equity				
(a) Equity Share capital	16	**19,36,35,950**	19,36,35,950	19,36,35,950
(b) Other Equity		**70,17,31,740**	70,86,13,371	70,46,39,299
Total Equity		**89,53,67,690**	90,22,49,321	89,82,75,249
2 Liabilities				
Non-Current Liabilities				
(a) Financial Liabilities				
(i) Borrowings	17	**14,35,711**	38,54,53,129	34,19,16,417
(ii) Other Financial Liabilities	18	**3,23,28,510**	3,01,13,180	2,81,54,415
(b) Other Liabilities	19	**17,95,73,459**	1,71,67,095	1,97,60,732
(c) Provisions	20	**80,73,576**	73,39,645	75,74,845
		22,14,11,256	44,00,73,049	39,74,06,409
Current Liabilities				
(a) Financial Liabilities				
(i) Borrowings	17	-	-	-
(ii) Other Financial Liabilities	18	**47,34,08,464**	28,50,89,796	34,35,44,776
(b) Other Liabilities	19	**1,95,71,264**	2,61,52,864	2,71,07,476
(c) Provisions	20	**91,75,347**	63,74,427	73,49,644
		50,21,55,075	31,76,17,087	37,80,01,896
TOTAL EQUITY & LIABILITIES		**1,61,89,34,021**	1,65,99,39,457	1,67,36,83,554

Summary of Significant Accounting Policies and Other Explanatory Information Note 1 to 414

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

ARTI GUPTA
Joint Managing Director
DIN : 00023237

ARUN MITTER
Executive Director
DIN : 00022941

As per our Report of even date attached
For JAGDISH CHAND & CO.
Chartered Accountants
(ICAI Firm Reg. No: 000129N)

BHARAT KUMAR
Non Executive Independent
Director
DIN: 01090141

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

(Praveen Kumar Jain)
Partner
Membership No. 085629

Place: New Delhi
Date: May 28, 2018

STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED MARCH 31, 2018

(All amounts in ₹ unless stated otherwise)

PARTICULARS		Note No.	For the year ended on March 31, 2018	For the year ended on March 31, 2017
I.	**Revenue From Operations**			
	Value of Services	21	**10,55,55,212**	13,21,85,144
II.	Other Income	22	**2,59,95,826**	2,53,04,175
III.	**Total Income (I + II)**		**13,15,51,038**	15,74,89,319
IV.	**Expenses:**			
	Employee Benefits Expense	23	**3,18,83,286**	2,89,20,791
	Finance Costs	24	**3,89,33,959**	5,23,24,885
	Depreciation and Amortisation Expense	25	**1,17,35,314**	1,25,15,638
	Other Expenses	26	**6,55,97,204**	7,38,61,813
	Total Expenses (IV)		**14,81,49,763**	16,76,23,127
V.	**Profit before Exceptional Items and Tax (III-IV)**		**(1,65,98,725)**	(1,01,33,808)
VI.	Exceptional Items		**-**	-
VII.	**Profit before Tax (V - VI)**		**(1,65,98,725)**	(1,01,33,808)
VIII.	Tax Expense:	27		
	(1) Current Tax		**-**	15,00,000
	(2) Deferred Tax		**(63,48,391)**	(1,53,72,530)
	(3) Taxation in respect of Earlier Years		**(29,81,174)**	-
IX.	**Profit / (Loss) for the Period (VII-VIII)**		**(72,69,160)**	37,38,722
X.	**Other Comprehensive Income (net of Tax)**			
A	(i) Items that will not be reclassified into Profit & Loss	28	5,30,107	2,96,755
	(ii) Income tax relating to items that will not be reclassified to profit/loss Income Tax effect		(1,42,578)	(61,405)
B	(i) Items that will be reclassified into Profit & Loss		**-**	**-**
	(ii) Income tax relating to items that will be reclassified to Profit & Loss	-	**-**	
	Other Comprehensive Income (net of Tax)		**3,87,529**	2,35,350
XI	**Total Comprehensive Income for the period (IX+X)**		**(68,81,631)**	39,74,072
XII	Earnings per Share (Face value of ₹ 10/- per Equity Share)	29		
	(1) Basic (in Rs.)		**(0.38)**	0.19
	(2) Diluted (in Rs.)		**(0.38)**	0.19

Summary of Significant Accounting Policies and Other Explanatory Information Note 1 to 41

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

ARTI GUPTA
Joint Managing Director
DIN : 00023237

ARUN MITTER
Executive Director
DIN : 00022941

As per our Report of even date attached
For JAGDISH CHAND & CO.
Chartered Accountants
(ICAI Firm Reg. No: 000129N)

BHARAT KUMAR
Non Executive Independent Director
DIN: 01090141

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

(Praveen Kumar Jain)
Partner
Membership No. 085629

Place: New Delhi
Date: May 28, 2018

CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2018

(All amounts in ₹ unless stated otherwise)

PARTICULARS		For the year ended on March 31, 2018	For the year ended on March 31, 2017
A. Cash flows from operating activities			
Net Profit before tax and Extraordinary items		**(1,65,98,725)**	(1,01,33,808)
Adjustment for:			
Remeasurement of DBO		6,57,705	1,98,722
Provision for Impairment of Investments		24,88,774	35,47,977
Depreciation of PPE & Investment Property		1,17,35,314	1,25,15,638
Amount Written off		500	-
Gain on disposal of property, plant and equipment		-	(1,33,946)
Interest Expenses		3,67,18,630	5,03,66,120
Interest on deposits from Bank & ICD		(85,73,099)	(1,26,35,706)
Operating Profit before Working Capital Changes		**2,64,29,099**	4,37,24,997
Adjustment for:			
Decrease /(Increase) in Other Financial Assets		27,42,747	30,62,060
Decrease /(Increase) in Loans		(10,46,991)	
Decrease/(Increase) in Inventories		(2,65,00,005)	(74,89,188)
Decrease/(Increase) in Trade receivables		(1,22,23,528)	(1,42,75,310)
Decrease/(Increase) in Other Current Assets		(2,52,261)	17,59,513
(Decrease)/ Increase in Provisions		35,34,851	(12,10,417)
(Decrease) /Increase in Other Financial Liabilities		20,81,05,290	(7,05,06,264)
(Decrease) /Increase in Other Liabilities		15,58,24,765	(35,48,249)
Cash generated from Operations before Extra Ordinary Items		**35,66,13,967**	(4,84,82,858)
Exceptional Items		-	-
Direct Taxes Paid		(90,25,077)	(39,83,927)
Net Cash from Operating Activities	(A)	**36,56,39,044**	(5,24,66,785)
B. Cash Flows from Investing Activities:			
Purchase of Fixed Assets		(7,72,75,181)	(16,31,327)
Sale of Fixed Assets		-	5,00,000
Decrease /(Increase) in Other Bank Balance		26,46,854	1,71,794
Interest Received (Net of Tax Deducted at Source)		85,73,099	1,26,35,706
Net Cash from Investing Activities:	(B)	**(6,60,55,228)**	1,16,76,173
C. Cash Flows from Financing Activities:			
Increase/(Decrease) in Non Current Borrowing		(38,40,17,418)	4,35,36,712
Unpaid Dividend now paid		(15,15,939)	(1,932)
Interest Expenses		(3,67,18,630)	(5,03,66,120)
Decrease /(Increase) in Loans		12,90,00,000	3,60,00,000
Net Cash from Financing Activities	(C)	**(29,32,51,987)**	2,91,68,660
Net Increase in Cash and Cash Equivalent	(A) + (B) + (C)	**63,31,828**	(1,16,21,951)
Cash and Cash Equivalents - Opening		**(37,31,224)**	78,90,727
Cash and Cash Equivalents - Closing		**26,00,604**	(37,31,226)

i) The above Cash flow statement has been prepared under the "Indirect Method" as set out in Indian Accounting Standard-7, "Statement of Cash Flows".

ii) **Cash and Cash Equivalents Includes:**

		For the year ended on March 31, 2018	For the year ended on March 31, 2017
a)	Cash in Hand	**86,806**	45,533
b)	Balances with Banks	**16,12,713**	19,21,422
c)	Flexi Deposits upto 3 months Original Maturity	**20,49,250**	1,15,05,340
e)	Less: Bank Overdraft	**(11,48,165)**	(1,72,03,519)
	TOTAL	**26,00,604**	**(37,31,224)**

iii) Figures in brackets indicate cash outgo

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

ARTI GUPTA
Joint Managing Director
DIN : 00023237

ARUN MITTER
Executive Director
DIN : 00022941

As per our Report of even date attached
For JAGDISH CHAND & CO.
Chartered Accountants
(ICAI Firm Reg. No: 000129N)

BHARAT KUMAR
Non Executive Independent
Director
DIN: 01090141

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

(Praveen Kumar Jain)
Partner
Membership No. 085629

Place: New Delhi
Date: May 28, 2018

NOTE – 1

SIGNIFICANT ACCOUNTING POLICIES

1. COMPANY OVERVIEW

The Motor & General Finance Limited (referred to as "MGF" or "the Company" was incorporated under the laws of the Republic of India with its registered office at MGF House, 4/17-B, Asaf Ali Road, New Delhi-110002, is the flagship company of MGF Group. Incorporated in 1930, MGF has been one of the oldest finance companies of India. The Company is engaged in the single primary business of "Lease/ Renting of Immovable Property", and has only one reportable segment.

1.1. GENERAL INFORMATION AND STATEMENT OF COMPLIANCE WITH IND AS

The Company is headquartered in New Delhi, India. The shares of the Company are listed on the National Stock Exchange and the Bombay Stock Exchange.

The Standalone Financial Statements of the Company have been prepared in accordance with Indian Accounting Standards (IND AS) notified under Companies (Indian Accounting Standards) Rules, 2015. For all periods up to and including the year ended March 31, 2017, the Company prepared its financial statements in accordance with accounting standards notified under the section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (Indian GAAP).

These are the Company's First Financial Statements prepared in accordance with Ind AS. The Company has followed the provisions of Ind AS 101-"First Time adoption of Indian Accounting Standards" (Ind AS 101), in preparing its opening Ind AS Balance Sheet as of the date of transition, i.e. April 1, 2017. In accordance with Ind AS 101, the Company has presented reconciliations of Shareholders' equity under Previous GAAP and Ind AS, as at March 31, 2017, and April 1, 2016 and of the Profit/(Loss) after Tax as per Previous GAAP and Total Comprehensive Income under Ind AS for the year ended March 31, 2017. (see note 38 for explanation of the transition to IND AS).

The financial statements have been prepared on a historical cost basis, except for the following assets and liabilities:

i. Certain Financial Assets and Financial Liabilities and Contingent Consideration that are measured at fair value

ii. Assets held for sale measured at lower of cost or fair value less cost to sell

iii. Defined benefit plan assets measured at fair value

The Company has uniformly applied the Accounting Policies during the period presented unless otherwise stated.

All amounts are stated in ₹.

The Standalone Financial Statements for the year ended March 31, 2018 were authorized and approved by the Board of Directors on May 28, 2018.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Standalone Financial Statements have been prepared using the Accounting Policies and measurement basis summarized below.

2.1. PROPERTY, PLANT AND EQUIPMENT

2.1.1. RECOGNITION

Freehold land is carried at historical cost. All other items of property, plant and equipment are stated at historical cost, less accumulated depreciation/amortisation and impairments, if any. Historical cost includes taxes, duties, freight and other incidental expenses related to acquisition & installation.

2.1.2. SUBSEQUENT MEASUREMENT

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably.

All other repairs & maintenance are charged to profit or loss.

2.1.3. DEPRECIATION

Depreciation on Property, Plant and Equipment is charged on straight line method either on the basis of rates arrived at with reference to the useful life of the assets evaluated by the Committee consisting of Technical experts and approved by the Management or rates arrived at based on useful life prescribed under Part C of Schedule II of the Companies Act, 2013.

The following useful lives are applied:

Asset category	Estimated useful life (in years)
Land	
- Lease Hold (Finance Lease)	As per Lease Agreement
- Perpetual Lease	Treated as free hold land due to perpetuity
Buildings	
- Building	55 – 80 Years
- Leasehold Building	As per Lease Agreement
Furniture and Fittings	10 Years
Motor Vehicles	
- Hire Purchase & Owned	08 - 10 Years
Office Equipment & Electrical Installations	05 - 15 Years
Computers	
- End user devices viz. desktops, laptops, etc.	03 Years

Leasehold land is amortised on a straight line basis over the unexpired period of their respective lease. Leasehold improvements are depreciated on straight line basis over their initial agreement period. Premium paid on land where lease agreements have been executed for specified period are written off over the period of lease proportionately.

Property, Plant and Equipment individually costing upto ₹ 10,000 are fully depreciated in the year of acquisition.

The residual values, useful lives and methods of depreciation of Property, Plant and Equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

2.1.4. DE-RECOGNITION

An item of Property, Plant and Equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the Statement of Profit and Loss account when the asset is derecognised.

2.2. INVESTMENT PROPERTIES

2.2.1. RECOGNITION

Property (land or a building-or part of a building-or both) that is held (by the owner or by the lessee under a finance lease) for long term rental yields or for capital appreciation or both is recognized as Investment Property, except

i. Use in the production or supply of goods or services or for administrative purposes; or

ii. Sale in the ordinary course of business:

Investment property is measured initially at its cost, including related transaction costs and where applicable borrowing costs.

2.2.2. SUBSEQUENT MEASUREMENT

Subsequent expenditure is capitalized to the assets carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance costs are expensed when incurred. When part of an investment property is replaced, the carrying amount of the replaced part is derecognised.

2.2.3. DEPRECIATION

Depreciation is provided on all Investment Property on straight line basis, based on useful life of the assets determined in accordance with depreciation on Property Plant & Equipments as per para “2.1.3” above. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes

2.2.4. DE-RECOGNITION

An investment property is derecognised (eliminated from the balance sheet) on disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from its disposal.

An investment property is also derecognised when property is transferred to owner-occupied property; or commencement of development with a view to sale, or transfer to inventories

2.3. IMPAIRMENT OF NON FINANCIAL ASSETS

Carrying amount of assets is reviewed at each reporting date where there is any indication of impairment based on internal/ external indicators. An impairment loss is recognised in the Statement of Profit and Loss where carrying amount exceeds recoverable amount of assets. Impairment loss is reversed, if, there is change in recoverable amount and such loss either no longer exists or has decreased or indication on which impairment was recognised no longer exists.

2.4. FINANCIAL INSTRUMENTS

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

2.4.1. FINANCIAL ASSETS

2.4.1.1. INITIAL RECOGNITION AND MEASUREMENT

Financial Assets are recognised when the Company becomes a party to the contractual provisions of the Financial Instrument and are measured initially at fair value adjusted for transaction costs that are attributable to the acquisition of the financial asset.

2.4.1.2. SUBSEQUENT MEASUREMENT

i. **Debt Instruments at Amortised Cost– A 'debt instrument' is measured at the amortised cost if both the following conditions are met:**

- The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such Financial Assets are subsequently measured at amortised cost using the Effective Interest Rate (EIR) method. All other debt instruments are measured are Fair Value through other comprehensive income (FVOCI) or Fair value through profit and loss (FVTPL) based on Company's business model.

ii. **Equity Investments** – All equity investments in scope of Ind-AS 109 are measured at fair value. Equity instruments which are held for trading are classified as at fair value through Profit and Loss (FVTPL). For all other equity instruments, the Company decides to classify the same either as at fair value through Other Comprehensive Income (FVOCI) or Fair Value through Profit and Loss (FVTPL) on an instrument to instrument basis.

iii. **Other Investments** – All Other Investments in scope of Ind-AS 109 are measured at fair value through Profit and Loss (FVTPL).

2.4.1.3. IMPAIRMENT OF FINANCIAL ASSETS

In accordance with Ind AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the financial assets that are debt instruments, and are measured at amortised cost e.g., Loans, Debt Securities, Deposits and Trade Receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 18.

The Company follows 'Simplified Approach' for recognition of impairment loss allowance on trade receivables. The application of simplified recognises impairment loss allowance based on lifetime ECL at each reporting date, right from its initial recognition.

i. **Financial assets measured as at amortised cost:** ECL is presented as an allowance, i.e., as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the Company does not reduce impairment allowance from the gross carrying amount.

ii. **Debt instruments measured at FVTPL:** Since financial assets are already reflected at fair value, impairment allowance is not further reduced from its value. The change in fair value is taken to the statement of Profit and Loss.

iii. **Debt instruments measured at FVTOCI:** Since financial assets are already reflected at fair value, impairment allowance is not further reduced from its value. Rather, ECL amount is presented as 'Accumulated Impairment Amount' in the OCI. The Company does not have any Purchased or Originated Credit Impaired (POCI) financial assets, i.e., financial assets which are credit impaired on purchase/ origination.

2.4.1.4. DE-RECOGNITION OF FINANCIAL ASSETS

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e. removed from the Company's balance sheet) when:

i. The rights to receive cash flows from the asset have expired, or

ii. The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'passthrough' arrangement~ and either

(a) The Company has transferred substantially all the risks and rewards of the asset, or

(b) The Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership.

When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

2.4.2. FINANCIAL LIABILITIES

2.4.2.1. INITIAL RECOGNITION AND MEASUREMENT

Financial liabilities are classified at initial recognition as financial liabilities at fair value through Profit or Loss, Loans and Borrowings, and Payables, net of directly attributable transaction costs. The Company's financial liabilities include Loans and Borrowings including Bank Overdraft, Security Deposit received against lease of building including investment properties, Trade Payable, Liabilities towards Services and Other Payables.

All Financial Liabilities are recognised initially at fair value and transaction cost that is attributable to the acquisition of the Financial Liabilities is also adjusted. Financial Liabilities are classified as amortised cost.

The measurement of financial liabilities depends on their classification, as described below:

i. **Financial liabilities at Fair Value Through Statement of Profit And Loss -** Financial liabilities at fair value through statement of profit and loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through statement of profit and loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term.

ii. Gains or losses on liabilities held for trading are recognised in the statement of profit and loss. Financial liabilities designated upon initial recognition at fair value through statement of profit and loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. All other changes in fair value of such liability are recognised in the statement of profit and loss.

iii. **Loans and Borrowings -** After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the Effective Interest Rate (hereinafter referred as EIR) method. Gains and Losses are recognised in statement of profit and loss when the liabilities are derecognised as well as through the EIR amortisation process. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as Finance Costs in the statement of profit and loss.

iv. **Security Deposit -** After initial recognition, interest free security deposits are subsequently measured at amortised cost using the Effective Interest Rate (hereinafter referred as EIR) method. The difference between carrying amount of the deposits and fair value is transferred as deferred income. The EIR amortisation is included as Finance Income in the statement of profit and loss.

v. **Other Payables:** These amounts represent liabilities for goods and services provided to the Company prior to the end of financial year which are unpaid. Other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period.

2.4.2.2. SUBSEQUENT MEASUREMENT

Subsequent to initial recognition, these liabilities are measured at Amortised Cost using the Effective Interest Rate (EIR) method.

2.4.2.3. DE-RECOGNITION OF FINANCIAL LIABILITIES

A Financial Liability is de-recognised when the obligation under the liability is discharged or cancelled or expired. Consequently write back of unsettled credit balances is done on the previous experience of Management and actual facts of each case and recognised in Other Income. When an existing Financial Liability is replaced by another, from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the Statement of Profit and Loss.

2.4.3. OFFSETTING OF FINANCIAL INSTRUMENTS

Financial Assets and Financial Liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

2.5. INVESTMENTS IN ASSOCIATES

An associate is an entity over which the Company has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee, but is not in control or joint control over those policies.

Investments in associates are carried at cost as per IND AS 28. The cost comprises price paid to acquire investment and directly attributable cost.

2.6. INVENTORIES

2.6.1.1 BASIS OF VALUATION

i. **Stock in Trade - Project** are valued at lower of cost or net realisable value.

2.6.1.2. METHOD OF VALUATION

i. Stock in Trade Project 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.

2.7. TRADE RECEIVABLES

Trade receivables are amounts due from customers for services performed in the ordinary course of business. If collection is expected in one year or less (or in the normal operating cycle of the business if longer), they are classified as current assets. If not, they are presented as non-current assets.

Trade receivables are initially recognised at fair value plus transaction costs. Trade receivables are measured at amortised cost using the effective interest method less any necessary write-downs.

2.8. CASH AND CASH EQUIVALENTS

Cash and Cash Equivalents comprise cash in hand, Balances in Bank Account, Remittance in Transit, Cheques in hand and demand deposits, together with other short-term, highly liquid investments (original maturity less than 3 months) that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value.

2.9. TAXES

2.9.1.1. CURRENT INCOME TAX

Current Income Tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Current income tax relating to items recognised outside Profit or Loss is recognised outside profit or loss (either in Other Comprehensive Income or in Equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

2.9.1.2. DEFERRED TAX

Deferred Income Taxes are calculated using Balance Sheet Approach, on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences, except when it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognised for all deductible temporary differences and the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

Tax expense for the year comprises of current tax and deferred tax.

2.9.1.3. INDIRECT TAX – GST/ Service Tax

Expenses and assets are recognised net of the amount of GST/ Service Tax paid, except:

i. When the tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case, the tax paid is recognised as part of the cost of acquisition of the asset or as part of the expense item, as applicable.

ii. When receivables and payables are stated with the amount of tax included, the net amount of tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the balance sheet.

2.10. EQUITY AND RESERVES

i. Share Capital represents the nominal value of shares that have been issued. Any transaction costs associated with the issuing of shares are deducted from retained earnings, net of any related income tax benefits.

ii. Other Components of Equity includes Other Comprehensive Income arising from actuarial gain or loss on re-measurement of defined benefit liability and return on plan assets

iii. Retained Earnings include all current and prior period retained profits.

2.11. DIVIDEND PAYMENTS

Annual dividend distribution to shareholders is recognised as a liability in the period in which the dividend is approved by the shareholders. Any interim dividend paid is recognised on approval by Board of Directors. Dividend payable and corresponding tax on Dividend Distribution is recognised directly in equity.

2.12. REVENUE RECOGNITION

Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the Government.

The Company recognizes revenue when the amount can be reliably measured, regardless of when the payment is being made, it is probable that future economic benefits will flow to the Company and specific criteria have been met for each of the Company's activities as described below. The Company bases its estimates on historical results, taking into consideration the type of customer, the type of transaction and the specifics of each arrangement

2.12.1. RENTAL INCOME

Rental income arising from operating lease on investment properties is accounted for on straight line basis over the period for which the investment property is given on rent.

2.13. INCOME RECOGNITION

2.13.1. INTEREST INCOME

Interest income from debt instruments is recognised using the effective interest rate method. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of a financial asset. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all contractual terms of the financial instrument but does not consider the expected credit losses.

2.13.2. DIVIDEND INCOME

Dividends are recognised in profit or loss only when the right to receive payment is established, it is probable that the economic benefits associated with the dividend will flow to the Company, and the amount of the dividend can be measured reliably.

2.13.3. OTHER INCOME

Other claims including interest on outstanding are accounted for when there is virtual certainty of ultimate collection.

2.14. EXPENDITURE

Expenses are accounted on accrual basis.

2.15. EMPLOYEE BENEFIT SCHEMES

2.15.1. SHORT-TERM EMPLOYEE BENEFITS

Employee benefits payable wholly within twelve months of receiving employee services are classified as short-term employee benefits. These benefits include salaries and wages, performance incentives and compensated absences which are expected to occur in next twelve months. The undiscounted amount of short-term employee benefits to be paid in exchange for employee services is recognised as an expense as the related service is rendered by employees.

2.15.2. COMPENSATED ABSENCES

Company provides for the encashment of leave with pay subject to certain rules. The employees are entitled to accumulate leave subject to certain limits, for future encashment / availment. The liability is provided based on the number of days of unutilized leave at each Balance Sheet date on the basis of an independent actuarial valuation.

2.15.3. GRATUITY

Liabilities with regard to the gratuity benefits payable in future are determined by actuarial valuation at each Balance Sheet date using the Projected Unit Credit method. Gratuity is unfunded.

Actuarial gains and losses arising from changes in actuarial assumptions are recognized in Other Comprehensive Income and shall not be reclassified to the Statement of Profit and Loss in a subsequent period.

2.15.4. PROVIDENT FUND

Eligible employees of the Company receive benefits from a Provident Fund, which is a defined benefit plan. Both the eligible employee and the Company make monthly contributions to the provident fund plan equal to a specified percentage of the covered employee's salary.

2.16. FUNCTIONAL AND PRESENTATION CURRENCY

The Standalone Financial Statements are presented in Indian Rupee ('INR'), which is Company's functional Currency and presentation currency.

2.17. LEASES

The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

For arrangements entered into prior to April 1, 2016, the Company has determined whether the arrangement contains lease on the basis of facts and circumstances existing on the date of transition.

2.17.1. COMPANY AS A LESSEE

2.17.1.1. FINANCE LEASES

A lease that transfers substantially all the risks and rewards incidental to ownership to the Company is classified as a Finance Lease. Finance Leases are capitalised at the commencement of the lease at the inception date fair value of the leased property or, if lower, at the present value of the minimum lease payments.

The interest element of lease payments is charged to Statement of Profit and Loss, as Finance Costs over the period of the lease. The leased asset is depreciated over the useful life of the asset or lease term whichever is lower.

Land acquired on long term lease (more than 90 years/ Perpetual Lease) are evaluated as own land.

2.17.2. COMPANY AS A LESSOR

2.17.2.1. OPERATING LEASE

Leases in which the Company does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Assets leased out under operating leases are capitalized. Rental income is recognized on straight-line basis over the lease term except where scheduled increase in rent compensates the Company with expected inflationary costs.

2.18. EARNINGS PER SHARE

The Company presents basic and diluted earnings per share ("EPS") data for its equity shares.

i. **Basic EPS** is calculated by dividing the profit and loss attributable to equity shareholders of the Company by the weighted average number of equity shares outstanding during the period.

ii. **Diluted EPS** is determined by adjusting the profit and loss attributable to equity shareholders and the weighted average number of equity shares outstanding for the effects of all dilutive potential equity shares.

2.19. PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS

The assessments undertaken in recognising provisions and contingencies have been made in accordance with the applicable Ind AS. Provisions, contingent liabilities, contingent assets and commitments are reviewed at each balance sheet date and are adjusted to reflect the current best estimate.

2.19.1. PROVISIONS

Provisions represent liabilities to the Company for which the amount or timing is uncertain. Provisions are recognized when the Company has a present obligation (legal or constructive), as a result of past events, and it is probable that an outflow of resources, that can be reliably estimated, will be required to settle such an obligation.

If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows to net present value using an appropriate pre-tax discount rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability. Unwinding of the discount is recognized in the statement of profit and loss as a finance cost.

2.19.2. CONTINGENT LIABILITIES

In the normal course of business, contingent liabilities may arise from litigation and other claims against the Company. Guarantees are also provided in the normal course of business. There are certain obligations which management of the Company has concluded, based on all available facts and circumstances, are not probable of payment or are very difficult to quantify reliably, and such obligations are treated as contingent liabilities and disclosed in the notes but are not reflected as liabilities in the financial statements. Although there can be no assurance regarding the final outcome of the legal proceedings in which the Company involved, it is not expected that such contingencies will have a material effect on its financial position or profitability.

2.19.3. CONTINGENT ASSETS

Contingent assets are not recognised but disclosed in the financial statements when an inflow of economic benefits is probable.

2.20. CASH FLOW STATEMENT

Cash flows are reported using indirect method as set out in Ind AS -7 “Statement of Cash Flows”, whereby profit/ (loss) before tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

2.21. SEGMENT REPORTING

Operating segments are reported in a manner consistent with the internal reporting to the Chief Operating Decision Maker “CODM” of the Company. The CODM is responsible for allocating resources and assessing performance of the operating segment. The Company has monthly review and forecasting procedure in place and CODM reviews the operations of the Company as a whole.

2.22. CURRENT VERSUS NON-CURRENT CLASSIFICATION

The Company presents assets and liabilities in statement of financial position based on current/non-current classification. The Company has presented non-current assets and current assets before equity, non-current liabilities and current liabilities in accordance with Schedule III, Division II of Companies Act, 2013 notified by MCA.

i. An asset is classified as current when it is:
   a) Expected to be realised or intended to be sold or consumed in normal operating cycle,
   b) Held primarily for the purpose of trading,
   c) Expected to be realised within twelve months after the reporting period, or
   d) Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

ii. All other assets are classified as non-current.

iii. A liability is classified as current when it is:
   a) Expected to be settled in normal operating cycle,
   b) Held primarily for the purpose of trading,
   c) Due to be settled within twelve months after the reporting period, or
   d) There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

iv. All other liabilities are classified as non-current.

v. The operating cycle is the time between the acquisition of assets for processing and their realisation in cash or cash equivalents.

vi. Deferred tax assets and liabilities are classified as non-current assets and liabilities.

2.23. FAIR VALUE MEASUREMENT

The Company measures financial instruments at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

i. In the principal market for asset or liability, or

ii. In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimizing the use of unobservable inputs.

Other Fair Value related disclosures are given in the relevant notes.

2.24. ROUNDING OFF

All amounts disclosed in the financial statement and notes have been rounded off to the nearest ₹, unless otherwise stated

2.25. EXCEPTIONAL ITEMS

Exceptional items are transactions which due to their size or incidence are separately disclosed to enable a full understanding of the Company's financial performance. Items which may be considered exceptional are significant restructuring charges, gains or losses on disposal of investments of subsidiaries, associate and joint ventures and impairment losses/ write down in the value of investment in subsidiaries, associates and joint ventures and significant disposal of fixed assets.

2.26. SIGNIFICANT MANAGEMENT JUDGEMENT IN APPLYING ACCOUNTING POLICIES AND ESTIMATION UNCERTAINTY

The preparation of Standalone Financial Statements requires management to make estimates and assumptions that affect the reported balances of assets, liabilities and disclosure of contingent liabilities at the date of the financial statements and reported amounts of income & expenses during the periods. Although these estimates and assumptions used in accompanying financial statements are based upon management's evaluation of relevant facts and circumstances as of date of financial statements which in management's opinion are prudent and reasonable, actual results may differ from estimates and assumptions used in preparing accompanying financial statements. Any revision to accounting estimates is recognized prospectively from the period in which results are known/ materialise in accordance with applicable Indian accounting standards.

Information about estimates and assumptions that have the most significant effect on recognition and measurement of assets, liabilities, income and expenses is provided below.

2.27. SIGNIFICANT MANAGEMENT JUDGEMENTS

The following are Significant Management Judgements in applying the Accounting Policies of the Company that have the most significant effect on the Financial Statements.

2.27.1. PROPERTY, PLANT & EQUIPMENT AND USEFUL LIFE OF PROPERTY, PLANT & EQUIPMENT AND INTANGIBLE ASSETS

On transition to Ind AS, the Company has elected to continue with the carrying value of all of its Intangible Assets recognised as at April 1, 2016 measured as per the previous GAAP and use that carrying value as the deemed cost of the Intangible Assets.

The carrying value of property, plant and equipment is arrived at by depreciating the assets over the useful life of assets. The estimate of useful life is reviewed at the end of each financial year and changes are accounted for prospectively.

2.27.2. EVALUATION OF INDICATORS FOR IMPAIRMENT OF ASSETS

The evaluation of applicability of indicators of impairment of assets requires assessment of several external and internal factors which could result in deterioration of recoverable amount of the assets.

2.27.3. EVALUATION OF LEASE OF LAND AS FINANCE LEASE OR OPERATING LEASE

One important consideration for evaluating lease of land is that land has an indefinite economic life and it is expected that the value of land generally appreciates. Where in substance there is no transfer of risks and rewards, it should be considered as an operating lease. Some of the indicators to consider in the overall context of whether there is transfer of risks and rewards incidental to ownership include the lessee's ability to renew lease for another term at substantially below market rent, lessee's option to purchase at price significantly below fair value etc.

Accordingly, classification as operating or finance lease requires exercise of judgement based on evaluation of facts and circumstances in each case, while considering the indicators envisaged as above.

2.28. ESTIMATION UNCERTAINTY

Information about estimates and assumptions that have the most significant effect on recognition and measurement of assets, liabilities, income and expenses is provided below.

2.28.1. REVENUE RECOGNITION

Where revenue contracts include deferred payment terms, the management of Company determines the fair value of consideration receivable using the expected collection period and interest rate applicable to similar instruments with a similar credit rating prevailing at the date of transaction.

2.28.2. FAIR VALUE MEASUREMENT OF FINANCIAL INSTRUMENT

When the fair value of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using various valuation techniques. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as Liquidity Risk, Credit Risk and Volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

2.28.3. IMPAIRMENT OF FINANCIAL ASSETS

The impairment provisions of financial assets are based on assumptions about risk of default and expected loss rates. The Company uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on Company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

2.28.4. RECOVERABILITY OF ADVANCES/ RECEIVABLES

The Company from time to time review the recoverability of advances and receivables. The review is done at least once in a financial year and such assessment requires significant management judgement based on financial position of the counter-parties, market information and other relevant factors.

2.28.5. INCOME TAXES

Uncertainties exist with respect to the interpretation of complex tax regulations, changes in tax laws, and the amount and timing of future taxable income. Given the wide range of business relationships and the long term nature and complexity of existing contractual agreements, differences arising between the actual results and the assumptions made, or future changes to such assumptions, could necessitate future adjustments to tax income and expense already recorded. The Company establishes provisions, based on reasonable estimates. The amount of such provisions is based on various factors, such as experience of previous tax audits and differing interpretations of tax regulations by the taxable entity and the responsible tax authority. Such differences of interpretation may arise on a wide variety of issues depending on the conditions prevailing in the respective domicile of the companies.

2.28.6. PROVISIONS AND CONTINGENCIES

Management judgement is required for estimating the possible outflow of resources, if any, in respect of contingencies/claim/litigations against the Company as it is not possible to predict the outcome of pending matters with accuracy.

2.28.7. DEFINED BENEFIT OBLIGATION (DBO)

Management's estimate of the DBO is based on a number of critical underlying assumptions such as standard rates of inflation, medical cost trends, mortality, discount rate and anticipation of future salary increases. Variation in these assumptions may impact the DBO amount and the annual defined benefit expenses.

2.29. STANDARDS ISSUED BUT NOT EFFECTIVE

2.29.1. IND AS 115- REVENUE FROM CONTRACT WITH CUSTOMERS

On 28th March 2018, Ministry of Corporate Affairs ("MCA") has notified the Ind AS 115, Revenue from Contract with Customers. The core principle of the new standard is that an entity should recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Further the new standard requires enhanced disclosures about the nature, amount, timing and uncertainty of revenue and cash flows arising from the entity's contracts with customers.

The standard permits two possible methods of transition:

- **Retrospective method -** Under this approach the standard will be applied retrospectively to each prior reporting period presented in accordance with Ind AS 8- Accounting Policies, Changes in Accounting Estimates and Errors.
- **Cumulative effect method -** Under this method, an entity would recognise the impact of the new standard from the date of initial application with no requirement to restate the comparative period

The effective date for adoption of Ind AS 115 is financial periods beginning on or after April 1, 2018.

The Company will adopt the standard on April 1, 2018 by using the Cumulative effect method and accordingly comparatives for the year ending or ended March 31, 2018 will not be retrospectively adjusted.

The effect on adoption of Ind AS 115 is expected to be insignificant.

Statement of Changes in Equity As at March 31, 2018

A Equity Share Capital

(All amounts in ₹ unless stated otherwise)

Particulars		Balance at the beginning of the Reporting Period	Changes in Equity Share Capital during the year	Balance at the end of Reporting Period
Balance as at April 1, 2016	Numbers	1,93,63,595	-	1,93,63,595
		19,36,35,950	-	19,36,35,950
Balance as at March 31, 2017	Numbers	1,93,63,595	-	1,93,63,595
		19,36,35,950	-	19,36,35,950
Balance as at March 31, 2018	Numbers	1,93,63,595	-	**1,93,63,595**
		19,36,35,950	-	**19,36,35,950**

B Other Equity

(All amounts in ₹ unless stated otherwise)

PARTICULARS	RESERVES AND SURPLUS						OTHER COMPREHENSIVE INCOME (OCI)		TOTAL
	CAPITAL RESERVE	SECURITIES PREMIUM ACCOUNT	REVALUATION RESERVE	PROPERTY RESERVE	GENERAL RESERVE	RETAINED EARNINGS	REMEASUREMENT OF DEFINED BENEFIT PLANS	EQUITY INSTRUMENTS THROUGH OCI	
Balance as at April 1, 2016	**6,10,050**	**8,88,40,900**	**25,95,37,826**	**6,18,87,867**	**42,68,39,650**	**(13,34,00,771)**	**3,21,302**	**2,475**	**70,46,39,299**
Profit/ (Loss) for the period	-	-	-	-	-	37,38,722	-	-	3,738,722
Other Comprehensive Income (OCI)	-	-	-	-	-	-	1,98,722	98,033	296,755
Income Tax on Items of OCI	-	-	-	-	-	-	(61,405)	-	(61,405)
Other Transfers	-	-	-	(6,18,87,867)	6,18,87,867	-	-	-	-
Balance as at March 31, 2017	**6,10,050**	**8,88,40,900**	**25,95,37,826**	**-**	**48,87,27,517**	**(12,96,62,049)**	**4,58,619**	**1,00,508**	**70,86,13,371**
Profit/ (Loss) for the period	-	-	-	-	-	(7,269,160)	-	-	(72,69,160)
Other Comprehensive Income (OCI)	-	-	-	-	-	-	6,57,705	(1,27,598)	5,30,107
Income Tax on Items of OCI	-	-	-	-	-	-	(1,42,578)	-	(1,42,578)
Balance as at March 31, 2018	**6,10,050**	**8,88,40,900**	**25,95,37,826**	**-**	**48,87,27,517**	**(13,69,31,209)**	**9,73,746**	**(27,090)**	**70,17,31,740**

Summary of Significant Accounting Policies and Other Explanatory Information Note 1 to 41

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

ARTI GUPTA
Joint Managing Director
DIN : 00023237

ARUN MITTER
Executive Director
DIN : 00022941

As per our Report of even date attached
For JAGDISH CHAND & CO.
Chartered Accountants
(ICAI Firm Reg. No: 000129N)

BHARAT KUMAR
Non Executive Independent
Director
DIN: 01090141

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

(Praveen Kumar Jain)
Partner
Membership No. 085629

Place: New Delhi
Date: May 28, 2018

Note -03

Property, Plant and Equipment

Details of the Company's Property, Plant and Equipment and reconciliation of their carrying amounts from beginning to end of reporting period are as follows:

(All amounts in ₹ unless stated otherwise)

Particulars	Leasehold Land	Freehold Land	Freehold Land & Buildings	Leasehold Land & Buildings	Vehicles	Furniture and fixtures	Computers	Office Equipment	Lifts	Electric installation	Total
Deemed cost											
Balance as at April 1, 2016	11,14,43,394	13,12,05,451	63,88,304	52,22,374	88,82,718	2,47,258	1,05,230	2,49,298	2,02,703	64,83,195	27,04,29,925
Additions					15,47,859		8,000	17,692		57,776	16,31,327
Disposals					25,00,000						25,00,000
Balance as at March 31, 2017	**11,14,43,394**	**13,12,05,451**	**63,88,304**	**52,22,374**	**79,30,577**	**2,47,258**	**1,13,230**	**2,66,990**	**2,02,703**	**65,40,971**	**26,95,61,252**
Additions/Adjustments	-	-	-	-	27,27,591	-	2,26,368	3,79,453	12,62,338	2,51,959	48,47,709
Disposals	-	-	-	-	-	-	-	-	-	-	-
Balance as at March 31, 2018	**11,14,43,394**	**13,12,05,451**	**63,88,304**	**52,22,374**	**1,06,58,168**	**2,47,258**	**3,39,598**	**6,46,443**	**14,65,041**	**67,92,930**	**27,44,08,961**
Accumulated depreciation											
Balance as at April 1, 2016											-
Depreciation expense	-	-	1,48,932	2,85,142	28,48,545	80,956	19,865	12,860	2,842	15,22,628	49,21,770
Elimination on disposals of assets	-	-			21,33,946				-		21,33,946
Balance as at March 31, 2017	**-**	**-**	**1,48,932**	**2,85,142**	**7,14,599**	**80,956**	**19,865**	**12,860**	**2,842**	**15,22,628**	**27,87,824**
Depreciation expense	-	-	1,45,339	2,69,573	27,58,011	49,051	1,20,335	61,167	64,096	11,17,775	45,85,347
Elimination on disposals of assets	-	-	-	-	-	-	-	-	-	-	-
Balance as at March 31, 2018	**-**	**-**	**2,94,271**	**5,54,715**	**34,72,610**	**1,30,007**	**1,40,200**	**74,027**	**66,938**	**26,40,403**	**73,73,171**
Net carrying amount											
Balance as at April 1, 2016	11,14,43,394	13,12,05,451	63,88,304	52,22,374	88,82,718	2,47,258	1,05,230	2,49,298	2,02,703	64,83,195	27,04,29,925
Balance as at March 31, 2017	11,14,43,394	13,12,05,451	62,39,372	49,37,232	72,15,978	1,66,302	93,365	2,54,130	1,99,861	50,18,343	26,67,73,428
Balance as at March 31, 2018	**11,14,43,394**	**13,12,05,451**	**60,94,033**	**46,67,659**	**71,85,558**	**1,17,251**	**1,99,398**	**5,72,416**	**13,98,103**	**41,52,527**	**26,70,35,790**

Note 3 A

Refer Note No 17 A for Property, Plant & Equipment pledged as security.

Note -04

Investment Property (At Cost)

(All amounts in ₹ unless stated otherwise)

Particulars	Freehold Land & Buildings	Leasehold Land & Buildings	Land	Total
Deemed cost				
Balance as at April 1, 2016	2,34,57,830	9,50,62,557	9,66,33,500	21,51,53,887
Additions	-	-	-	-
Disposals	-	-	-	-
Balance as at March 31, 2017	**2,34,57,830**	**9,50,62,557**	**9,66,33,500**	**21,51,53,887**
Additions/Adjustments	-	7,24,27,472	-	7,24,27,472
Disposals	-	-	-	-
Balance as at March 31, 2018	**2,34,57,830**	**16,74,90,029**	**9,66,33,500**	**28,75,81,359**
Accumulated depreciation				
Balance as at April 1, 2016	-			
Depreciation expense	13,57,034	62,36,834	-	75,93,868
Elimination on disposals of assets	-	-	-	-
Balance as at March 31, 2017	**13,57,034**	**62,36,834**	**-**	**75,93,868**
Depreciation expense	12,76,885	58,73,082	-	71,49,967
Elimination on disposals of assets	-	-	-	-
Balance as at March 31, 2018	**26,33,919**	**1,21,09,916**	**-**	**1,47,43,835**
Net carrying amount				
Balance as at April 1, 2016	2,34,57,830	9,50,62,557	9,66,33,500	21,51,53,887
Balance as at March 31, 2017	2,21,00,796	8,88,25,723	9,66,33,500	20,75,60,019
Balance as at March 31, 2018	**2,08,23,911**	**15,53,80,113**	**9,66,33,500**	**27,28,37,524**

Note -04 A

Amounts recognised in Profit & Loss for Investment Properties:

(All amounts in ₹ unless stated otherwise)

	For the year ended on March 31, 2018	For the year ended on March 31, 2017
Rental Income	10,55,55,212	13,21,85,144
Direct Operating Expenses from property generating Rental Income (including Repair and Maintenance)	68,76,680	2,43,09,707
Profit from Investment Properties before depreciation	**9,86,78,532**	**10,78,75,437**
Depreciation	71,49,967	75,93,868
Profit from Investment Properties	**9,15,28,565**	**10,02,81,569**

Note -04 B

Leasing Arrangements

Certain Investment Properties are leased to tenants under long-term operating leases with rentals payable monthly (Refer Note 32). Future minimum lease payments receivable under long-term operating leases of Investment Properties in the aggregate is ₹ 75,04,97,685/- (Previous Year ₹ 85,60,52,897/-and for each of the following period:

(All amounts in ₹ unless stated otherwise)

Particulars	As at March 31, 2018	As at March 31, 2017
Within one year	10,44,28,043	10,55,55,212
Later than one year but not later than 5 years	38,33,16,528	40,02,74,759
Later than 5 years	26,27,53,114	35,02,22,926

Note -04 C

Fair value

(All amounts in ₹ unless stated otherwise)

Particulars	Fair Value Hierarchy	As at March 31, 2018
Buildings	**Level 3**	**1,76,24,68,587**

Description of Valuation Techniques used and key inputs to Valuation on Investment Properties:

Valuation Approach - Rental or Capitilisation Method: Rental method of valuation consists in capitilising the Net Annual Rental Income (NARI) at an appropriate rate of interest or rate of capitilisation. Net annual rent income equals to Gross Annual Rental Income (GARI) minus outgoings like Property Tax, Repairs, Maintenance, Service Charges, Insurance Premium, Rent Collection and Management Charges etc.

Note -04 D

Refer Note No 17 A for Property, Plant & Equipment pledged as security.

Note -05

(All amounts in ₹ unless stated otherwise)

INVESTMENTS - NON CURRENT	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
INVESTMENT IN EQUITY INSTRUMENTS :			
Investments at Fair Value Through OCI			
- Investment in Others Companies	2,02,413	3,30,011	2,31,978
INVESTMENT IN ASSOCIATES			
Investments at Cost			
- Investment in Associates Companies	9,05,05,731	9,05,05,731	9,05,05,731
OTHER INVESTMENTS:			
Investments at Fair Value Through Profit & Loss			
- Shares in Cooperative Societies	-	500	500
Gross Investments	**9,07,08,144**	**9,08,36,242**	**9,07,38,209**
Aggregate amount of impairment in value of investments			
- Impairment in value of Investments	3,68,36,680	3,43,47,906	3,07,99,929
Net Investments	**5,38,71,464**	**5,64,88,336**	**5,99,38,280**

Note -05 A

(All amounts in ₹ unless stated otherwise)

PARTICULARS		As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
(a)	Aggregate Amount of Quoted Investments - Cost	9,16,23,308	9,16,23,308	9,16,23,308
(b)	Aggregate Amount of Quoted Investments - Market Value	5,38,71,464	5,64,87,836	5,99,37,780
(c)	Aggregate Amount of Unquoted Investments	-	500	500
(d)	Aggregate Amount of Impairment in Value of Investments	3,68,36,680	3,43,47,906	3,07,99,929

Note -05 B Details of Investment in Equity Shares (Quoted)

(All amounts in ₹ unless stated otherwise)

PARTICULARS	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Investment in Equity Shares of Company			
Method of Valuation: Fair Value through OCI			
i) Metal Box India Limited - 1,200 equity shares of ₹ 10 each, fully paid up	1	1	1
ii) Rajasthan Breweries Ltd - 4,700 equity shares of ₹ 10 each, fully paid up	1	1	1
iii) Sri Ramakrishna Mills(CBE) Limited - 15000 equity shares of ₹ 10 each, fully paid up	1,81,800	2,92,500	2,20,500
iv) MTZ (India) Limited - 10000 equity shares of ₹ 10 each, fully paid up	1	1	1
v) Mawana Sugars Limited - 450 equity shares of ₹ 10 each, fully paid up	20,610	37,508	11,475
Total	**2,02,413**	3,30,011	2,31,978

Note -05 C Detail of Trade Investments in Associates (Quoted)

(All amounts in ₹ unless stated otherwise)

PARTICULARS	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Investment in Equity Shares of Company			
Method of Valuation: At Cost			
Companies under the same management			
i) Jayabharat Credit Limited - 21,72,300 equity shares of ₹ 10 each, fully paid up	2,93,16,380	2,93,16,380	2,93,16,380
ii) India Lease Development Limited - 46,08,840 equity shares of ₹ 10 each, fully paid up	6,11,89,351	6,11,89,351	6,11,89,351
Total At Cost	**9,05,05,731**	9,05,05,731	9,05,05,731
Less: Impairment in value of Investments	3,68,36,680	3,43,47,906	3,07,99,929
Total Investment in Associates	**5,36,69,051**	5,61,57,825	5,97,05,802

Note -05 D Detail of Trade Investments in Shares in Cooperative Societies (Unquoted)

(All amounts in ₹ unless stated otherwise)

PARTICULARS	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Shares in Cooperative Societies			
Method of Valuation: At Cost			
i) Atlanta Premises Cooperative Society Ltd. - 50 shares of ₹ 10 each	-	500	500
Total	**-**	500	500

Note -06

(All amounts in ₹ unless stated otherwise)

LOANS (NON CURRENT)	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Unsecured: Considered Good			
Security Deposits	41,37,030	30,90,039	30,90,039
Total	**41,37,030**	30,90,039	30,90,039

Note -07

Deferred Tax Asset/ (Liabilities)

The balance comprises temporary differences attributable to :

(All amounts in ₹ unless stated otherwise)

DEFERRED TAX ASSET/ (LIABILITIES)	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Deferred tax liability :			
- Depreciation on PPE	4,08,439	7,30,182	10,92,210
- Other timing differences	51,28,261	86,01,586	97,16,652
Total deferred tax liabilities	**55,36,700**	93,31,768	1,08,08,862
Deferred tax Asset :			
- Depreciation on Investment Properties	37,96,538	23,46,505	-
- Liabilities / provisions that are deducted for tax purposes when paid	44,41,598	42,37,648	46,11,667
- Business Loss	1,24,80,681	1,07,03,814	-
- Impairment of Investment	94,85,445	1,06,13,503	95,17,178
- Other timing differences	1,69,359	61,405	-
Total deferred tax assets	**3,03,73,621**	2,79,62,875	1,41,28,845
Net deferred tax assets/ (liabilities)	**2,48,36,921**	1,86,31,107	33,19,983

Note -07 A

Movement in Deferred Tax Assets

(All amounts in ₹ unless stated otherwise)

PARTICULARS	IMPAIRMENT OF INVESTMENTS	LIABILITIES / PROVISIONS THAT ARE DEDUCTED FOR TAX PURPOSES WHEN PAID	CARRIED FORWARD BUSINESS LOSS
As at April 1, 2016	95,17,178	46,11,667	-
(Charged)/credited :			
to Profit and Loss	10,96,325	(3,74,019)	1,07,03,814
to other comprehensive income	-	-	-
to Equity	-	-	-
As at March 31, 2017	1,06,13,503	42,37,648	1,07,03,814
(Charged)/credited :			
to Profit and Loss	(11,28,058)	2,03,950	17,76,867
to other comprehensive income	-	-	-
to Equity	-	-	-
As at March 31, 2018	**94,85,445**	44,41,598	1,24,80,681

contd..

PARTICULARS	DEPRECIATION ON INVESTMENT PROPERTIES	OTHER ITEMS	TOTAL DEFERRED TAX ASSETS
As at April 1, 2016	-	99,282	1,42,28,127
(Charged)/credited :			
to Profit and Loss	23,46,505	(37,877)	1,37,34,748
to Other Comprehensive Income	-	-	-
to Equity	-	-	-
As at March 31, 2017	23,46,505	61,405	2,79,62,875
(Charged)/credited :			
to Profit and Loss	14,50,033	1,07,954	24,10,746
to Other Comprehensive Income	-	-	-
to Equity	-	-	-
As at March 31, 2018	**37,96,538**	1,69,359	3,03,73,621

Note -07 B

Movement in Deferred Tax Liabilities

(All amounts in ₹ unless stated otherwise)

PARTICULARS	DEPRECIATION ON PPE	OTHER ITEMS	TOTAL DEFERRED TAX LIABILITIES
As at April 1, 2016	10,92,210	98,15,935	1,09,08,145
(Charged)/credited :			
to Profit and Loss	(3,62,028)	(12,75,753)	(16,37,781)
to other comprehensive income	-	61,405	61,405
to Equity	-	-	-
As at March 31, 2017	7,30,182	86,01,587	93,31,769
(Charged)/credited :			
to Profit and Loss	(3,21,743)	(36,15,904)	(39,37,647)
to other comprehensive income	-	1,42,578	1,42,578
to Equity	-	-	-
As at March 31, 2018	**4,08,439**	51,28,261	55,36,700

Note -07 C

Unused Tax Losses & Credit not Recognised in Deffered Tax

(All amounts in ₹ unless stated otherwise)

Unused Tax Losses & Tax Credit not Recognised	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Long Term Capital Loss not recognised	46,63,062	24,63,062	24,63,062
Expiry Year	Upto FY 2026-27	Upto FY 2021-22	Upto FY 2021-22
MAT Credit not Recognised	8,62,61,566	8,62,61,566	8,62,61,566
Expiry Year	Upto FY 2024-25	Upto FY 2024-25	Upto FY 2023-24

Note -08

(All amounts in ₹ unless stated otherwise)

INVENTORIES	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Commercial Project	92,42,17,428	89,77,17,423	89,02,28,235
Total	**92,42,17,428**	89,77,17,423	89,02,28,235

Note -09

(All amounts in ₹ unless stated otherwise)

TRADE RECEIVABLES	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Unsecured:			
- Considered Good	4,04,29,743	2,82,06,215	1,39,30,905
Gross Trade Receivables	**4,04,29,743**	2,82,06,215	1,39,30,905
Impairment Allowance :			
- Unsecured, Considered Good	-	-	-
Total Impairment Allowance	**-**	**-**	**-**
Net Trade Receivables	**4,04,29,743**	2,82,06,215	1,39,30,905

Note -10

(All amounts in ₹ unless stated otherwise)

CASH & CASH EQUIVALENTS	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Cash in Hand			
- Cash in Hand	86,806	45,533	10,86,987
Bank Balances			
- Balances with Banks in Current Account	16,12,713	19,21,422	13,59,012
- Cheques in Hand	-	-	2,00,000
- Flexi Deposits upto 3 months Original Maturity *	20,49,250	1,15,05,340	84,36,266
Total	**37,48,769**	1,34,72,295	1,10,82,265
* Includes Fixed Deposits with Banks under Lien against bank guarantees to government authorities	35,340	35,340	1,56,884

Note -11

(All amounts in ₹ unless stated otherwise)

BANK BALANCE OTHER THAN ABOVE	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Other Bank Balances			
- Balances with Banks in Unpaid Dividend Account	8,61,682	23,77,621	23,79,553
- Fixed Deposits having Original Maturity more than 3 months. *	2,68,500	13,99,415	15,69,277
Total	**11,30,182**	37,77,036	39,48,830
* Includes Fixed Deposits with Banks under Lien against bank guarantees to government authorities	2,68,500	2,68,500	3,19,779

Note -12

(All amounts in ₹ unless stated otherwise)

LOANS (CURRENT)	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Inter Corporate Deposits with Related Parties			
Unsecured: Considered Good			
- Jayabharat Credit Limited	-	12,90,00,000	16,50,00,000
Total	**-**	12,90,00,000	16,50,00,000

Note -12 A

Disclosure pursuant to Regulation 34(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015

Jaya Bharat Credit Limited	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Maximum Outstanding Balance during the year			
(At Fair Value) & At Cost	12,90,00,000	16,50,00,000	16,50,00,000
Investments by Loanee in Equity shares of Company	NIL	NIL	NIL

Note -13

(All amounts in ₹ unless stated otherwise)

OTHER FINANCIAL ASSETS	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Accrued Interest on			
- Intercorporate Deposits with Jayabharat Credit Limited	-	27,37,629	58,58,651
- Bank Deposits	84,899	90,017	31,055
Total	**84,899**	28,27,646	58,89,706

Note -14

(All amounts in ₹ unless stated otherwise)

CURRENT TAX ASSETS (NET)	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Advance Income Tax (Net of Provision)	2,31,12,662	2,91,56,565	2,66,72,638
Total	**2,31,12,662**	2,91,56,565	2,66,72,638

Note -15

(All amounts in ₹ unless stated otherwise)

OTHER CURRENT ASSETS	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Advance to Employees	5,70,500	4,20,989	6,13,889
Other Advances & Recoverables	19,11,029	17,91,535	33,05,973
Prepaid Expenses	9,12,334	10,25,864	10,62,984
Balances with Government Authorities	97,746	960	16,015
Total	**34,91,609**	32,39,348	49,98,861

Note -16

(All amounts in ₹ unless stated otherwise)

EQUITY SHARE CAPITAL	As at March 31, 2018		As at March 31, 2017		As at April 1, 2016	
	NUMBER	AMOUNT	NUMBER	AMOUNT	NUMBER	AMOUNT
Authorised:						
Equity Shares of ₹ 10/-						
(Previous Year ₹ 10) each	5,00,00,000	50,00,00,000	5,00,00,000	50,00,00,000	5,00,00,000	50,00,00,000
Issued, subscribed and paid up:						
Fully paid up Equity Shares of ₹10/-						
(Previous Year ₹ 10) each	1,93,63,595	19,36,35,950	1,93,63,595	19,36,35,950	1,93,63,595	19,36,35,950
Total	**1,93,63,595**	**19,36,35,950**	**1,93,63,595**	**193,635,950**	**1,93,63,595**	**19,36,35,950**

Note -16 A

(All amounts in ₹ unless stated otherwise)

EQUITY SHARE CAPITAL	As at March 31, 2018		As at March 31, 2017		As at April 1, 2016	
	NUMBER	AMOUNT	NUMBER	AMOUNT	NUMBER	AMOUNT
Shares outstanding at the beginning of the year	1,93,63,595	19,36,35,950	1,93,63,595	19,36,35,950	1,93,63,595	19,36,35,950
Add : Shares issued during the year	-	-	-	-	-	-
Shares outstanding at the end of the year	**1,93,63,595**	**19,36,35,950**	**1,93,63,595**	**19,36,35,950**	**1,93,63,595**	**19,36,35,950**

Note -16 B Shareholders holding more than 5% of fully paid-up equity shares:

(All amounts in ₹ unless stated otherwise)

NAME	As at March 31, 2018		As at March 31, 2017		As at April 1, 2016	
	NO. OF SHARES	%	NO. OF SHARES	%	NO. OF SHARES	%
Equity shares of ₹ 10/- each fully paid up						
Bahubali Services Limited	40,94,800	21.15	40,94,800	21.15	40,94,800	21.15
Shri Rajiv Gupta & Smt. Arti Gupta	22,71,865	11.73	22,71,865	11.73	22,71,865	11.73
Smt. Arti Gupta & Shri Rajiv Gupta	9,81,000	5.07	9,81,000	5.07	9,81,000	5.07

Note -16 C

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.

Note -16 D

Reserves and Surplus

Nature and purpose of Other Reserves

CAPITAL RESERVE

The reserve was created on merger of companies under common control.

SECURITIES PREMIUM ACCOUNT

The amount received in excess of face value of the equity shares is recognised in Securities Premium Reserve. In case of equity-settled share based payment transactions, the difference between fair value on grant date and nominal value of share is accounted as securities premium reserve.

REVALUATION RESERVE

When the value of fixed assets in written up in the books of account of a company on revaluation, a corresponding credit is given to the Revaluation Reserve. Such reserve represents the difference between the estimated present market values and the book values of the fixed assets.

PROPERTY RESERVE

When the value of Investment Property is depreciated, a corresponding credit is given to Property Reserve. The reserve was transferred to General Reserve in FY 2016-17

RETAINED EARNINGS

Retained earnings are the profits that the Company has earned till date, less any transfers to general reserve, dividends or other distributions paid to shareholders.

GENERAL RESERVE

General Reserve represents the statutory reserve, this is in accordance with Corporate law wherein a portion of profit is apportioned to general reserve. Under Companies Act, 1956 it was mandatory to transfer amount before a company can declared dividend, however under Companies Act, 2013 transfer of any amount to General Reserve is at the discretion of the Company.

OTHER COMPREHENSIVE INCOME

Other Comprehensive Income Reserve represents the balance in equity for items to be accounted in Other Comprehensive Income. OCI is classified into i). Items that will not be reclassified to profit and loss ii). Items that will be reclassified to profit and loss.

Note -17

(All amounts in ₹ unless stated otherwise)

Financial Liabilities	As at March 31, 2018		As at March 31, 2017		As at April 1, 2016	
	Non-Current	Current	Non-Current	Current	Non-Current	Current
Borrowing						
Term Loan						
Secured :						
From Bank	-	-	20,64,69,893	1,40,82,658	22,05,52,551	7,64,29,607
Unsecured :						
From Others	-	18,41,28,464	17,53,12,198	-	11,56,09,114	-
Vehicle Loan						
Secured :						
From Others	14,35,711	22,35,327	36,71,038	20,83,714	57,54,752	19,01,024
Total	**14,35,711**	**18,63,63,791**	38,54,53,129	1,61,66,372	34,19,16,417	7,83,30,631
Current Maturities of Long Term Borrowing		**18,63,63,791**		1,61,66,372		7,83,30,631
Total	**14,35,711**	**-**	38,54,53,129	-	34,19,16,417	-

Note -17 A

(a) Term Loan from Bank is 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. This term loan is repayable by way of monthly instalments and the rate of interest ranging from 9.50% to 13.00 %.

(b) Term loan from other is secured against the securities of mutual funds, shares etc. held by the directors and there family members and group entities. The rate of interest is ranging from 9.00% to 12.25%.

(c) Vehicle Loan from NBFC is secured against hypothecation of vehicle and personal guarantee of one of the directors of the Company. This loan is repayable by way of monthly instalments and rate of interest is 9.80 %.

Note -18

(All amounts in ₹ unless stated otherwise)

OTHER FINANCIAL LIABILITIES	As at March 31, 2018		As at March 31, 2017		As at April 1, 2016	
	Non-Current	Current	Non-Current	Current	Non-Current	Current
Security Deposits	3,23,28,510	-	3,01,13,180	-	2,81,54,415	2,45,00,000
Current Maturities of Long Term Borrowing	-	18,63,63,791	-	1,61,66,372	-	7,83,30,631
Interest accrued but not due on Loans	-	16,854	-	24,96,533	-	17,88,279
Bank book overdraft	-	11,48,165	-	1,72,03,519	-	31,91,538
Advances from Others	-	2,01,63,381	-	2,00,29,991	-	2,26,09,979
Advances from related parties*	-	25,57,52,500	-	21,22,52,000	-	19,00,00,000
Unclaimed Dividend**	-	8,61,682	-	23,77,621	-	23,79,553
Other liabilities	-	91,02,091	-	1,45,63,760	-	2,07,44,796
Total	**3,23,28,510**	**47,34,08,464**	3,01,13,180	28,50,89,796	2,81,54,415	34,35,44,776

* For Advances from Related Parties refer Note No. 33

** In respect of Unclaimed Dividend, the amount is due for credit to Investor Education and Protection Fund on November 4, 2018.

Note -19

(All amounts in ₹ unless stated otherwise)

OTHER LIABILITIES	As at March 31, 2018		As at March 31, 2017		As at April 1, 2016	
	Non-Current	Current	Non-Current	Current	Non-Current	Current
Statutory dues	-	23,75,481	-	14,52,132	-	9,28,053
Advance against sale of property	16,50,00,000	-	-	-	-	-
Advance Revenue on Security Deposit	1,45,73,459	-	1,71,67,095	-	1,97,60,732	-
Advances for Projects	-	1,71,95,783	-	1,69,08,478	-	1,73,95,786
Other Liabilities	-	-	-	77,92,254	-	87,83,637
Total	**17,95,73,459**	**1,95,71,264**	1,71,67,095	2,61,52,864	1,97,60,732	2,71,07,476

Note -20

(All amounts in ₹ unless stated otherwise)

PROVISIONS	As at March 31, 2018		As at March 31, 2017		As at April 1, 2016	
	Non-Current	Current	Non-Current	Current	Non-Current	Current
Provisions for Employee Benefits :						
Compensated Absences	7,98,666	4,91,656	8,30,058	3,85,391	8,75,148	4,89,352
Gratuity	72,74,910	86,83,691	65,09,587	59,89,036	66,99,697	68,60,292
Total	**80,73,576**	**91,75,347**	73,39,645	63,74,427	75,74,845	73,49,644

For movements in each class of Provision during the Financial Year (Refer Note 20A & 20B)

Disclosure under Ind AS -37 on "Provisions, Contingent Liabilities and Contingent Assets":

Movement in Provisions

Note - 20 A

Movements in each class (Current & Non Current) of provision during the financial year, are set out below:

(All amounts in ₹ unless stated otherwise)

Particular	Gratuity	Compensated Absences
As at March31, 2017	1,24,98,623	12,15,449
Provision made during the year	38,50,843	1,10,073
Less : Paid during the year	3,90,865	35,200
As at March 31, 2018	**1,59,58,601**	12,90,322

Note - 20 B

The Company has adopted Indian Accounting Standard (Ind AS) - 19 on Employee Benefit as under :

Gratuity

The Company has a defined benefit gratuity plan. Every employee who has rendered continuous service of five years or more is entitled to get gratuity on superannuation, resignation, termination, disablement or on death in accordance with Gratuity Act 1972. The liability for the same is recognised on the basis of actuarial valuation.

Compensated Absences

The Company has a other long term benefit plan for Earned Leave Encashment. Provision for Encashment of Earned Leave equivalent to maximum of 60 days (basic pay plus dearness allowance) is provided at the year end and charged to Statement of Profit & Loss. The liability for the year 2017-18 is accounted for on the basis of Actuarial Valuation.

a) **The amounts recognized in the Balance Sheet is as under:**

Particulars	Period	Gratuity	Compensated Absences
Present value of obligations as at the end of year	2017-18	1,59,58,601	12,90,322
	2016-17	1,24,98,623	12,15,449
Funded status	2017-18	(1,59,58,601)	(12,90,322)
	2016-17	(1,24,98,623)	(12,15,449)
Net Assets/(Liability) recognized in balance sheet	2017-18	1,59,58,601	12,90,322
	2016-17	1,24,98,623	12,15,449
Company's best estimate of expense for the next Annual reporting period		**18,71,718**	1,16,496

b) **Expense recognized in Statement of Profit and Loss is as under:**

Particulars	Period	Gratuity	Compensated Absences
Current Service Cost	2017-18	5,93,726	-
	2016-17	5,16,556	-
Past Service Cost	2017-18	30,77,414	-
	2016-17	-	-
Interest Cost on Defined Benefit Obligation	2017-18	8,37,408	81,435
	2016-17	10,30,559	1,03,702
Net Actuarial (Gain) / Loss recognized in the period	2017-18	6,57,705	-
	2016-17	1,98,722	-
Expenses recognized in Statement of Profit and Loss	2017-18	45,08,548	1,10,073
	2016-17	15,47,125	1,37,949

c) **Expenses recognized in Other Comprehensive Income is as under:**

Particulars	Period	Gratuity	Compensated Absences
Actuarial (Gains)/Loss on Defined Benefit Obligation	2017-18	(6,57,705)	-
	2016-17	(1,98,722)	-
Unrecognized actuarial (Gain)/Loss recognized in Other Comprehensive Income	2017-18	(6,57,705)	-
	2016-17	(1,98,722)	-

d) **Reconciliation of Opening and Closing balances of Defined Benefit Obligation is as under:**

Particulars	Period	Gratuity	Compensated Absences
Present Value of Obligations as at beginning of year	2017-18	1,24,98,623	12,15,449
	2016-17	1,35,59,989	13,64,500
Interest Cost	2017-18	8,37,408	81,435
	2016-17	10,30,559	1,03,702
Current Service Cost	2017-18	5,93,726	-
	2016-17	5,16,556	-
Actuarial (Gains)/Losses arising from Changes in Demographic Assumptions	2017-18	-	-
	2016-17	-	-

Changes in Financial Assumptions	2017-18	(2,13,504)	(24,345)
	2016-17	3,35,801	43,391
Experience Adjustments	2017-18	(4,44,201)	52,983
	2016-17	(5,34,523)	(9,144)
Past Service Cost	2017-18	30,77,414	-
	2016-17	-	-
Benefits Paid	2017-18	(3,90,865)	(35,200)
	2016-17	(24,09,769)	(2,87,000)
Present value of obligations as at end of year	2017-18	1,59,58,601	12,90,322
	2016-17	1,24,98,623	12,15,449

e) **Actuarial Assumptions are as under:**

Particulars	Period	Gratuity	Compensated Absences
Discount Rate	2017-18	7.20%	7.20%
	2016-17	6.70%	6.70%
Expected rate of Future Salary Increase	2017-18	5.67%	5.67%
	2016-17	5.67%	5.67%
Mortality rates	2017-18	As per Indian Assured Lives	
	2016-17	Martality (2006-08) Table	
Retirement Age	2017-18	60	60
	2016-17	60	60
Ages		**Withdrawal Rate**	**Withdrawal Rate**
Up to 30 Years	2017-18	5%	5%
	2016-17	5%	5%
From 31 to 44 years	2017-18	5%	5%
	2016-17	5%	5%
Above 44 years	2017-18	5%	5%
	2016-17	5%	5%

Mortality rates inclusive of provision for disability -100% of IALM (2006 – 08)

Risks Associated with Plan Provisions

Valuations are based on certain assumptions, which are dynamic in nature and vary over time. As such Company is exposed to various risks as follow:

Salary Risk	The present value of the defined benefit plan liability is calculated with the assumption of salary increase rate of plan participants in future. Deviation in the rate of increase of salary in future for plan participants from the rate of increase in salary used to determine the present value of obligation will have a bearing on the plan's liability.
Investment Risk	The present value of the defined benefit plan liability is calculated using a discount rate determined by reference to Government bonds Yield. If plan liability is funded and return on plan asset is below this rate, it will create a plan deficit.
Discount Rate Risk	A decrease in the bond interest rate (discount rate) will increase the plan liability
Mortality Risk	The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants. For this report we have used indian Assured Lives Mortality (2006-08) ultimate table. A change in mortality rate will have a bearing on the plan's liability.

f) Maturity Profile of Defined Benefit Obligation is as under:

Particulars	Period	Gratuity	Compensated Absences
Duration of defined benefit obligation Duration (years)			
1	2017-18	86,83,691	4,91,656
	2016-17	59,89,036	3,85,391
2	2017-18	4,59,122	66,624
	2016-17	8,69,535	1,34,006
3	2017-18	5,51,772	61,099
	2016-17	5,17,831	56,784
4	2017-18	3,88,267	56,014
	2016-17	4,31,368	52,318
5	2017-18	25,03,627	1,67,605
	2016-17	2,94,579	48,189
Above 5	2017-18	33,72,122	4,47,324
	2016-17	43,96,274	5,38,761
Total		2,84,57,224	25,05,771

g) Summary of Membership Data:

Particulars	Balance Sheet As at March 31, 2018
Number of Employees	23
Total Monthly Salary for Gratuity in ₹	12,62,000
Total Monthly Salary for leave availment in ₹	12,62,000
Average Past Service (Years)	27.96
Average Age (Years)	56.52
Average remaining Working Life (Years)	3.48

h) Major Categories of Plan Assets (as percentage of total plan assets) is as under:

Particulars	Period	Gratuity	Compensated Absences
Fund Managed by Insurer	2017-18	-	-
	2016-17	-	-

i) Sensitivity analysis is as under:

Impact of the Change in Discount Rate

Particulars	Period	Gratuity	Compensated Absences
Impact due to Increase of 1%	2017-18	4,35,798	49,734
	2016-17	4,05,332	52,460
Impact due to Decrease of 1%	2017-18	4,02,379	45,792
	2016-17	3,71,541	48,005

Impact of the Change in Salary Increase

Particulars	Period	Gratuity	Compensated Absences
Impact due to Increase of 1%	2017-18	3,78,169	49,991
	2016-17	2,13,087	52,474
Impact due to Decrease of 1%	2017-18	3,53,894	46,853
	2016-17	2,16,810	48,896

*Changes in Defined Benefit Obligation due to 1% Increase/Decrease in Mortality Rate, if all other assumptions remain constant is negligible.

Sensitivities as to rate of inflation, rate of increase of pensions in payment, rate of increase of pensions before retirement & life expectancy are not applicable being a lump sum benefit on retirement.

Note -21

(All amounts in ₹ unless stated otherwise)

REVENUE FROM OPERATIONS	For the year ended on March 31, 2018	For the year ended on March 31, 2017
Value of Services		
Rent from Immovable Properties	10,55,55,212	13,21,85,144
Total	**10,55,55,212**	**13,21,85,144**

Note -22

(All amounts in ₹ unless stated otherwise)

OTHER INCOME	For the year ended on March 31, 2018		For the year ended on March 31, 2017	
Interest Received (Gross)				
- Fixed deposits with banks	7,51,477		2,39,190	
- Intercorporate deposits	44,76,053		1,23,31,536	
- Others	33,45,569	85,73,099	64,980	1,26,35,706
Interest income on Unwinding of Financial Instruments		25,93,637		25,93,637
Miscellaneous income		90,50,932		90,40,886
Net Gain/(Loss) on Sale of Assets		-		1,33,946
Credit balances written back		57,78,158		-
Realisation of debts earlier written off		-		9,00,000
Total		**2,59,95,826**		**2,53,04,175**

Note -23

(All amounts in ₹ unless stated otherwise)

EMPLOYEE BENEFITS EXPENSE	For the year ended on March 31, 2018	For the year ended on March 31, 2017
Salaries and Incentives (see note 23A below)	2,70,32,911	2,46,77,013
Contributions to Provident and Other Fund	19,74,426	20,52,185
Staff Welfare Expenses	28,75,949	21,91,593
Total	**3,18,83,286**	2,89,20,791

Note -23 A The Remuneration of Key Managerial Personnals includings Chairman-cum-Managing Director, Functional Directors and Company Secretory included in various schedules to Statement of Profit & Loss is as under:-

(All amounts in ₹ unless stated otherwise)

REMUNERATION OF KEY MANAGERIAL PERSONNALS	For the year ended on March 31, 2018	For the year ended on March 31, 2017
Salaries and Incentives	96,80,435	96,82,695
Contribution to provident and other funds	8,91,420	8,85,330
Total	**1,05,71,855**	1,05,68,025

Note -24

(All amounts in ₹ unless stated otherwise)

FINANCE COSTS	For the year ended on March 31, 2018	For the year ended on March 31, 2017
Interest Others	3,67,18,630	5,03,66,120
Interest Expenses on Unwinding of Financial Instruments	22,15,329	19,58,765
Total	**3,89,33,959**	5,23,24,885

Note -25

(All amounts in ₹ unless stated otherwise)

DEPRECIATION AND AMORTISATION EXPENSE	For the year ended on March 31, 2018	For the year ended on March 31, 2017
Depreciation on PPE	4,585,347	4,921,770
Depreciation on Investment Properties	7,149,967	7,593,868
Total	**11,735,314**	12,515,638

Note -26

(All amounts in ₹ unless stated otherwise)

OTHER EXPENSES	For the year ended on March 31, 2018	For the year ended on March 31, 2017
Rent	6,69,200	4,23,932
Legal and professional charges	1,23,75,712	63,37,122
Power and fuel	56,62,755	52,93,662
Travelling and conveyance	79,63,609	77,47,894
Communication	10,10,660	11,61,795
Printing & stationary	13,75,073	18,62,510
Bank charges	59,811	1,38,755
General expenses	1,05,66,563	97,70,600
Payments to auditors (see note 26A below)	4,75,000	5,46,250
Repair and maintenance - Building	18,01,791	12,40,399
Repair and maintenance - Others	49,69,843	29,60,040
Insurance	8,97,989	10,12,656
Rates and taxes	87,47,182	2,59,48,827
Compensation charges	22,00,000	-
Commission and brokerage	1,89,500	-
Amount written off	500	-
Impairment of Investment at Cost	24,88,774	35,47,977
Miscellaneous expenses	41,43,242	58,69,394
Total	**6,55,97,204**	7,38,61,813

Note -26 A

(All amounts in ₹ unless stated otherwise)

PAYMENT TO AUDITORS	For the year ended on March 31, 2018	For the year ended on March 31, 2017
Audit fee	3,25,000	3,25,000
Tax Audit	75,000	75,000
Other Services	75,000	75,000
Service Tax input credit not available	-	71,250
Total	**4,75,000**	5,46,250

Note -27

(All amounts in ₹ unless stated otherwise)

TAX EXPENSES	For the year ended on March 31, 2018	For the year ended on March 31, 2017
Tax expense comprises of:		
Current Income Tax	-	15,00,000
Deferred Tax	(63,48,391)	(1,53,72,530)
Taxation in Respect of Earlier Year	(29,81,174)	-
Total	**(93,29,565)**	(1,38,72,530)

Note -27 A The major components of Income Tax Expense and the reconciliation of Expected Tax Expense based on the Domestic Effective Tax Rate of the Company and the reported Tax Expense in Profit or Loss are as follows:

TAX RECONCILIATION	For the year ended on March 31, 2018	For the year ended on March 31, 2017
Accounting Profit before Tax from Continuing Operations		
India Statutory Income Tax Rate	25.75%	30.90%
Accounting Profit before Income Tax	(1,65,98,725)	(1,01,33,808)
Expenses not deductible (allowable) in calculating taxable income	4,85,02,012	5,49,18,448
Income Chargeable under Other Income Heads	10,81,48,849	13,49,12,727
Expenses allowed under Income Tax	42,34,536	63,12,979
Income from House Property (Net)	6,66,51,611	6,18,00,891
Net Taxable Income	(1,38,28,487)	(3,46,40,175)
Income Tax at Taxable Income	-	-
Tax in respect of Earlier Years	(29,81,174)	-
Deffered Tax (Asset)/ Liability	(63,48,391)	(1,53,72,530)
Adhoc Income Tax Provided	-	15,00,000
Tax Expense	**(93,29,565)**	(1,38,72,530)
Effective Income Tax Rate applicable	**NIL**	**NIL**

Note -28

(All amounts in ₹ unless stated otherwise)

OTHER COMPREHENSIVE INCOME	For the year ended on March 31, 2018	For the year ended on March 31, 2017
Items that will not be reclassified to profit or loss :		
Re-measurement gains (losses) on defined benefit plans	6,57,705	1,98,722
Net (loss)/gain on FVTOCI equity securities	(1,27,598)	98,033
Income tax effect of the above	1,42,578	61,405
Items that will be reclassified to profit or loss:		
Exchange differences on translation of foreign operations	-	-
Income tax effect	-	-
Total	**3,87,529**	**2,35,350**

Note -29

(All amounts in ₹ unless stated otherwise)

EARNINGS PER EQUITY SHARE	For the year ended on March 31, 2018	For the year ended on March 31, 2017
Profit attributable to Equity Share Holders for basic Earnings	(72,69,160)	37,38,722
Profit attributable to Equity Share Holders adjusted for the effect of dilution	(72,69,160)	37,38,722
Earnings per Equity Share (for continuing operation):		
(1) Basic (in ₹)	**(0.38)**	0.19
(2) Diluted (in ₹)	**(0.38)**	0.19

Note -29 A

WEIGHTED AVERAGE NUMBER OF EQUITY SHARES USED AS DENOMINATOR	For the year ended on March 31, 2018	For the year ended on March 31, 2017
Number of Equity shares at the beginning of the year	**1,93,63,595**	1,93,63,595
Add: Weighted average number of equity shares issued during the year	-	-
Weighted average number of Equity shares for Basic EPS (₹)	**1,93,63,595**	1,93,63,595
Add: Adjustments	-	-
Weighted average number of equity shares for Diluted EPS (₹)	**1,93,63,595**	1,93,63,595
Face Value per Equity Share (₹)	**10**	10

Note -30

(All amounts in ₹ unless stated otherwise)

CONTINGENT LIABILITIES, CONTINGENT ASSETS AND COMMITMENTS (TO THE EXTENT NOT PROVIDED FOR)	As at March 31, 2018	As at March 31, 2017
(a) Claims against Company not acknowledged as debt		
- Electricity Charges(BSES)	69,24,304	69,24,304
- Employee's State Insurance Corporation	74,75,606	74,75,606
- Disputed demands related to Service tax	1,03,51,192	1,03,51,192
- Disputed demands related to Property Tax	2,58,39,142	-
Guarantees given to Sales Tax and other authorities, on behalf of the Company (against pledge of fixed deposits)	-	-
(b) Guarantees		
- To Sale Tax & Others	3,03,840	3,03,840
(c) Other money for which Company is contingenty liable	-	-
(d) Commitments	-	-
(e) Contingent Assets	-	-
Total	**5,08,94,084**	**2,50,54,942**

Note -31

Disclosure as per Indian Accounting Standard (Ind AS) 108 "Operating Segments"

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 Ind AS 108 is not applicable.

Geographical Information

The operations of the Company are mainly carried out within the country and therefore, geographical segments are not disclosed.

Information about major customers

Four Customers of Company (previous Year Five Customers) accounted for 10% or more of revenue during financial year ending March 31, 2018 and March 31, 2017.

Revenue from these customers contribute 75% of total revenue (Previous Year 79% of total revenue) of Company.

Note -32

Leases

Operating Lease Commitments — As Lessor

The Company has entered into operating leases on its Investment Property, Portfolio consisting of certain office and manufacturing buildings. These leases have terms of between five and 20 years. All leases include a clause to enable upward revision of the rental charge on an annual basis according to prevailing market conditions.

For future minimum rentals receivable under non-cancellable operating leases as at 31 March refer Note 4

Note -33

Related party transactions

Under Common Control	Key Managerial Personnels (KMP)
	Shri Rajiv Gupta (Chairman & Managing Director
Bahubali Services Limited	& Chief Executive Officer)
MGF Estate Private Limited	Smt Arti Gupta (Joint Managing Director)
Ram Prakash & Co. Private Limited	Shri Arun Mitter (Executive Director)
Grosvenor Estates Private Limited	Shri M.K. Madan (Vice President & Company
GEE GEE Holdings Private Limited	Secretary & Chief Financial Officer)

Associate Companies	Enterprises over which KMP are able to exercise significant influence
India Lease Development Limited (Holding 31.35% Equity Shares)	Nil
Jayabharat Credit Limited (Holding 43.45% Equity Shares)	

(All amounts in ₹ unless stated otherwise)

NATURE OF TRANSACTION	March 31, 2018	March 31, 2017
Nature of Transaction :		
Advance Received during the year		
Under Common Control		
Bahubali Services Limited	22,00,000	13,25,000
Grossvenor Estate Private Limited	-	1,73,00,000
GEE GEE Holdings Private Limited	-	1,19,50,000
Ram Prakash & Co Private Limited	25,70,00,000	3,82,25,000
	25,92,00,000	6,88,00,000
Advance Received Repaid during the year		
Under Common Control		
Bahubali Services Limited	5,50,52,000	1,27,73,000
MGF Estate Private Limited	1,60,00,000	16,00,000
Grossvenor Estate Private Limited	5,03,25,000	1,64,75,000
GEE GEE Holdings Private Limited	5,60,00,000	7,50,000
Ram Prakash & Co Private Limited	3,83,25,000	1,49,50,000
	21,57,02,000	4,65,48,000
Advances Taken Maximum balance during the year		
Under Common Control		
Bahubali Services Limited	5,28,52,000	6,43,00,000
MGF Estate Private Limited	1,60,00,000	1,76,00,000
Grossvenor Estate Private Limited	5,03,25,000	5,31,75,000
GEE GEE Holdings Private Limited	5,60,00,000	5,62,50,000
Ram Prakash & Co Private Limited	25,74,20,000	4,79,50,000
	43,25,97,000	23,92,75,000
Advances Taken outstanding balance as on the year end		
Under Common Control		
Bahubali Services Limited	-	5,28,52,000
MGF Estate Private Limited	-	1,60,00,000
Grossvenor Estate Private Limited	-	5,03,25,000
GEE GEE Holdings Private Limited	-	5,60,00,000
Ram Prakash & Co Private Limited	25,57,50,000	3,70,75,000
	25,57,50,000	15,94,00,000
Inter Corporate Deposit Given received back		
Associate Companies		
Jayabharat Credit Limited	12,90,00,000	3,60,00,000
	12,90,00,000	3,60,00,000

Inter Corporate Deposit Given Maximum balance during the year		
Associate Companies		
Jayabharat Credit Limited	12,90,00,000	16,50,00,000
	12,90,00,000	16,50,00,000
Inter Corporate Deposit Given Outstanding balance as on the year end		
Associate Companies		
Jayabharat Credit Limited	**-**	13,17,37,629
	-	13,17,37,629
Interest Received On Inter Corporate Deposit Given		
Associate Companies		
Jayabharat Credit Limited	44,76,052	1,23,31,535
	44,76,052	1,23,31,535
Remuneration		
Key Managerial Personnel		
Shri Rajiv Gupta	30,91,889	32,44,274
Smt. Arti Gupta	27,70,560	27,04,910
Shri Arun Mitter	32,06,286	32,14,161
Shri M. K. Madan	15,03,120	14,04,680
	1,05,71,855	1,05,68,025

Non Financial Transactions

(i) Shri Rajiv Gupta and Shri Arun Mitter have given personal guarantee to banks for company's borrowings.

(ii) Disclosures in respect of transactions with identified related parties are given only for such period during which such relationships existed.

Other Information

Sundry Expenses include ₹ 1,28,750/- (Previous Year ₹ 1,03,450/-) paid towards Directors' Sitting Fees for attending Board Meetings. No Meeting Fee was paid for attending Committee Meetings.

Transport, Travelling and Motor Car Expenses include ₹ 1,90,936/- (Previous Year ₹ 90,951/-) for Directors Travelling.

Note -34

FAIR VALUE MEASUREMENTS

The carrying amounts of Financial Assets and Financial Liabilities in each category are as follows:

(All amounts in ₹ unless stated otherwise)

PARTICULARS	NOTE REFERENCE	March 31, 2018				March 31, 2017				April 1, 2016		
		FVPL	FVOCI	AMORTIZED COST	FAIR VALUE	FVPL	FVOCI	AMORTIZED COST	FAIR VALUE	FVPL	FVOCI	AMORTIZED COST
Financial Assets												
Investments	05	-	2,02,413	5,36,69,051	5,38,71,464	-	3,30,011	5,61,58,325	5,64,88,336	-	2,31,978	5,97,06,302
Security deposits	06	-	-	41,37,030	41,37,030	-	-	30,90,039	30,90,039			30,90,039
Trade receivables	09			4,04,29,743	4,04,29,743	-	-	2,82,06,215	2,82,06,215	-	-	1,39,30,905
Cash and bank balances	10			37,48,769	37,48,769	-	-	1,34,72,295	1,34,72,295	-	-	1,10,82,265
Other bank balances	11	-	-	11,30,182	11,30,182	-	-	37,77,036	37,77,036	-	-	39,48,830
Inter corporate deposits	12	-	-	-	-	-	-	12,90,00,000	12,90,00,000	-	-	16,50,00,000
Other Financial Assets	13	-	-	84,899	84,899	-	-	28,27,646	28,27,646	-	-	58,89,706
Total financial assets		**-**	**2,02,413**	**10,31,99,674**	**10,34,02,087**	**-**	**3,30,011**	**23,65,31,556**	**23,68,61,567**	**-**	**2,31,978**	**26,26,48,047**
Financial Liabilities												
Borrowings	17	77,99,502	-	-	77,99,502	40,16,19,501	-	-	40,16,19,501	42,02,47,048	-	-
Security Depsoits	18			3,23,28,510	3,65,83,374		-	3,01,13,180	3,46,97,052	-	2,81,54,415	
Other Financial Liabilities	18	-	-	28,70,44,673	28,70,44,673	-	-	26,89,23,424	26,89,23,424	-	-	58,68,16,301
Total financial liabilities		**77,99,502**	**-**	**31,93,73,183**	**33,14,27,549**	**40,16,19,501**	**-**	**29,90,36,604**	**70,52,39,977**	**42,02,47,048**	**-**	**61,49,70,716**

The carrying amount of Trade Receivables, Trade Payables and Cash & Cash Equivalent are considered to be the same as their Fair Values due to their short term nature

The carrying amount of the Financial Assets and Liabilities carried Amortised Cost is considered a reasonable approximation of Fair Value.

The above table excludes Investment in Subsidiaries, Associate and Joint Venture, which are measured at cost in accordance with Ind AS 27, 'Separate Financial Statements'.

Note -35

FAIR VALUE HIERARCHY

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are (a) recognised and measured at fair value and (b) measured at amortised cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the group has classified its financial instruments into the three levels prescribed under the accounting standard. An explanation of each level follows underneath the table.

Financial assets and liabilities measured at fair value - recurring fair value measurements as March 31, 2018	Note	Level 1	Level 2	Level 3	Total
Financial Assets					
Investments	5	5,38,71,464	-	-	**5,38,71,464**

Financial assets and liabilities measured at fair value - recurring fair value measurements as March 31, 2017	Note	Level 1	Level 2	Level 3	Total
Financial Assets					
Investments	5	5,64,87,836	-	500	**5,64,88,336**

Financial assets and liabilities measured at fair value - recurring fair value measurements as April 1, 2016	Note	Level 1	Level 2	Level 3	Total
Financial Assets					
Investments	5	5,99,37,780	-	500	**5,99,38,280**

The fair value of financial instruments as referred to in note above has been classified into three categories depending on the inputs used in the valuation technique. The hierarchy gives the highest priority to quoted prices in active market for identical assets or liabilities (level 1 measurement) and lowest priority to unobservable inputs (level 3 measurements).

The categories used are as follows:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities

Level 2: The fair value of Financial Instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data rely as little as possible on entity specific estimates.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

The Company's policy is to recognize transfers into and transfer out of fair value hierarchy levels as at the end of the reporting period.

Note -36

FINANCIAL RISK MANAGEMENT

The Company's businesses are subject to several risks and uncertainties including financial risks. The Company's documented risk management polices, act as an effective tool in mitigating the various financial risks to which the business is exposed to in the course of their daily operations. The risk management policies cover areas such as liquidity risk, commodity price risk, foreign exchange risk, interest rate risk, counterparty and concentration of credit risk and capital management.

The Company's senior management oversees the management of these risks. The senior professionals working to manage the financial risks and the appropriate financial risk governance framework for the Company are accountable to the Board of Directors and Audit Committee. This process provides assurance to Company's senior management that the Company's financial risk-taking activities are governed by appropriate policies and procedures and that financial risk are identified, measured and managed in accordance with Company policies and Company risk objective.

36.1. MARKET RISK

The Company's size and operations result in it being exposed to the following market risks that arise from its use of financial instruments:

Price Risk;

Commodity Price RISK;

Interest Rate Risk

The above risks may affect the Company's income and expenses, or the value of its financial instruments. The Company's exposure to and management of these risks are explained below.

36.1.1. PRICE RISK - POTENTIAL IMPACT OF RISK & MANAGEMENT POLICY

The Company is mainly exposed to the price risk due to its investment in Equity Shares & Mutual Funds. The price risk arises due to uncertainties about the future market values of these investments.

The Company has laid policies and guidelines which it adheres to in order to minimise price risk arising from investments in Equity Shares & Mutual Funds.

The majority of investments of the Company are publicly traded and listed in BSE Index. Carrying amounts of the Company's investment in Equity Shares at the end of the reporting period are given in Note 28

36.1.2.PRICE RISK - SENSITIVITY TO RISK

The following tables demonstrate the sensitivity to a reasonably possible change in equity index where investments of the Company are listed. The impact on the company profit before tax is due to changes in the BSE Index.

PARTICULARS	IMPACT ON PROFIT AFTER TAX		IMPACT ON OTHER COMPONENTS OF EQUITY AFTER TAX	
	March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017
BSE Index Increase by 5%	26,83,453	28,07,891	10,121	16,501
BSE Index Decrease by 5%	(26,83,453)	(28,07,891)	(10,121)	(16,501)

36.1.3. COMMODITY PRICE RISK - POTENTIAL IMPACT OF RISK & MANAGEMENT POLICY

The Company is affected by the price volatility of certain commodities. Its operating activities require the ongoing manufacture of industrial and domestic cable and therefore require a continuous supply of Copper and Aluminium being the major input used in the manufacturing. Due to the significantly increased volatility of the price of the Copper and Aluminium, the Company has entered into various purchase contracts for these material for which there is an active market The Company's Board of Directors has developed and enacted a risk management strategy regarding commodity price risk and its mitigation. The Company partly mitigated the risk of price volatility by entering into the contract for the purchase of these material based on average price of for each month.

36.1.4. INTEREST RATE RISK - POTENTIAL IMPACT OF RISK & MANAGEMENT POLICY

The Company is mainly exposed to the interest rate risk due to its investment in term deposits with banks. The Company invests in term deposits for a period upto one year. Considering the short-term nature, there is no significant interest rate risk pertaining to these deposits.

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's long-term debt obligations with floating interest rates and term deposits. The Company's fixed rate borrowings and deposits are carried at amortised cost. They are therefore not subject to interest rate risk as defined in Ind AS 107, since neither the carrying amount nor the future cash flows will fluctuate because of a change in market interest rates.

The risk is managed by the Company by maintaining an appropriate mix between fixed and floating rate of borrowings.

The exposure of the Company's borrowing to interest rate changes at the end of the reporting period are as follows:

PARTICULARS	March 31, 2018	March 31, 2017	April 1, 2016
Variable rate borrowings	18,41,28,464	39,58,64,749	41,25,91,272
Fixed rate borrowings	36,71,038	57,54,752	76,55,776
Total borrowings	**18,77,99,502**	**40,16,19,501**	**42,02,47,048**

36.1.5. INTEREST RATE RISK – SENSITIVITY

The sensitivity analysis below has been determined based on the exposure to interest rates for non-derivative instruments at the end of the reporting period. For floating rate liabilities, the analysis is prepared assuming the amount of the liability outstanding at the end of the reporting period was outstanding for the whole year.

Particulars	IMPACT ON PROFIT AFTER TAX ON INCREASE		IMPACT ON PROFIT AFTER TAX ON DECREASE	
	March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017
Interest Rate – Increase/ Decrease by 50 basis point (50 bps)	1,83,593	2,51,831	(1,83,593)	(2,51,831)

36.2. CREDIT RISK

Credit risk refers to the risk that counterparty will default on its contractual obligations resulting in financial loss to the Company. The Company has adopted a policy of obtaining sufficient collateral, where appropriate, as a means of mitigating the risk of financial loss from defaults.

The Company is exposed to credit risk from its operating activities (primarily trade receivables and also from its investing activities including deposits with banks, forex transactions and other financial instruments) for receivables, cash and cash equivalents, short-term investments, financial guarantees and derivative financial instruments.

In respect of its investments, the Company aims to minimize its financial credit risk through the application of risk management policies. Credit limits are set based on a counterparty value. The methodology used to set the list of counterparty limits includes, counterparty Credit Ratings (CR) and sector exposure. Evolution of counterparties is monitored regularly, taking into consideration CR and sector exposure evolution. As a result of this review, changes on credit limits and risk allocation are carried out.

For financial instruments, the Company attempts to limit the credit risk by only dealing with reputable banks and financial institutions having high credit-ratings assigned by international credit-rating agencies. Defined limits are in place for exposure to individual counterparties in case of mutual funds schemes and bonds. The carrying value of the financial assets other than cash represents the maximum credit exposure.

None of the Company's cash equivalents, including time deposits with banks, are past due or impaired.

Trade receivables are subject to credit limits, controls & approval processes. These terms and conditions are determined on a case to case basis with reference to the customer's credit quality and prevailing market conditions. The credit quality of the Company's customers is monitored on an ongoing basis and assessed for impairment where indicators of such impairment exist. Due to large geographical base & number of customers, the Company is not exposed to material concentration of credit risk. Basis the historical experience, the risk of default in case of trade receivable is low. Provision is made for doubtful receivables on individual basis depending on the customer ageing, customer category, specific credit circumstances & the historical experience of the group. The solvency of customers and their ability to repay the receivable is considered in assessing receivables for impairment. Where receivables are impaired, the Company actively seeks to recover the amounts in question and enforce compliance with credit terms.

The Company assesses and manages credit risk of Financial Assets based on following categories arrived on the basis of assumptions, inputs and factors specific to the class of Financial Assets.

A : Low Credit Risk on financial reporting date

B : Moderate Credit Risk

C : High Credit Risk

The Company provides for Expected Credit Loss based on the following:

ASSET GROUP	BASIS OF CATEGORISATION	PROVISION FOR EXPENSES CREDIT LOSS
Low Credit Risk	Cash and Cash Equivalents, other Bank Balances and other Financial Assets	12 month expected credit loss
Moderate Credit Risk	Trade Receivables	Life time expected credit loss
High Credit Risk	Trade Receivables and other Financial Assets	Life time expected credit loss or fully provided for

CREDIT RATING	PARTICULARS	March 31, 2018	March 31, 2017	April 1, 2016
A: Low credit risk	Cash and Cash Equivalents, other Bank Balances and other Financial Assets	48,78,951	1,72,49,331	1,50,31,095
B: Moderate credit risk	Trade Receivables	4,04,29,743	2,82,06,215	1,39,30,905
C: High credit risk				

A: Low Credit Risk

March 31, 2018

PARTICULARS	NOTE REFERENCE	CARRYING AMOUNT	IMPAIRMENT	CARRYING AMOUNT NET OF IMPAIRMENT PROVISION
Cash and Cash Equivalents	10	37,48,769	-	37,48,769
Other Bank Balances	11	1,34,72,295	-	1,34,72,295
Loans	6 & 12	41,37,030	-	41,37,030
Other Financial Assets	13	84,899	-	84,899

March 31, 2017

PARTICULARS	NOTE REFERENCE	CARRYING AMOUNT	IMPAIRMENT	CARRYING AMOUNT NET OF IMPAIRMENT PROVISION
Cash and Cash Equivalents	10	1,34,72,295	-	1,34,72,295
Other Bank Balances	11	37,77,036	-	37,77,036
Loans	6 & 12	13,20,90,039	-	13,20,90,039
Other Financial Assets	13	28,27,646	-	28,27,646

April 1, 2016

PARTICULARS	NOTE REFERENCE	CARRYING AMOUNT	IMPAIRMENT	CARRYING AMOUNT NET OF IMPAIRMENT PROVISION
Cash and Cash Equivalents	10	1,10,82,265	-	1,10,82,265
Other Bank Balances	11	39,48,830	-	39,48,830
Loans	6 & 12	16,80,90,039	-	16,80,90,039
Other Financial Assets	13	58,89,706	-	58,89,706

B: Moderate Credit Risk

March 31, 2018

AGEING	NOTE REFERENCE	UPTO 1 YEAR	BETWEEN 1 AND 2 YEARS	BETWEEN 2 AND 3 YEARS	ABOVE 3 YEARS	TOTAL
Gross Carrying Amount (Considered Good)	9	73,36,278	2,83,70,101	40,63,364	6,60,000	4,04,29,743
Expected Credit Losses (Loss Allowance Provision)		-	-	-	-	-
Carrying Amount of Trade Receivables (Net of Impairment)		**73,36,278**	**2,83,70,101**	**40,63,364**	**6,60,000**	**4,04,29,743**

March 31, 2017

AGEING	NOTE REFERENCE	UPTO 1 YEAR	BETWEEN 1 AND 2 YEARS	BETWEEN 2 AND 3 YEARS	ABOVE 3 YEARS	TOTAL
Gross Carrying Amount (Considered Good)	9	2,67,82,851	14,23,364	-	-	2,82,06,215
Expected Credit Losses (Loss Allowance Provision)		-	-	-	-	-
Carrying Amount of Trade Receivables (Net of Impairment)		**2,67,82,851**	**14,23,364**	**-**	**-**	**2,82,06,215**

April 1, 2016

AGEING	NOTE REFERENCE	UPTO 1 YEAR	BETWEEN 1 AND 2 YEARS	BETWEEN 2 AND 3 YEARS	ABOVE 3 YEARS	TOTAL
Gross Carrying Amount (Considered Good)	9	1,39,30,905	-	-	-	1,39,30,905
Expected Credit Losses (Loss Allowance Provision)		-	-	-	-	-
Carrying Amount of Trade Receivables (Net of Impairment)		**1,39,30,905**	**-**	**-**	**-**	**1,39,30,905**

C: High Credit Risk : NIL

36.3. LIQUIDITY RISK

Liquidity risk is the risk that the Company will face in meeting its obligations associated with its financial liabilities. The Company's approach in managing liquidity is to ensure that it will have sufficient funds to meet its liabilities when due without incurring unacceptable losses. In doing this, management considers both normal and stressed conditions.

The Company maintained a cautious liquidity strategy, with a positive cash balance throughout the year ended March 31, 2018 and March 31, 2017.

Cash flow from operating activities provides the funds to service the financial liabilities on a day-to-day basis.

The Company regularly monitors the rolling forecasts to ensure it has sufficient cash on an on-going basis to meet operational needs. Any short term surplus cash generated, over and above the amount required for working capital management and other operational requirements, is retained as cash and cash equivalents (to the extent required) and any excess is invested in interest bearing term deposits and other highly marketable debt investments with appropriate maturities to optimise the cash returns on investments while ensuring sufficient liquidity to meet its liabilities.

The following table shows the maturity analysis of the Company's financial liabilities based on contractually agreed undiscounted cash flows along with its carrying value as at the Balance Sheet date.

March 31, 2018	**UNDISCOUNTED AMOUNT**			
NON-DERIVATIVE LIABILITIES	**CARRYING AMOUNT**	**PAYABLE WITHIN 1 YEAR**	**MORE THAN 1 YEARS**	**TOTAL**
Borrowings	18,77,99,502	18,71,62,143	14,35,711	18,85,97,854
Unpaid dividend	8,61,682	8,61,862	-	8,61,862
Other current financial liabilities	28,61,82,991	28,61,82,991	-	28,61,82,991
Other noncurrent financial liabilities	3,23,28,510	-	3,70,68,000	3,70,68,000

March 31, 2017	**UNDISCOUNTED AMOUNT**			
NON-DERIVATIVE LIABILITIES	**CARRYING AMOUNT**	**PAYABLE WITHIN 1 YEAR**	**MORE THAN 1 YEARS**	**TOTAL**
Borrowings	40,16,19,501	39,40,97,792	1,46,83,714	40,87,81,506
Unpaid dividend	23,77,621	23,77,621	-	23,77,621
Other current financial liabilities	26,65,45,803	26,65,45,803	-	26,65,45,803
Other noncurrent financial liabilities	3,01,13,180	-	5,02,68,000	5,02,68,000

April 1, 2018	**UNDISCOUNTED AMOUNT**			
NON-DERIVATIVE LIABILITIES	**CARRYING AMOUNT**	**PAYABLE WITHIN 1 YEAR**	**MORE THAN 1 YEARS**	**TOTAL**
Borrowings	42,02,47,048	4,36,97,434	38,58,81,506	42,95,78,940
Unpaid dividend	23,79,553	23,79,553	-	23,79,553
Other current financial liabilities	26,28,34,592	23,83,34,592	-	23,83,34,592
Other noncurrent financial liabilities	2,81,54,415	-	7,47,68,000	7,47,68,000

36.3.1.CURRENT & LIQUID RATIO

The following table shows the Ratio analysis of the Company for respective periods

PERIOD	**CURRENT RATIO**	**LIQUID RATIO**
March 31, 2018	1.98	0.09
March 31, 2017	3.49	0.14
April 1, 2016	2.97	0.08

36.3.2.COLLATERAL

Vehicle Loan is secured against hypothecation of vehicle and personal guarantee of one of the directors of the Company. Term Loan from Bank is 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 counter parties have an obligation to return the securities to Company.

There are no other significant terms and conditions associated with the use of collateral.

Note -37

CAPITAL MANAGEMENT

37.1. RISK MANAGEMENT

Capital management is driven by Company's policy to maintain a sound capital base to support the continued development of its business. The Board of Directors seeks to maintain a prudent balance between different components of the Company's capital. The Management monitors the capital structure and the net financial debt at individual currency level. Net financial debt is defined as current and non-current financial liabilities less cash and cash equivalents and short term investments.

The Company monitors capital using gearing ratio, which is net debt divided by total capital plus net debt. The Company's policy is to keep the Gearing Ratio within 30%.

PARTICULARS	March 31, 2018	March 31, 2017	April 1, 2016
Debt @	18,77,99,502	40,16,19,501	42,02,47,048
Cash and bank balances	48,78,951	1,72,49,331	1,50,31,095
NET DEBT	**18,29,20,551**	**38,43,70,170**	**40,52,15,953**
Equity Share Capital	19,36,35,950	19,36,35,950	19,36,35,950
Other Equity	70,17,31,740	70,86,13,371	70,46,39,299
TOTAL EQUITY	**89,53,67,690**	**90,22,49,321**	**89,82,75,249**
GEARING RATIO (NET DEBT TO EQUITY RATIO)	**20%**	**43%**	**45%**

@ Debt is defined as long-term and short-term borrowings (excluding derivative and contingent consideration).

Note -38

FIRST TIME ADOPTION OF IND AS

The Company has adopted Indian Accounting Standards (Ind AS) as notified by the Ministry of Corporate Affairs with effect from April 1, 2017, with a transition date of April 1, 2016. These financial statements for the year ended March 31, 2018 are the first financial statements the Company has prepared under Ind AS. For all periods up to and including the year ended March 31, 2017, the Company prepared its financial statements in accordance with the accounting standards notified under the section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 ('Previous GAAP').

The adoption of Ind AS has been carried out in accordance with Ind AS 101, First-time Adoption of Indian Accounting Standards. Ind AS 101 requires that all Ind AS standards and interpretations that are issued and effective for the first Ind AS financial statements be applied retrospectively and consistently for all financial years presented. Accordingly, the Company has prepared financial statements which comply with Ind AS for year ended March 31, 2018, together with the comparative information as at and for the year ended March 31, 2017 and the opening Ind AS Balance Sheet as at April 1, 2016 the date of transition to Ind AS.

In preparing these Ind AS financial statements, the Company has availed certain exemptions and exceptions in accordance with Ind AS 101, as explained below. The resulting difference between the carrying values of the assets and liabilities in the financial statements as at the transition date under Ind AS and Previous GAAP have been recognised directly in equity (retained earnings or another appropriate category of equity).

This note explains the adjustments made by the Company in restating its financial statements prepared under previous GAAP, including the Balance Sheet as at April 1, 2016 and the financial statements as at and for the year ended March 31, 2017.

38.1 OPTIONAL EXEMPTIONS FROM RETROSPECTIVE APPLICATION

Ind AS 101 permits first-time adopters certain exemptions from retrospective application of certain requirements under Ind AS. The Company has elected to apply the following optional exemptions from retrospective application:

A. DEEMED COST FOR PROPERTY, PLANT AND EQUIPMENT AND INVESTMENT PROPERTY

On transition to Ind AS, the Company has elected to continue with the carrying value of all of its Property, Plant and Equipment and Investment Property recognised as at April 1, 2016 measured as per the Previous GAAP and use that carrying value as the deemed cost of the Property, Plant and Equipment and Investment Property.

B. INVESTMENTS IN JOINT VENTURES

The Company has elected to measure its investments in joint ventures at the Previous GAAP carrying amount as its deemed cost on the date of transition to Ind AS.

C. LEASES

Appendix C to Ind AS 17-" Leases" requires an entity to assess whether a contract or arrangement contains a lease. In accordance with Ind AS 17, this assessment should be carried out at the inception of the contract or arrangement. Ind AS 101 provides an option to make this assessment on the basis of facts and circumstances existing at the date of transition to Ind-AS except where the effect is expected to be not material. The Company has elected to apply this exemption for such contracts/arrangements.

38.2 MANDATORY EXCEPTIONS FROM RETROSPECTIVE APPLICATION

The Company has applied the following exceptions to the retrospective application of Ind AS as mandatorily required under Ind AS 101:

A. ESTIMATES

On assessment of the estimates made under the Previous GAAP financial statements, the Company has concluded that there is no necessity to revise the estimates under Ind AS, as there is no objective evidence of an error in those estimates. However, estimates that were required under Ind AS but not required under Previous GAAP are made by the Company for the relevant reporting dates reflecting conditions existing as at that date.

B. CLASSIFICATION AND MEASUREMENT OF FINANCIAL ASSETS

Ind AS 101 requires an entity to assess classification and measurement of financial assets on the basis of facts and circumstances that exist on the date of transition to Ind AS. Accordingly, the Company has applied the above requirement prospectively. Classification of financial assets to be measured at amortised cost or fair value through other comprehensive income is made on the basis of the facts and circumstances that existed on the date of transition to Ind AS.

C. DERECOGNITION OF FINANCIAL ASSETS AND FINANCIAL LIABILITIES

Ind AS 101 requires a first time adopter to apply the derecognition provisions of Ind AS 109 prospectively for transactions occurring on or after the date of transition to Ind AS. Accordingly, the Company has applied the derecognition requirement for financial assets and financial liabilities in Ind AS 109 prospectively for transactions occurring on or after date of transition to Ind AS.

D. IMPAIRMENT OF FINANCIAL ASSETS

Ind AS 101 requires an entity to assess and determine the impairment allowance on financial assets as per Ind AS 109 using the reasonable and supportable information that is available without undue cost or effort to determine the credit risk at the date that financial instruments which were initially recognised and compare that to the credit risk at the date of transition to Ind AS. The Company has applied this exception prospectively.

38.3 TRANSITION TO IND AS – RECONCILIATIONS

Ind AS 101 requires that an entity should explain how the transition from previous GAAP to Ind ASs affected its reported balance sheet, financial performance and cash flows, accordingly the Company has prepared:

i. Reconciliation of Balance sheet as at April 1, 2016

ii. Reconciliation of Balance sheet as at March 31, 2017

iii. Reconciliation of Statement of Profit and Loss for the year ended March 31, 2017

iv. Reconciliation of Equity as at March 31, 2017 & as at April 1, 2016

v. Reconciliation of Total Comprehensive Income for the year ended on March 31, 2017

vi. Impact of Ind AS adoption on the Standalone Statements of Cash Flows for the year ended on March 31, 2017

Note 38.3.(i)
Reconciliation of Balance sheet on April 1, 2016
(at the date of Transition)

(All amounts in ₹ unless stated otherwise)

PARTICULARS	INDIAN (GAAP)	Adjustments	IND AS
I. ASSETS			
1 Non-Current Assets			
(a) Property, Plant and Equipment	27,04,29,925	-	27,04,29,925
(b) Investment Property	21,51,53,887	-	21,51,53,887
(c) Financial Assets			
(i) Investments	5,99,35,805	2,475	5,99,38,280
(ii) Loans	30,90,039	-	30,90,039
(d) Deferred Tax Asset (Net)	1,47,09,334	(1,13,89,351)	33,19,983
	56,33,18,990	(1,13,86,876)	55,19,32,114
2 Current Assets			
(a) Inventories	89,02,28,235	-	89,02,28,235
(b) Financial Assets			
(i) Trade Receivables	1,39,30,905	-	1,39,30,905
(ii) Cash and Cash Equivalents	1,10,82,265	-	1,10,82,265
(iii) Other Bank Balances	39,48,830	-	39,48,830
(iv) Loans	16,50,00,000	-	16,50,00,000
(v) Other Financial Assets	58,89,706	-	58,89,706
(c) Current Tax Assets (Net)	2,66,72,638	-	2,66,72,638
(d) Other Current Assets	49,98,861	-	49,98,861
	1,12,17,51,440	-	1,12,17,51,440
TOTAL ASSETS	**1,68,50,70,430**	**(1,13,86,876)**	**1,67,36,83,554**
II. EQUITY AND LIABILITIES			
1 Equity			
(a) Equity Share capital	19,36,35,950	-	19,36,35,950
(b) Other Equity	70,29,26,419	17,12,880	70,46,39,299
Total Equity	89,65,62,369	17,12,880	89,82,75,249
2 Liabilities			
Non-Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	38,58,81,506	(4,39,65,089)	34,19,16,417
(ii) Other Financial Liabilities	7,47,68,000	(4,66,13,585)	2,81,54,415
(b) Other Liabilities	-	1,97,60,732	1,97,60,732
(c) Provisions	94,60,244	(18,85,399)	75,74,845
	47,01,09,750	(7,27,03,341)	39,74,06,409
Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	6,43,00,000	(6,43,00,000)	-
(ii) Other Financial Liabilities	22,13,90,269	12,21,54,507	34,35,44,776
(b) Other Current Liabilities	2,58,28,786	12,78,690	2,71,07,476
(c) Provisions	68,79,256	4,70,388	73,49,644
	31,83,98,311	5,96,03,585	37,80,01,896
TOTAL EQUITY & LIABILITIES	**1,68,50,70,430**	**(1,13,86,876)**	**1,67,36,83,554**

Note 38.3.(ii)

Reconciliation of Balance sheet on March 31, 2017

(All amounts in ₹ unless stated otherwise)

PARTICULARS	INDIAN (GAAP)	Adjustments	IND AS
I. ASSETS			
1 Non-Current Assets			
(a) Property, Plant and Equipment	26,67,73,428	-	26,67,73,428
(b) Investment Property	20,75,60,019	-	20,75,60,019
(c) Financial Assets			
(i) Investments	5,64,59,828	28,509	5,64,88,336
(ii) Loans	30,90,039	-	30,90,039
(d) Deferred Tax Asset (Net)	1,97,15,396	(10,84,289)	1,86,31,107
	55,35,98,710	(10,55,780)	55,25,42,929
2 Current Assets			
(a) Inventories	89,77,17,423	-	89,77,17,423
(b) Financial Assets			
(i) Trade Receivables	2,82,06,215	-	2,82,06,215
(ii) Cash and Cash Equivalents	1,34,72,295	-	1,34,72,295
(iii) Other Bank Balances	37,77,036	-	37,77,036
(iv) Loans	12,90,00,000	-	12,90,00,000
(v) Other Financial Assets	28,27,646	-	28,27,646
(c) Current Tax Assets (Net)	2,91,56,565	-	2,91,56,565
(d) Other Current Assets	32,39,348	-	32,39,348
	1,10,73,96,528	-	1,10,73,96,528
TOTAL ASSETS	**1,66,09,95,238**	**(10,55,780)**	**1,65,99,39,457**
II. EQUITY AND LIABILITIES			
1 Equity			
(a) Equity Share capital	19,36,35,950	-	19,36,35,950
(b) Other Equity	69,95,19,422	90,93,949	70,86,13,371
Total Equity	89,31,55,372	90,93,949	90,22,49,321
2 Liabilities			
Non-Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	39,40,97,792	(86,44,663)	38,54,53,129
(ii) Other Financial Liabilities	5,02,68,000	(2,01,54,820)	3,01,13,180
(b) Other Liabilities		1,71,67,095	1,71,67,095
(c) Provisions	73,39,645	-	73,39,645
	45,17,05,437	(1,16,32,387)	44,00,73,049
Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	5,28,52,000	(5,28,52,000)	-
(ii) Other Financial Liabilities	23,07,55,138	5,43,34,658	28,50,89,796
(b) Other Current Liabilities	2,61,52,864	-	2,61,52,864
(c) Provisions	63,74,427	-	63,74,427
	31,61,34,429	14,82,658	31,76,17,087
TOTAL EQUITY & LIABILITIES	**1,66,09,95,238**	**(10,55,780)**	**1,65,99,39,457**

Note 38.3.(iii)

Reconciliation of Profit or Loss for the year ended March 31, 2017

(All amounts in ₹ unless stated otherwise)

PARTICULARS		INDIAN (GAAP)	Adjustments	IND AS
I.	**Revenue From Operations**			
	Value of Services	13,21,85,144	-	13,21,85,144
II.	Other Income	2,27,10,538	25,93,637	2,53,04,175
III.	**Total Income (I + II)**	15,48,95,682	25,93,637	**15,74,89,319**
IV.	**Expenses:**			
	Employee Benefits Expense	2,73,07,058	16,13,733	2,89,20,791
	Finance Costs	4,81,96,232	41,28,653	5,23,24,885
	Depreciation and Amortisation Expense	1,25,15,638	-	1,25,15,638
	Other Expenses	7,37,89,813	72,000	7,38,61,813
Total Expenses (IV)		16,18,08,741	58,14,386	**16,76,23,127**
V.	**Profit before Exceptional Items and Tax (III-IV)**	(69,13,059)	(32,20,749)	**(1,01,33,808)**
VI.	Exceptional Items	-	-	-
VII.	**Profit before Tax (V - VI)**	(69,13,059)	(32,20,749)	**(1,01,33,808)**
VIII	Tax Expense:			
	(1) Current Tax	15,00,000	-	15,00,000
	(2) Deferred Tax	(50,06,062)	(1,03,66,468)	(1,53,72,530)
	(3) Taxation in respect of Earlier Years			
IX	**Profit / Loss for the Period from Continuing Operations (VII-VIII)**	(34,06,997)	71,45,719	**37,38,722**
X	Profit / (Loss) for the Discontinued Operations	-	-	**-**
XI	Tax expenses of Discontinued Operations	-	-	**-**
XII	**Profit / (Loss) for the Discontinued Operations (after tax) (X-XI)**	**-**	-	**-**
XIII	**Profit / (Loss) for the Period (IX-XII)**	(34,06,997)	71,45,719	**37,38,722**
XIV	**Other Comprehensive Income**			
	(i) Items that will not be reclassified into Profit & Loss	-	2,35,350	2,35,350
	(ii) Income tax relating to items that will not be reclassified to profit/loss Income Tax effect	-	-	-
XV	**Total Comprehensive Income for the period (XIII+XIV)**	(34,06,997)	73,81,069	**39,74,072**

Note 38.3.(iv)

Reconciliation of Total Equity as at March 31, 2017 and April 1, 2016

(All amounts in ₹ unless stated otherwise)

Particular	As at March 31, 2017	As at April 1, 2016
Total Equity (Shareholder's Funds) as per Previous GAAP	**69,95,19,422**	**70,29,26,419**
Adjustments:		
Amortised Cost		
- Security Deposit Received	29,87,725	23,52,853
- Non Current Borrowing	71,62,005	93,31,892
Adjustment for :		
Excess Gratuity Expenses	-	14,15,011
Fair value of Investment	28,509	2,475
Tax Impact	(10,84,289)	(1,13,89,351)
Total Adjustments	**90,93,950**	17,12,880
Total Equity as per Ind AS	**70,86,13,372**	70,46,39,299

Note 38.3.(v)

Reconciliation of Total Comprehensive Income for the year ended on March 31, 2017

(All amounts in ₹ unless stated otherwise)

Particular	For the year ended on March 31, 2017
Profit After Tax as per previous GAAP	**(34,06,997)**
Adjustment for :	
- Excess Gratuity Expenses Recognised Earlier now rectified	(14,15,011)
- Impairment of Investments at Cost	(72,000)
Finance Income /(Expense)	
- Unwinding of Security Deposit	25,93,637
- Unwinding of Long Term Borrowings & Security Deposits	(41,28,653)
Fair Value of Investment at OCI	98,033
Tax Impact	1,03,05,062
Total Adjustments	**73,81,068**
Total Comprehensive Income for the year ended March 31 2017	**3,9,74,071**

Note 38.3.(vi)

Impact of Ind AS adoption on the Standalone Statements of Cash Flows for the year ended on March 31, 2017

(All amounts in ₹ unless stated otherwise)

Particulars	Previous GAAP	Adjustments	Ind AS
Net Cash from from Operating activities	6,73,28,179	(11,97,94,964)	(5,24,66,785)
Net Cash flow from Investing activities	1,46,25,401	(29,49,228)	1,16,76,173
Net Cash flow from Financing activities	(7,97,35,344)	10,89,04,004	2,91,68,660
Net increase/ (decrease) in Cash and Cash Equivalents	**22,18,236**	**(1,38,40,189)**	**(1,16,21,952)**
Cash and Cash Equivalents as at April 1, 2016	1,50,31,095	(71,40,368)	78,90,727
Cash and Cash Equivalents as at March 31, 2017	**1,72,49,331**	**(2,09,80,556)**	**(37,31,224)**

Note-38.4

NOTES TO THE RECONCILIATION OF BALANCE SHEET AS AT APRIL 1, 2016 AND MARCH 31, 2017 AND THE TOTAL COMPREHENSIVE INCOME FOR THE YEAR ENDED MARCH 31, 2017.

A. FAIR VALUE OF INVESTMENTS

Under previous GAAP, investments in Equity Instruments and Mutual Funds were classified as long-term investments or current investments based on the intended holding period and realisability. Long-term investments were carried at cost less provision for other than temporary decline in the value of such investments. Current investments were carried at lower of cost and fair value. Under Ind AS, these investments are required to be measured at fair value. The resulting fair value changes of these investments (other than equity instruments designated as at FVOCI) have been recognised in retained earnings as at the date of transition and subsequently in the Profit & Loss for the year ended March 31, 2017.

Fair value changes with respect to investments in equity instruments designated as at FVOCI have been recognised in FVOCI - Equity Investment Reserve as at the date of transition and subsequently in Other Comprehensive Income (OCI) for the year ended March 31, 2017. This increased other reserves by ₹ 28,509/- as at March 31, 2017 (April 1, 2016 - ₹ 2,475/-)

B. BORROWINGS

Under previous GAAP, transaction costs incurred towards origination of borrowings were charged to profit or loss as and when incurred. Ind AS 109 requires these transaction costs to be deducted from the carrying amount of borrowings on initial recognition. These costs are recognised in the profit or loss over the tenure of the borrowing as part of the interest expense by applying the effective interest rate method.

Accordingly, borrowings as at March 31, 2017 have been reduced by ₹ 71,62,005/-(April 1, 2016 ₹ 93,31892/-) with a corresponding adjustment to retained earnings. The total equity increased by an equivalent amount. The profit for the year ended March 31, 2017 reduced by ₹15,35,016/- as a result of the additional interest expense.

C. SECURITY DEPOSITS

Under previous GAAP, interest free lease security deposits (that are refundable in cash on completion of the lease term) are recorded at their transaction value. Under Ind AS, all financial assets are required to be recognised at fair value. Accordingly, the Company has fair valued these security deposits under Ind AS.

Difference between the fair value and transaction value of the security deposit has been recognised as advance rent. Consequent to this change, the amount of security deposits decreased by ₹ 2,01,54,820/- as at March 31, 2017 (April 1, 2016 ₹ 2,21,13,585/-). The advance rent increased by ₹ 1,71,67,095/- as at March 31, 2017 (1st April, 2016 - ₹ 1,97,60,732/-). Total equity increased by ₹ 29,87,725/- at March 31, 2017 (April 1, 2016 ₹ 23,52,853/-). The profit for the year as at March 31, 2017 increased by ₹ 3,78,308/- due to recognition of income on advance rent of ₹ 25,93,637/- which is partially off-set by the notional finance cost of ₹ 22,15,329/- recognised on security deposits.

D. RE-MEASUREMENT OF DEFINED BENEFIT OBLIGATION

Both under previous GAAP and Ind AS, the Company Group recognised costs related to its post employment defined benefit plan on an actuarial basis. Under previous GAAP, the entire cost, including actuarial gains and losses, are charged to profit or loss. Under Ind AS, re-measurements i.e. actuarial gains and losses and the return on plan assets, excluding amounts included in the net interest expense on the net defined benefit liability are recognised in balance sheet through other comprehensive income. Thus, employee benefits expense is increased by ₹ 1,98,722/- and is recognised in other comprehensive income during the year ended March 31, 2017. The related tax expense has also been reclassified from Profit and loss account to other comprehensive income. There is no impact on the total equity as at April 1, 2016 & March 31, 2017.

E. DEFERRED TAX

Previous GAAP requires deferred tax accounting using the income statement approach, which focuses on differences between taxable profits and accounting profits for the period. Ind AS 12 requires entities to account for deferred taxes using the balance sheet approach, which focuses on temporary differences between the carrying amount of an asset or liability in the balance sheet and its tax base. The application of Ind AS 12 approach has resulted in recognition of deferred tax on new temporary differences which was not required under Previous GAAP.

F. RETAINED EARNINGS

Retained earnings as at April 1, 2016 has been adjusted consequent to the above Ind AS transition adjustments

G. OTHER COMPREHENSIVE INCOME

Under previous GAAP, the Company has not presented Other Comprehensive Income (OCI) separately. Hence, it has reconciled Indian GAAP profit to profit as per Ind AS. Further, Indian GAAP profit is reconciled to total comprehensive income as per Ind AS.

Note -39

Corporate Social Responsibility

As per the provisions of section 135 of the Companies Act, 2013, the Company is not falling in the criteria as is prescribed in the said section and as such, CSR is not applicable during this year. The company has incurred ‘ NIL (Previous Year ‘ NIL) on promotion of education.

Note -40

Investment in Associates

These financial statement are separate financial statements prepared in accordance with Ind AS-27 " Separate Financial Statements".

Company's investment in Associates are as under:

		Portion of ownership interest		
	Particulars	**As at March 31, 2018**	**As at March 31, 2017**	**As at April 1, 2016**
i)	**Jayabharat Credit Limited**	43.45%	43.45%	43.45%
	Country of incorporation: India			
	Method used to account for the investment: At Cost			
ii)	**India Lease Development Limited**	31.35%	31.35%	31.35%
	Country of incorporation: India			
	Method used to account for the investment: At Cost			

Note -41

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

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

ARTI GUPTA
Joint Managing Director
DIN : 00023237

ARUN MITTER
Executive Director
DIN : 00022941

As per our Report of even date attached
For JAGDISH CHAND & CO.
Chartered Accountants
(ICAI Firm Reg. No: 000129N)

BHARAT KUMAR
Non Executive Independent
Director
DIN: 01090141

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

(Praveen Kumar Jain)
Partner
Membership No. 085629

Place: New Delhi
Date: May 28, 2018

INDEPENDENT AUDITOR'S REPORT

To The Members of **The Motor & General Finance Limited**

Report on the Consolidated Indian Accounting Standards (Ind AS) Financial Statements

1. We have audited the accompanying consolidated Ind AS financial statements of THE MOTOR & GENERAL FINANCE LIMITED (hereinafter referred to as "the Company") which includes Company's share of loss in its associates, comprising the Consolidated Balance Sheet as at 31st March, 2018, the Consolidated Statement of Profit and Loss (including other comprehensive income), the Consolidated Cash Flow Statement, the Consolidated Statement of Changes in Equity, for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated Ind AS financial statements")

Management's Responsibility for the Consolidated Ind AS Financial Statements

2. The Company's Board of Directors is responsible for the preparation of these consolidated Ind AS financial statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as "the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated statement of changes in equity of the Company including associates in accordance with the Indian Accounting Standards (Ind AS) prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, and other accounting principles generally accepted in India. The Company's Board of Directors is also responsible for ensuring accuracy of records including financial information considered necessary for the preparation of consolidated Ind AS financial statements. The respective Board of Directors of the company and of associates are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company, associates and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated Ind AS 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 Ind AS financial statements by the Directors of the Company, as aforesaid.

Auditor's Responsibility

3. Our responsibility is to express an opinion on these consolidated Ind AS financial statements based on our audit. In conducting 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.

4. 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 Ind AS financial statements are free from material misstatement.

5. An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the consolidated Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the consolidated Ind AS 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 Ind AS financial statements.

6. 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 sub-paragraph 10 of Other Matters paragraph below is sufficient and appropriate to provide a basis for our adverse audit opinion on the consolidated Ind AS financial statements.

Basis for Adverse Opinion included in Auditors Report of an Associate

7. The audit report on the financial statements of Jayabharat Credit Limited, an associate of the Company, issued by an independent firm of Chartered Accountants, vide its report dated 18.05.2018 contains the following adverse opinion, which is reproduced as under:

   "Trade receivables and long term loans and advance outstanding as on March 31, 2018 amounts to Rs. 59.99 crores. In the absence of appropriate documentation/ reconciliation/confirmation with the concerned parties, we are unable to ascertain the recoverability of such receivables and long term loan and advances. In the opinion of the management this amount will be received and hence no provision in the books has been made till date.

On November 18, 2017, the Company has voluntarily surrendered its Certificate of Registration (COR) as Non- Banking Financial Company (Deposit Accepting) to Reserve Bank of India and as on date Reserve Bank of India has not confirmed the cancellation of certificate of registration of the Company as Non-Banking Financial Company. However in the opinion of management the provision of Non-Baking Financial (Deposit Accepting or Holding) Companies prudential Norms (Reserve Bank)Direction 2007 are not applicable and as such no provision for aforesaid trade receivables and long Term loans and advances amounting to Rs. 59.99 crores as specified in regulation is made by the Company.

Had Company made the aforesaid provision as prescribed by Reserve Bank of India vide Non-Banking Financial Company Direction 2007, the loss for the year ended March 31, 2018 would have increased".

Adverse Opinion

8. In our opinion and to the best of our information and according to the explanations given to us, except for the effect of the matter described in the basis for adverse opinion Paragraph 7, the aforesaid consolidated Ind AS 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 Ind AS and other accounting principles generally accepted in India, of the consolidated state of affairs of the Company as at 31st March, 2018, and their consolidated loss, consolidated total comprehensive income, their consolidated cash flows and consolidated statement of changes in equity for the year ended on that date.

Emphasis of Matter included in Auditors Report of an associate

9. The audit report on the financial statements of India Lease Development Limited, an associate of the Company, issued by us, vide our report dated 28.05.2018 contains the following emphasis of matter, which is reproduced as under:

   - There is a non compliance of the provisions of Non Banking Financial Companies Prudential Norms (Reserve Bank) Directions 1998 with regard to maintenance of Credit Concentration/ Investment norms in respect of lending to one of the Company where these are exceeding the limits.

   Our opinion is not qualified in respect of this matter.

Other Matters

10(a). The consolidated Ind AS financial statements also include the Company's share of net loss of ₹ 39,64,498 for the year ended 31st March, 2018, as considered in the consolidated Ind AS financial statements, in respect of an associate, whose financial statements / financial information have not been audited by us. These financial statements / financial information have 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 subsection (3) of section 143 of the Act, in so far as it relates to the aforesaid associate is based solely on the report of other auditor.

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

10(b). The comparative financial information of the Company for the year ended 31st March 2017, which includes its share of loss in associates and the related transition date opening balance sheet as at 1st April 2016 included in these consolidated Ind AS financial statements, have been prepared after adjusting the previously issued consolidated financial statements prepared in accordance with the Companies (Accounting Standards) Rules, 2006 to comply with Ind AS. The previously issued consolidated financial statements were audited by the predecessor auditor whose reports for the years ended 31st March 2017 and 31st March, 2016 dated 16th June, 2017 and 28th May, 2016 respectively expressed an unmodified opinion on those consolidated financial statements. Adjustments made to the previously issued consolidated financial statements to comply with Ind AS have been audited by us.

Our opinion on the consolidated Ind AS financial statements is not modified in respect of the above matters on the comparative financial information.

Report on Other Legal and Regulatory Requirements

11. As required by Section 143(3) of the Act, based on our audit, we report, to the extent applicable, that:

   (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated Ind AS financial statements.

   (b) In our opinion, proper books of account as required by law maintained by company and associate companies including relevant records relating to preparation of the aforesaid consolidated Ind AS financial statements have been kept so far as it appears from our examination of those books and records of the company and the reports of the other auditors.

   (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Cash Flow Statement and Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account maintained by the company and associate companies including relevant records relating to the preparation of the consolidated Ind AS financial statements.

(d) In our opinion, the aforesaid consolidated Ind AS financial statements comply with the Indian Accounting Standards prescribed under Section 133 of the Act.

(e) The matter described in the Basis for Adverse Opinion Paragraph 7, in our opinion, may have an adverse effect on the functioning of the Company and its associate.

(f) On the basis of the written representations received from the directors of the Company as on 31st March, 2018 taken on record by the Board of Directors of the Company and the reports of the Statutory Auditors of its associate companies, none of the directors of the Company and its associate companies is disqualified as on 31st March, 2018 from being appointed as a director in terms of Section 164 (2) of the Act.

(g) With respect to the adequacy of the internal financial controls over financial reporting and the operating effectiveness of such controls, refer to our separate Report in “Annexure A”, which is based on the auditors’ reports of the Company and associate companies. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of internal financial controls over financial reporting of those companies, for the reasons stated therein.

(h) 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, as amended, in our opinion and to the best of our information and according to the explanations given to us:

i. The consolidated Ind AS financial statements disclose the impact of pending litigations on the consolidated financial position of the Company and associates– Refer Note No. 30.

ii The Company and associates (except one associate) did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses during the year ended 31st March, 2018. In case of Jayabharat Credit Limited, an associate of the company, an independent firm of Chartered Accountants, vide its audit report dated 18.05.2018, has reported that the Company has not made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any.

iii. There has been no delay in transferring amounts required to be transferred, to the Investor Education and Protection Fund by the Company and associate companies during the year ended 31st March, 2018.

For **JAGDISH CHAND & CO**
Chartered Accountants
Firm Registration Number: 000129N

(Praveen Kumar Jain)
Partner
Membership Number: 85629

Place of signature: New Delhi
Date: May 28, 2018

ANNEXURE “A” TO THE INDEPENDENT AUDITOR’S REPORT

Referred to in paragraph 11(g) under ‘Report on Other Legal and Regulatory Requirements’ section of our report of even date

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

1. In conjunction with our audit of the consolidated Ind AS financial statements of the Company as of and for the year ended 31st March, 2018, we have audited the internal financial controls over financial reporting of The Motor & General Finance Limited (hereinafter referred to as “Company”) and its associate companies as of that date.

Management’s Responsibility for Internal Financial Controls

2. The respective Board of Directors of the Company, associate companies is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the respective companies 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 (“the ICAI)”. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor’s Responsibility

3. Our responsibility is to express an opinion on the Company’s internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) issued by the Institute of Chartered Accountants of India and the Standards on Auditing, prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

5. We believe that the audit evidence we have obtained, is sufficient and appropriate to provide a basis for our audit opinion on the Company and associate companies internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

8. In our opinion to the best of our information and according to the explanations given to us, the Company and associate companies

have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2018, based on the internal control over financial reporting criteria established by the respective companies 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

9. Our aforesaid report under Section 143(3) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting insofar as it relates to 2 associate companies, is based on the corresponding reports of the auditors of such companies. Our opinion is not qualified in respect of this matter.

For **JAGDISH CHAND & CO**
Chartered Accountants
Firm Registration Number: 000129N

(Praveen Kumar Jain)
Partner
Membership Number: 85629

Place of signature: New Delhi
Date: May 28, 2018

CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2018

(All amounts in ₹ unless stated otherwise)

PARTICULARS	Note No.	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
I. ASSETS				
1 Non-Current Assets				
(a) Property, Plant and Equipment	3	**26,70,35,790**	26,67,73,428	27,04,29,925
(b) Investment Property	4	**27,28,37,524**	20,75,60,019	21,51,53,887
(c) Financial Assets				
(i) Investments	5	**3,64,27,895**	4,30,09,266	5,99,38,280
(ii) Loans	6	**41,37,030**	30,90,039	30,90,039
(d) Deferred Tax Asset (Net)	7	**1,68,47,959**	1,20,92,326	33,19,983
		59,72,86,198	53,25,25,078	55,19,32,114
2 Current Assets				
(a) Inventories	8	**92,42,17,428**	89,77,17,423	89,02,28,235
(b) Financial Assets				
(i) Trade Receivables	9	**4,04,29,743**	2,82,06,215	1,39,30,905
(ii) Cash and Cash Equivalents	10	**37,48,769**	1,34,72,295	1,10,82,265
(iii) Other Bank Balances	11	**11,30,182**	37,77,036	39,48,830
(iv) Loans	12	**-**	12,90,00,000	16,50,00,000
(v) Other Financial Assets	13	**84,899**	28,27,646	58,89,706
(c) Current Tax Assets (Net)	14	**2,31,12,662**	2,91,56,565	2,66,72,638
(d) Other Current Assets	15	**34,91,609**	32,39,348	49,98,861
		99,62,15,292	1,10,73,96,528	1,12,17,51,440
TOTAL ASSETS		**1,59,35,01,490**	**1,63,99,21,606**	**1,67,36,83,554**
II. EQUITY AND LIABILITIES				
1 Equity				
(a) Equity Share capital	16	**19,36,35,950**	19,36,35,950	19,36,35,950
(b) Other Equity		**67,62,99,209**	68,85,95,519	70,46,39,299
Total Equity		**86,99,35,159**	88,22,31,469	89,82,75,249
2 Liabilities				
Non-Current Liabilities				
(a) Financial Liabilities				
(i) Borrowings	17	**14,35,711**	38,54,53,129	34,19,16,417
(ii) Other Financial Liabilities	18	**3,23,28,510**	3,01,13,181	2,81,54,415
(b) Other Liabilities	19	**17,95,73,459**	1,71,67,095	1,97,60,732
(c) Provisions	20	**80,73,576**	73,39,645	75,74,845
		22,14,11,256	44,00,73,050	39,74,06,409
Current Liabilities				
(a) Financial Liabilities				
(i) Borrowings	17	-	-	-
(ii) Other Financial Liabilities	18	**47,34,08,464**	28,50,89,796	34,35,44,776
(b) Other Liabilities	19	**1,95,71,264**	2,61,52,864	2,71,07,476
(c) Provisions	20	**91,75,347**	63,74,427	73,49,644
		50,21,55,075	31,76,17,087	37,80,01,896
TOTAL EQUITY & LIABILITIES		**1,59,35,01,490**	1,63,99,21,606	1,67,36,83,554

Summary of Significant Accounting Policies and Other Explanatory Information Note 1 to 44

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

ARTI GUPTA
Joint Managing Director
DIN : 00023237

ARUN MITTER
Executive Director
DIN : 00022941

As per our Report of even date attached
For JAGDISH CHAND & CO.
Chartered Accountants
(ICAI Firm Reg. No: 000129N)

BHARAT KUMAR
Non Executive Independent
Director
DIN: 01090141

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

(Praveen Kumar Jain)
Partner
Membership No. 085629

Place: New Delhi
Date: May 28, 2018

CONSOLIDATED STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED MARCH 31, 2018

(All amounts in ₹ unless stated otherwise)

	PARTICULARS	Note No.	For the year ended on March 31, 2018	For the year ended on March 31, 2017
I.	**Revenue From Operations**			
	Value of Services	**21**	**10,55,55,212**	13,21,85,144
II.	Other Income	**22**	**2,59,95,826**	2,53,04,175
III.	**Total Income (I + II)**		**13,15,51,038**	**15,74,89,319**
IV.	**Expenses:**			
	Employee Benefits Expense	**23**	**3,18,83,286**	2,89,20,791
	Finance Costs	**24**	**3,89,33,959**	5,23,24,885
	Depreciation and Amortisation Expense	**25**	**1,17,35,314**	1,25,15,638
	Other Expenses	**26**	**6,56,34,824**	7,92,82,193
	Total Expenses (IV)		**14,81,87,383**	**17,30,43,507**
V.	**Profit/ (loss) before share of profit /(loss) of Associate and Tax**			
	Share of profit/ (loss) of Associate (net of tax)		**(39,26,879)**	(80,58,690)
VI.	**Profit before Exceptional Items and Tax (III-IV+V)**		**(2,05,63,224)**	**(2,36,12,878)**
VII.	Exceptional Items		**-**	-
VIII	**Profit before Tax (VI - VII)**		**(2,05,63,224)**	**(2,36,12,878)**
IX	**Tax Expense:**	**27**		
	(1) Current Tax		**-**	15,00,000
	(2) Deferred Tax		**(48,98,211)**	(88,33,748)
	(3) Taxation in respect of Earlier Years		**(29,81,174)**	-
X	**Profit / (Loss) for the Period (VIII-IX)**		**(1,26,83,839)**	**(1,62,79,130)**
XI	**Other Comprehensive Income (net of Tax)**			
A	(i) Items that will not be reclassified into Profit & Loss	**28**	5,30,107	2,96,755
	(ii) Income tax relating to items that will not be reclassified to profit/loss Income Tax effect		(1,42,578)	(61,405)
B	(i) Items that will be reclassified into Profit & Loss		**-**	**-**
	(ii) Income tax relating to items that will be reclassified to Profit & Loss		**-**	**-**
	Other Comprehensive Income (net of Tax)		**3,87,529**	**2,35,350**
XII	**Total Comprehensive Income for the period (XIII+XIV)**		**(1,22,96,310)**	**(1,60,43,780)**
	Profit/(Loss) attributable to			
	Owners of the Parent		**(1,26,83,839)**	**(1,62,79,130)**
	Non Controlling Interests		**-**	**-**
	Other Comprehensive Income attributable to			
	Owners of the Parent		**3,87,529**	**2,35,350**
	Non Controlling Interests		**-**	**-**
	Total Comprehensive Income attributable to			
	Owners of the Parent		**(1,22,96,310)**	**(1,60,43,780)**
	Non Controlling Interests		**-**	**-**
XIII	Earnings per Share (Face value of ₹ 10/- per Equity Share)	**29**		
	(1) Basic (in Rs.)		**(0.66)**	(0.84)
	(2) Diluted (in Rs.)		**(0.66)**	(0.84)

Summary of Significant Accounting Policies and Other Explanatory Information Note 1 to 44

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

ARTI GUPTA
Joint Managing Director
DIN : 00023237

ARUN MITTER
Executive Director
DIN : 00022941

As per our Report of even date attached
For JAGDISH CHAND & CO.
Chartered Accountants
(ICAI Firm Reg. No: 000129N)

BHARAT KUMAR
Non Executive Independent
Director
DIN: 01090141

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

(Praveen Kumar Jain)
Partner
Membership No. 085629

Place: New Delhi
Date: May 28, 2018

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2018

(All amounts in ₹ unless stated otherwise)

PARTICULARS			For the year ended on March 31, 2018	For the year ended on March 31, 2017
A.	**Cash flows from operating activities**			
	Net Profit before tax and Extraordinary items		**(2,05,63,224)**	(2,36,12,878)
	Adjustment for:			
	Share of Loss in Associates		39,26,879	80,58,690
	Remeasurement of DBO		6,57,705	1,98,722
	Provision for Impairment of Investments		25,26,394	89,68,357
	Depreciation of PPE & Investment Property		1,17,35,314	1,25,15,638
	Amount Written off		500	-
	Gain on disposal of property, plant and equipment		-	(1,33,946)
	Interest Expenses		3,67,18,630	5,03,66,120
	Interest on deposits from Bank & ICD		(85,73,099)	(1,26,35,706)
	Operating Profit before Working Capital Changes		**2,64,29,099**	4,37,24,997
	Adjustment for:			
	Decrease /(Increase) in Other Financial Assets		27,42,747	30,62,060
	Decrease /(Increase) in Loans		(10,46,991)	-
	Decrease/(Increase) in Inventories		(2,65,00,005)	(74,89,188)
	Decrease/(Increase) in Trade receivables		(1,22,23,528)	(1,42,75,310)
	Decrease/(Increase) in Other Current Assets		(2,52,261)	17,59,513
	(Decrease)/ Increase in Provisions		35,34,851	(12,10,417)
	(Decrease) /Increase in Other Financial Liabilities		20,81,05,289	(7,05,06,263)
	(Decrease) /Increase in Other Current Liabilities		15,58,24,765	(35,48,249)
	Cash generated from Operations before Extra Ordinary Items		**35,66,13,964**	(4,84,82,858)
	Exceptional Items		**-**	-
	Direct Taxes Paid		(90,25,077)	(39,83,927)
	Net Cash from Operating Activities	**(A)**	**36,56,39,044**	(5,24,66,785)
B.	**Cash Flows from Investing Activities:**			
	Purchase of Fixed Assets		(7,72,75,181)	(16,31,327)
	Sale of Fixed Assets			5,00,000
	Decrease /(Increase) in Other Bank Balance		26,46,854	1,71,794
	Interest Received (Net of Tax Deducted at Source)		85,73,099	1,26,35,706
	Net Cash from Investing Activities:	**(B)**	**(6,60,55,228)**	1,16,76,173
C.	**Cash Flows from Financing Activities:**			
	Increase/(Decrease) in Non Current Borrowing		(38,40,17,418)	4,35,36,712
	Decrease /(Increase) in Loans		12,90,00,000	3,60,00,000
	Unpaid Dividend now paid		(15,15,939)	(1,932)
	Interest Expenses		(3,67,18,630)	(5,03,66,120)
	Net Cash from Financing Activities	**(C)**	**(29,32,51,987)**	2,91,68,660
	Net Increase in Cash and Cash Equivalent	**(A) + (B) + (C)**	**63,31,828**	(1,16,21,952)
	Cash and Cash Equivalents - Opening		**(37,31,224)**	78,90,727
	Cash and Cash Equivalents - Closing		**26,00,604**	(37,31,225)

i) The above Cash flow statement has been prepared under the "Indirect Method" as set out in Indian Accounting Standard-7, "Statement of Cash Flows".

ii) **Cash and Cash Equivalents Includes:**

	For the year ended on March 31, 2018	For the year ended on March 31, 2017
a) Cash in Hand	**86,806**	45,533
b) Balances with Banks	**16,12,713**	19,21,422
c) Flexi Deposits upto 3 months Original Maturity	**20,49,250**	1,15,05,340
e) Less: Bank Overdraft	**(11,48,165)**	(1,72,03,519)
TOTAL	**26,00,604**	**(37,31,224)**

iii) Figures in brackets indicate cash outgo

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

ARTI GUPTA
Joint Managing Director
DIN : 00023237

ARUN MITTER
Executive Director
DIN : 00022941

As per our Report of even date attached
For JAGDISH CHAND & CO.
Chartered Accountants
(ICAI Firm Reg. No: 000129N)

BHARAT KUMAR
Non Executive Independent
Director
DIN: 01090141

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

(Praveen Kumar Jain)
Partner
Membership No. 085629

Place: New Delhi
Date: May 28, 2018

NOTE – 1

SIGNIFICANT ACCOUNTING POLICIES

1. COMPANY OVERVIEW

The Motor & General Finance Limited (referred to as "MGF" or "the Company" or "the Parent Company") was incorporated under the laws of the Republic of India with its registered office at MGF House, 4/17-B, Asaf Ali Road, New Delhi-110002, is the flagship company of MGF Group. Incorporated in 1930, MGF has been one of the oldest finance companies of India. The Company is engaged in the single primary business of "Lease/ Renting of Immovable Property", and has only one reportable segment.

1.1. GENERAL INFORMATION AND STATEMENT OF COMPLIANCE WITH IND AS

The Company is headquartered in New Delhi, India. The shares of the Company are listed on the National Stock Exchange and the Bombay Stock Exchange.

The Consolidated Financial Statements of the Company have been prepared in accordance with Indian Accounting Standards (IND AS) notified under Companies (Indian Accounting Standards) Rules, 2015. For all periods up to and including the year ended March 31, 2017, the Company prepared its financial statements in accordance with accounting standards notified under the section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (Indian GAAP).

These are the Company's First Financial Statements prepared in accordance with Ind AS. The Company has followed the provisions of Ind AS 101-"First Time adoption of Indian Accounting Standards" (Ind AS 101), in preparing its opening Ind AS Balance Sheet as of the date of transition, i.e. April 1, 2016. In accordance with Ind AS 101, the Company has presented reconciliations of Shareholders' equity under Previous GAAP and Ind AS, as at March 31, 2017, and April 1, 2016 and of the Profit/(Loss) after Tax as per Previous GAAP and Total Comprehensive Income under Ind AS for the year ended March 31, 2017. (see note 38 for explanation of the transition to IND AS).

The financial statements have been prepared on a historical cost basis, except for the following assets and liabilities:

i. Certain Financial Assets and Financial Liabilities and Contingent Consideration that are measured at fair value

ii. Assets held for sale measured at lower of cost or fair value less cost to sell

iii. Defined benefit plan assets measured at fair value

The Company has uniformly applied the Accounting Policies during the period presented unless otherwise stated.

All amounts are stated in ₹.

The Consolidated Financial Statements for the year ended March 31, 2018 were authorized and approved by the Board of Directors on May 28, 2018.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Consolidated Financial Statements have been prepared using the Accounting Policies and measurement basis summarized below.

2.1. BASIS OF CONSOLIDATION

2.1.1. BASIS OF ACCOUNTING

i. The Financial Statements of the Associates in the consideration are drawn up to the same reporting date as of the Parent Company for the purpose of consolidation.

ii. The Consolidated Financial Statements have been prepared in accordance with Indian Accounting Standard (Ind AS) 110– 'Consolidated Financial Statements' and Indian Accounting Standard (Ind AS) 28 – 'Investments in Associates and Joint Ventures' specified under Section 133 of the Companies Act, 2013 (the Act) [Companies (Indian Accounting Standards) Rules, 2015] and other relevant provisions of the Act.

2.1.2. PRINCIPLES OF CONSOLIDATION

The Consolidated Financial Statements comprise the financial statements of the Company and its Associates as at March 31, 2018.

An associate is an entity over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee, but is not control or joint control over those policies.

The Consolidated Financial Statements have been prepared as per the following principles:

i. The results, assets and liabilities of associates are incorporated in the consolidated financial statements using equity method of accounting after making necessary adjustments to achieve uniformity in application of accounting policies, wherever applicable. An investment in associate is initially recognised at cost and adjusted thereafter to recognise the Group's share of profit or loss and other comprehensive income of the associate.

ii. Gain or loss in respect of changes in other equity of associates resulting in dilution of stake in the associates is recognised in the Statement of Profit and Loss. On acquisition of investment in an associate, any excess of cost of investment over the fair value of the assets and liabilities of the associates, is recognised as goodwill and is included in the carrying value of the investment in the associate. The excess of fair value of assets and liabilities over the investment is recognised directly in equity as capital reserve. The unrealised profits/losses on transactions with associates are eliminated by reducing the carrying amount of investment.

iii. The carrying amount of investment in associates is reduced to recognise impairment, if any, when there is objective evidence of impairment.

iv. When the Group's share of losses of an associate exceeds the Group's interest in that associate (which includes any long term interests that, in substance, form part of the Group's net investment in the associate), the Group discontinues recognising its share of further losses. Additional losses are recognised only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the associate.

2.2. PROPERTY, PLANT AND EQUIPMENT

2.2.1. RECOGNITION

Freehold land is carried at historical cost. All other items of property, plant and equipment are stated at historical cost, less accumulated depreciation/amortisation and impairments, if any. Historical cost includes taxes, duties, freight and other incidental expenses related to acquisition & installation.

2.2.2. SUBSEQUENT MEASUREMENT

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably.

All other repairs & maintenance are charged to profit or loss.

2.2.3. DEPRECIATION

Depreciation on Property, Plant and Equipment is charged on straight line method either on the basis of rates arrived at with reference to the useful life of the assets evaluated by the Committee consisting of Technical experts and approved by the Management or rates arrived at based on useful life prescribed under Part C of Schedule II of the Companies Act, 2013.

The following useful lives are applied:

Asset categoryEstimated useful life (in years)	
Land	
- Lease Hold (Finance Lease)	As per Lease Agreement
- Perpetual Lease	Treated as free hold land due to perpetuity
Buildings	
- Building	55 – 80 Years
- Leasehold Building	As per Lease Agreement
Furniture and Fittings	10 Years
Motor Vehicles	
- Hire Purchase & Owned	08 - 10 Years
Office Equipment & Electrical Installations	05 - 15 Years
Computers	
- End user devices viz. desktops, laptops, etc.	03 Years

Leasehold land is amortised on a straight line basis over the unexpired period of their respective lease. Leasehold improvements are depreciated on straight line basis over their initial agreement period. Premium paid on land where lease agreements have been executed for specified period are written off over the period of lease proportionately.

Property, Plant and Equipment individually costing upto ₹ 10,000 are fully depreciated in the year of acquisition.

The residual values, useful lives and methods of depreciation of Property, Plant and Equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

2.2.4. DE-RECOGNITION

An item of Property, Plant and Equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the Statement of Profit and Loss account when the asset is derecognised.

2.3. INVESTMENT PROPERTIES

2.3.1. RECOGNITION

Property (land or a building-or part of a building-or both) that is held (by the owner or by the lessee under a finance lease) for long term rental yields or for capital appreciation or both is recognized as Investment Property, except

i. Use in the production or supply of goods or services or for administrative purposes; or

ii. Sale in the ordinary course of business:

Investment property is measured initially at its cost, including related transaction costs and where applicable borrowing costs.

2.3.2. SUBSEQUENT MEASUREMENT

Subsequent expenditure is capitalized to the assets carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance costs are expensed when incurred. When part of an investment property is replaced, the carrying amount of the replaced part is derecognised.

2.3.3. DEPRECIATION

Depreciation is provided on all Investment Property on straight line basis, based on useful life of the assets determined in accordance with depreciation on Property Plant & Equipments as per para "2.1.3" above. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes

2.3.4. DE-RECOGNITION

An investment property is derecognised (eliminated from the balance sheet) on disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from its disposal.

An investment property is also derecognised when property is transferred to owner-occupied property; or commencement of development with a view to sale, or transfer to inventories

2.4. IMPAIRMENT OF NON FINANCIAL ASSETS

Carrying amount of assets is reviewed at each reporting date where there is any indication of impairment based on internal/ external indicators. An impairment loss is recognised in the Statement of Profit and Loss where carrying amount exceeds recoverable amount of assets. Impairment loss is reversed, if, there is change in recoverable amount and such loss either no longer exists or has decreased or indication on which impairment was recognised no longer exists.

2.5. FINANCIAL INSTRUMENTS

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

2.5.1. FINANCIAL ASSETS

2.5.1.1. INITIAL RECOGNITION AND MEASUREMENT

Financial Assets are recognised when the Company becomes a party to the contractual provisions of the Financial Instrument and are measured initially at fair value adjusted for transaction costs that are attributable to the acquisition of the financial asset.

2.5.1.2. SUBSEQUENT MEASUREMENT

i. Debt Instruments at Amortised Cost– A 'debt instrument' is measured at the amortised cost if both the following conditions are met:

- The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such Financial Assets are subsequently measured at amortised cost using the Effective Interest Rate (EIR) method. All other debt instruments are measured are Fair Value through other comprehensive income (FVOCI) or Fair value through profit and loss (FVTPL) based on Company's business model.

ii. **Equity Investments** – All equity investments in scope of Ind-AS 109 are measured at fair value. Equity instruments which are held for trading are classified as at fair value through Profit and Loss (FVTPL). For all other equity instruments, the Company decides to classify the same either as at fair value through Other Comprehensive Income (FVOCI) or Fair Value through Profit and Loss (FVTPL) on an instrument to instrument basis.

iii. **Other Investments** – All Other Investments in scope of Ind-AS 109 are measured at fair value through Profit and Loss (FVTPL).

2.5.1.3. IMPAIRMENT OF FINANCIAL ASSETS

In accordance with Ind AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the financial assets that are debt instruments, and are measured at amortised cost e.g., Loans, Debt Securities, Deposits and Trade Receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 18.

The Company follows 'Simplified Approach' for recognition of impairment loss allowance on trade receivables. The application of simplified recognises impairment loss allowance based on lifetime ECL at each reporting date, right from its initial recognition.

i. **Financial assets measured as at amortised cost:** ECL is presented as an allowance, i.e., as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the Company does not reduce impairment allowance from the gross carrying amount.

ii. **Debt instruments measured at FVTPL:** Since financial assets are already reflected at fair value, impairment allowance is not further reduced from its value. The change in fair value is taken to the statement of Profit and Loss.

iii. **Debt instruments measured at FVTOCI:** Since financial assets are already reflected at fair value, impairment allowance is not further reduced from its value. Rather, ECL amount is presented as 'Accumulated Impairment Amount' in the OCI. The Company does not have any Purchased or Originated Credit Impaired (POCI) financial assets, i.e., financial assets which are credit impaired on purchase/ origination.

2.5.1.4. DE-RECOGNITION OF FINANCIAL ASSETS

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e. removed from the Company's balance sheet) when:

i. The rights to receive cash flows from the asset have expired, or

ii. The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'passthrough' arrangement~ and either

(a) The Company has transferred substantially all the risks and rewards of the asset, or

(b) The Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership.

When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

2.5.2. FINANCIAL LIABILITIES

2.5.2.1. INITIAL RECOGNITION AND MEASUREMENT

Financial liabilities are classified at initial recognition as financial liabilities at fair value through Profit or Loss, Loans and Borrowings, and Payables, net of directly attributable transaction costs. The Company's financial liabilities include Loans and Borrowings including Bank Overdraft, Security Deposit received against lease of building including investment properties, Trade Payable, Liabilities towards Services and Other Payables.

All Financial Liabilities are recognised initially at fair value and transaction cost that is attributable to the acquisition of the Financial Liabilities is also adjusted. Financial Liabilities are classified as amortised cost.

The measurement of financial liabilities depends on their classification, as described below:

i. **Financial liabilities at Fair Value Through Statement of Profit And Loss -** Financial liabilities at fair value through statement of profit and loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through statement of profit and loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term.

ii. Gains or losses on liabilities held for trading are recognised in the statement of profit and loss. Financial liabilities designated upon initial recognition at fair value through statement of profit and loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. All other changes in fair value of such liability are recognised in the statement of profit and loss.

iii. **Loans and Borrowings -** After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the Effective Interest Rate (hereinafter referred as EIR) method. Gains and Losses are recognised in statement of profit and loss when the liabilities are derecognised as well as through the EIR amortisation process. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as Finance Costs in the statement of profit and loss.

iv. **Security Deposit -** After initial recognition, interest free security deposits are subsequently measured at amortised cost using the Effective Interest Rate (hereinafter referred as EIR) method. The difference between carrying amount of the deposits and fair value is transferred as deferred income. The EIR amortisation is included as Finance Income in the statement of profit and loss.

v. **Other Payables:** These amounts represent liabilities for goods and services provided to the Company prior to the end of financial year which are unpaid. Other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period.

2.5.2.2. SUBSEQUENT MEASUREMENT

Subsequent to initial recognition, these liabilities are measured at Amortised Cost using the Effective Interest Rate (EIR) method.

2.5.2.3. DE-RECOGNITION OF FINANCIAL LIABILITIES

A Financial Liability is de-recognised when the obligation under the liability is discharged or cancelled or expired. Consequently write back of unsettled credit balances is done on the previous experience of Management and actual facts of each case and recognised in Other Income. When an existing Financial Liability is replaced by another, from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the Statement of Profit and Loss.

2.5.3. OFFSETTING OF FINANCIAL INSTRUMENTS

Financial Assets and Financial Liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

2.6. INVENTORIES

2.6.1.1. BASIS OF VALUATION

i. **Stock in Trade - Project** are valued at lower of cost or net realisable value.

2.6.1.2. METHOD OF VALUATION

i. Stock in Trade Project 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.

2.7. TRADE RECEIVABLES

Trade receivables are amounts due from customers for services performed in the ordinary course of business. If collection is expected in one year or less (or in the normal operating cycle of the business if longer), they are classified as current assets. If not, they are presented as non-current assets.

Trade receivables are initially recognised at fair value plus transaction costs. Trade receivables are measured at amortised cost using the effective interest method less any necessary write-downs.

2.8. CASH AND CASH EQUIVALENTS

Cash and Cash Equivalents comprise cash in hand, Balances in Bank Account, Remittance in Transit, Cheques in hand and demand deposits, together with other short-term, highly liquid investments (original maturity less than 3 months) that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value.

2.9. TAXES

2.9.1.1. CURRENT INCOME TAX

Current Income Tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Current income tax relating to items recognised outside Profit or Loss is recognised outside profit or loss (either in Other Comprehensive Income or in Equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

2.9.1.2. DEFERRED TAX

Deferred Income Taxes are calculated using Balance Sheet Approach, on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences, except when it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognised for all deductible temporary differences and the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

Tax expense for the year comprises of current tax and deferred tax.

2.9.1.3. INDIRECT TAX – GST/ Service Tax

Expenses and assets are recognised net of the amount of GST/ Service Tax paid, except:

i. When the tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case, the tax paid is recognised as part of the cost of acquisition of the asset or as part of the expense item, as applicable.

ii. When receivables and payables are stated with the amount of tax included, the net amount of tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the balance sheet.

2.10. EQUITY AND RESERVES

i. **Share Capital** represents the nominal value of shares that have been issued. Any transaction costs associated with the issuing of shares are deducted from retained earnings, net of any related income tax benefits.

ii. **Other Components of Equity** includes Other Comprehensive Income arising from actuarial gain or loss on re-measurement of defined benefit liability and return on plan assets

iii. **Retained Earnings** include all current and prior period retained profits.

2.11. DIVIDEND PAYMENTS

Annual dividend distribution to shareholders is recognised as a liability in the period in which the dividend is approved by the shareholders. Any interim dividend paid is recognised on approval by Board of Directors. Dividend payable and corresponding tax on Dividend Distribution is recognised directly in equity.

2.12. REVENUE RECOGNITION

Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the Government.

The Company recognizes revenue when the amount can be reliably measured, regardless of when the payment is being made, it is probable that future economic benefits will flow to the Company and specific criteria have been met for each of the Company's activities as described below. The Company bases its estimates on historical results, taking into consideration the type of customer, the type of transaction and the specifics of each arrangement

2.12.1. RENTAL INCOME

Rental income arising from operating lease on investment properties is accounted for on straight line basis over the period for which the investment property is given on rent.

2.13. INCOME RECOGNITION

2.13.1. INTEREST INCOME

Interest income from debt instruments is recognised using the effective interest rate method. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of a financial asset. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all contractual terms of the financial instrument but does not consider the expected credit losses.

2.13.2. DIVIDEND INCOME

Dividends are recognised in profit or loss only when the right to receive payment is established, it is probable that the economic benefits associated with the dividend will flow to the Company, and the amount of the dividend can be measured reliably.

2.13.3. OTHER INCOME

Other claims including interest on outstanding are accounted for when there is virtual certainty of ultimate collection.

2.14. EXPENDITURE

Expenses are accounted on accrual basis.

2.15. EMPLOYEE BENEFIT SCHEMES

2.15.1. SHORT-TERM EMPLOYEE BENEFITS

Employee benefits payable wholly within twelve months of receiving employee services are classified as short-term employee benefits. These benefits include salaries and wages, performance incentives and compensated absences which are expected to occur in next twelve months. The undiscounted amount of short-term employee benefits to be paid in exchange for employee services is recognised as an expense as the related service is rendered by employees.

2.15.2. COMPENSATED ABSENCES

Company provides for the encashment of leave with pay subject to certain rules. The employees are entitled to accumulate leave subject to certain limits, for future encashment / availment. The liability is provided based on the number of days of unutilized leave at each Balance Sheet date on the basis of an independent actuarial valuation.

2.15.3. GRATUITY

Liabilities with regard to the gratuity benefits payable in future are determined by actuarial valuation at each Balance Sheet date using the Projected Unit Credit method. Gratuity is unfunded.

Actuarial gains and losses arising from changes in actuarial assumptions are recognized in Other Comprehensive Income and shall not be reclassified to the Statement of Profit and Loss in a subsequent period.

2.15.4. PROVIDENT FUND

Eligible employees of the Company receive benefits from a Provident Fund, which is a defined benefit plan. Both the eligible employee and the Company make monthly contributions to the provident fund plan equal to a specified percentage of the covered employee's salary.

2.16. FUNCTIONAL AND PRESENTATION CURRENCY

The Consolidated Financial Statements are presented in Indian Rupee ('INR'), which is Company's functional Currency and presentation currency.

2.17. LEASES

The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

For arrangements entered into prior to April 1, 2016, the Company has determined whether the arrangement contains lease on the basis of facts and circumstances existing on the date of transition.

2.17.1. COMPANY AS A LESSEE

2.17.1.1.FINANCE LEASES

A lease that transfers substantially all the risks and rewards incidental to ownership to the Company is classified as a Finance Lease. Finance Leases are capitalised at the commencement of the lease at the inception date fair value of the leased property or, if lower, at the present value of the minimum lease payments.

The interest element of lease payments is charged to Statement of Profit and Loss, as Finance Costs over the period of the lease. The leased asset is depreciated over the useful life of the asset or lease term whichever is lower.

Land acquired on long term lease (more than 90 years/ Perpetual Lease) are evaluated as own land.

2.17.2. COMPANY AS A LESSOR

2.17.2.1.OPERATING LEASE

Leases in which the Company does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Assets leased out under operating leases are capitalized. Rental income is recognized on straight-line basis over the lease term except where scheduled increase in rent compensates the Company with expected inflationary costs.

2.18. EARNINGS PER SHARE

The Company presents basic and diluted earnings per share ("EPS") data for its equity shares.

i. **Basic EPS** is calculated by dividing the profit and loss attributable to equity shareholders of the Company by the weighted average number of equity shares outstanding during the period.

ii. **Diluted EPS** is determined by adjusting the profit and loss attributable to equity shareholders and the weighted average number of equity shares outstanding for the effects of all dilutive potential equity shares.

2.19. PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS

The assessments undertaken in recognising provisions and contingencies have been made in accordance with the applicable Ind AS. Provisions, contingent liabilities, contingent assets and commitments are reviewed at each balance sheet date and are adjusted to reflect the current best estimate.

2.19.1. PROVISIONS

Provisions represent liabilities to the Company for which the amount or timing is uncertain. Provisions are recognized when the Company has a present obligation (legal or constructive), as a result of past events, and it is probable that an outflow of resources, that can be reliably estimated, will be required to settle such an obligation.

If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows to net present value using an appropriate pre-tax discount rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability. Unwinding of the discount is recognized in the statement of profit and loss as a finance cost.

2.19.2. CONTINGENT LIABILITIES

In the normal course of business, contingent liabilities may arise from litigation and other claims against the Company. Guarantees are also provided in the normal course of business. There are certain obligations which management of the Company has concluded, based on all available facts and circumstances, are not probable of payment or are very difficult to quantify reliably, and such obligations are treated as contingent liabilities and disclosed in the notes but are not reflected as liabilities in the financial statements. Although there can be no assurance regarding the final outcome of the legal proceedings in which the Company involved, it is not expected that such contingencies will have a material effect on its financial position or profitability.

2.19.3. CONTINGENT ASSETS

Contingent assets are not recognised but disclosed in the financial statements when an inflow of economic benefits is probable.

2.20. CASH FLOW STATEMENT

Cash flows are reported using indirect method as set out in Ind AS -7 "Statement of Cash Flows", whereby profit/ (loss) before tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

2.21. SEGMENT REPORTING

Operating segments are reported in a manner consistent with the internal reporting to the Chief Operating Decision Maker "CODM" of the Company. The CODM is responsible for allocating resources and assessing performance of the operating segment. The Company has monthly review and forecasting procedure in place and CODM reviews the operations of the Company as a whole.

2.22. CURRENT VERSUS NON-CURRENT CLASSIFICATION

The Company presents assets and liabilities in statement of financial position based on current/non-current classification. The Company has presented non-current assets and current assets before equity, non-current liabilities and current liabilities in accordance with Schedule III, Division II of Companies Act, 2013 notified by MCA.

i. An asset is classified as current when it is:

a) Expected to be realised or intended to be sold or consumed in normal operating cycle,

b) Held primarily for the purpose of trading,

c) Expected to be realised within twelve months after the reporting period, or

d) Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

ii. All other assets are classified as non-current.

iii. A liability is classified as current when it is:

a) Expected to be settled in normal operating cycle,

b) Held primarily for the purpose of trading,

c) Due to be settled within twelve months after the reporting period, or

d) There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

iv. All other liabilities are classified as non-current.

v. The operating cycle is the time between the acquisition of assets for processing and their realisation in cash or cash equivalents.

vi. Deferred tax assets and liabilities are classified as non-current assets and liabilities.

2.23. FAIR VALUE MEASUREMENT

The Company measures financial instruments at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

i. In the principal market for asset or liability, or

ii. In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimizing the use of unobservable inputs.

Other Fair Value related disclosures are given in the relevant notes.

2.24. ROUNDING OFF

All amounts disclosed in the financial statement and notes have been rounded off to the nearest ₹, unless otherwise stated

2.25. EXCEPTIONAL ITEMS

Exceptional items are transactions which due to their size or incidence are separately disclosed to enable a full understanding of the Company's financial performance. Items which may be considered exceptional are significant restructuring charges, gains or losses on disposal of investments of subsidiaries, associate and joint ventures and impairment losses/ write down in the value of investment in subsidiaries, associates and joint ventures and significant disposal of fixed assets.

2.26. SIGNIFICANT MANAGEMENT JUDGEMENT IN APPLYING ACCOUNTING POLICIES AND ESTIMATION UNCERTAINTY

The preparation of Consolidated Financial Statements requires management to make estimates and assumptions that affect the reported balances of assets, liabilities and disclosure of contingent liabilities at the date of the financial statements and reported amounts of income & expenses during the periods. Although these estimates and assumptions used in accompanying financial statements are based upon management's evaluation of relevant facts and circumstances as of date of financial statements which in management's opinion are prudent and reasonable, actual results may differ from estimates and assumptions used in preparing accompanying financial statements. Any revision to accounting estimates is recognized prospectively from the period in which results are known/ materialise in accordance with applicable Indian accounting standards.

Information about estimates and assumptions that have the most significant effect on recognition and measurement of assets, liabilities, income and expenses is provided below.

2.27. SIGNIFICANT MANAGEMENT JUDGEMENTS

The following are Significant Management Judgements in applying the Accounting Policies of the Company that have the most significant effect on the Financial Statements.

2.27.1. PROPERTY, PLANT & EQUIPMENT AND USEFUL LIFE OF PROPERTY, PLANT & EQUIPMENT AND INTANGIBLE ASSETS

On transition to Ind AS, the Company has elected to continue with the carrying value of all of its Intangible Assets recognised as at April 1, 2016 measured as per the previous GAAP and use that carrying value as the deemed cost of the Intangible Assets.

The carrying value of property, plant and equipment is arrived at by depreciating the assets over the useful life of assets. The estimate of useful life is reviewed at the end of each financial year and changes are accounted for prospectively.

2.27.2. EVALUATION OF INDICATORS FOR IMPAIRMENT OF ASSETS

The evaluation of applicability of indicators of impairment of assets requires assessment of several external and internal factors which could result in deterioration of recoverable amount of the assets.

2.27.3. EVALUATION OF LEASE OF LAND AS FINANCE LEASE OR OPERATING LEASE

One important consideration for evaluating lease of land is that land has an indefinite economic life and it is expected that the value of land generally appreciates. Where in substance there is no transfer of risks and rewards, it should be considered as an operating lease. Some of the indicators to consider in the overall context of whether there is transfer of risks and rewards incidental to ownership include the lessee's ability to renew lease for another term at substantially below market rent, lessee's option to purchase at price significantly below fair value etc..

Accordingly, classification as operating or finance lease requires exercise of judgement based on evaluation of facts and circumstances in each case, while considering the indicators envisaged as above.

2.28. ESTIMATION UNCERTAINTY

Information about estimates and assumptions that have the most significant effect on recognition and measurement of assets, liabilities, income and expenses is provided below.

2.28.1. REVENUE RECOGNITION

Where revenue contracts include deferred payment terms, the management of Company determines the fair value of consideration receivable using the expected collection period and interest rate applicable to similar instruments with a similar credit rating prevailing at the date of transaction.

2.28.2. FAIR VALUE MEASUREMENT OF FINANCIAL INSTRUMENT

When the fair value of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using various valuation techniques. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as Liquidity Risk, Credit Risk and Volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

2.28.3. IMPAIRMENT OF FINANCIAL ASSETS

The impairment provisions of financial assets are based on assumptions about risk of default and expected loss rates. The Company uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on Company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

2.28.4. RECOVERABILITY OF ADVANCES/ RECEIVABLES

The Company from time to time review the recoverability of advances and receivables. The review is done at least once in a financial year and such assessment requires significant management judgement based on financial position of the counter-parties, market information and other relevant factors.

2.28.5. INCOME TAXES

Uncertainties exist with respect to the interpretation of complex tax regulations, changes in tax laws, and the amount and timing of future taxable income. Given the wide range of business relationships and the long term nature and complexity of existing contractual agreements, differences arising between the actual results and the assumptions made, or future changes to such assumptions, could necessitate future adjustments to tax income and expense already recorded. The Company establishes provisions, based on reasonable estimates. The amount of such provisions is based on various factors, such as experience of previous tax audits and differing interpretations of tax regulations by the taxable entity and the responsible tax authority. Such differences of interpretation may arise on a wide variety of issues depending on the conditions prevailing in the respective domicile of the companies.

2.28.6. PROVISIONS AND CONTINGENCIES

Management judgement is required for estimating the possible outflow of resources, if any, in respect of contingencies/claim/litigations against the Company as it is not possible to predict the outcome of pending matters with accuracy.

2.28.7. DEFINED BENEFIT OBLIGATION (DBO)

Management's estimate of the DBO is based on a number of critical underlying assumptions such as standard rates of inflation, medical cost trends, mortality, discount rate and anticipation of future salary increases. Variation in these assumptions may impact the DBO amount and the annual defined benefit expenses.

2.29. STANDARDS ISSUED BUT NOT EFFECTIVE

2.29.1. IND AS 115- REVENUE FROM CONTRACT WITH CUSTOMERS

On 28th March 2018, Ministry of Corporate Affairs ("MCA") has notified the Ind AS 115, Revenue from Contract with Customers. The core principle of the new standard is that an entity should recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Further the new standard requires enhanced disclosures about the nature, amount, timing and uncertainty of revenue and cash flows arising from the entity's contracts with customers.

The standard permits two possible methods of transition:

- **Retrospective method -** Under this approach the standard will be applied retrospectively to each prior reporting period presented in accordance with Ind AS 8- Accounting Policies, Changes in Accounting Estimates and Errors.
- **Cumulative effect method -** Under this method, an entity would recognise the impact of the new standard from the date of initial application with no requirement to restate the comparative period

The effective date for adoption of Ind AS 115 is financial periods beginning on or after April 1, 2018.

The Company will adopt the standard on April 1, 2018 by using the Cumulative effect method and accordingly comparatives for the year ending or ended March 31, 2018 will not be retrospectively adjusted.

The effect on adoption of Ind AS 115 is expected to be insignificant.

Consolidated Statement of Changes in Equity As at March 31, 2018

A Equity Share Capital

(All amounts in ₹ unless stated otherwise)

Particulars		Balance at the beginning of the Reporting Period (₹)	Changes in Equity Share Capital during the year (₹)	Balance at the end of Reporting Period (₹)
Balance as at April 1, 2016	Numbers	1,93,63,595	-	1,93,63,595
		19,36,35,950	-	19,36,35,950
Balance as at March 31, 2017	Numbers	1,93,63,595	-	1,93,63,595
		19,36,35,950	-	19,36,35,950
Balance as at March 31, 2018	Numbers	1,93,63,595	-	**1,93,63,595**
		19,36,35,950	-	**19,36,35,950**

B Other Equity

(All amounts in ₹ unless stated otherwise)

PARTICULARS	RESERVES AND SURPLUS						OTHER COMPREHENSIVE INCOME (OCI)		TOTAL
	CAPITAL RESERVE	SECURITIES PREMIUM ACCOUNT	REVALUATION RESERVE	PROPERTY RESERVE	GENERAL RESERVE	RETAINED EARNINGS	REMEASUREMENT OF DEFINED BENEFIT PLANS	EQUITY INSTRUMENTS THROUGH OCI	
Balance as at April 1, 2016	**6,10,050**	**8,88,40,900**	**25,95,37,826**	**6,18,87,867**	**43,02,05,227**	**(13,67,66,348)**	**3,21,302**	**2,475**	**70,46,39,299**
Profit/ (Loss) for the period	-	-	-	-	-	(1,62,79,130)	-	-	(1,62,79,130)
Other Comprehensive Income (OCI)	-	-	-	-	-	-	1,98,722	98,033	2,96,755
Income Tax on Items of OCI	-	-	-	-	-	-	(61,405)	-	(61,405)
Other Transfers	-	-	-	(6,18,87,867)	6,18,87,867	-	-	-	-
Balance as at March 31, 2017	**6,10,050**	**8,88,40,900**	**25,95,37,826**	**-**	**49,20,93,094**	**(15,30,45,478)**	**4,58,619**	**1,00,508**	**68,85,95,519**
Profit/ (Loss) for the period	-	-	-	-	-	(1,26,83,839)	-	-	(1,26,83,839)
Other Comprehensive Income (OCI)	-	-	-	-	-	-	6,57,705	(1,27,598)	5,30,107
Income Tax on Items of OCI	-	-	-	-	-	0	(1,42,578)	-	(1,42,578)
Balance as at March 31, 2018	**6,10,050**	**8,88,40,900**	**25,95,37,826**	**-**	**49,20,93,094**	**(16,57,29,317)**	**9,73,746**	**(27,090)**	**67,62,99,209**

Summary of Significant Accounting Policies and Other Explanatory Information Note 1 to 44

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

ARTI GUPTA
Joint Managing Director
DIN : 00023237

ARUN MITTER
Executive Director
DIN : 00022941

As per our Report of even date attached
For JAGDISH CHAND & CO.
Chartered Accountants
(ICAI Firm Reg. No: 000129N)

BHARAT KUMAR
Non Executive Independent Director
DIN: 01090141

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

(Praveen Kumar Jain)
Partner
Membership No. 085629

Place: New Delhi
Date: May 28, 2018

Note -03

Property, Plant and Equipment

Details of the Company's Property, Plant and Equipment and reconciliation of their carrying amounts from beginning to end of reporting period are as follows:

(All amounts in ₹ unless stated otherwise)

Particulars	Leasehold Land	Freehold Land	Freehold Land & Buildings	Leasehold Land & Buildings	Vehicles	Furniture and fixtures	Computers	Office Equipment	Lifts	Electric installation	Total
Deemed cost											
Balance as at April 1, 2016	11,14,43,394	13,12,05,451	63,88,304	52,22,374	88,82,718	2,47,258	1,05,230	2,49,298	2,02,703	64,83,195	27,04,29,925
Additions	-	-	-	-	15,47,859	-	8,000	17,692	-	57,776	16,31,327
Disposals	-	-	-	-	25,00,000	-	-	-	-	-	25,00,000
Balance as at March 31, 2017	**11,14,43,394**	**13,12,05,451**	**63,88,304**	**52,22,374**	**79,30,577**	**2,47,258**	**1,13,230**	**2,66,990**	**2,02,703**	**65,40,971**	**26,95,61,252**
Additions/Adjustments	-	-	-	-	27,27,591	-	2,26,368	3,79,453	12,62,338	2,51,959	48,47,709
Disposals	-	-	-	-	-	-	-	-	-	-	-
Balance as at March 31, 2018	**11,14,43,394**	**13,12,05,451**	**63,88,304**	**52,22,374**	**1,06,58,168**	**2,47,258**	**3,39,598**	**6,46,443**	**14,65,041**	**67,92,930**	**27,44,08,961**
Accumulated depreciation Balance as at April 1, 2016											-
Depreciation expense	-	-	1,48,932	2,85,142	28,48,545	80,956	19,865	12,860	2,842	15,22,628	49,21,770
Elimination on disposals of assets	-	-	-	-	21,33,946	-	-	-	-	-	21,33,946
Balance as at March 31, 2017	**-**	**-**	**1,48,932**	**2,85,142**	**7,14,599**	**80,956**	**19,865**	**12,860**	**2,842**	**15,22,628**	**27,87,824**
Depreciation expense	-	-	1,45,339	2,69,573	27,58,011	49,051	1,20,335	61,167	64,096	11,17,775	45,85,347
Elimination on disposals of assets	-	-	-	-	-	-	-	-	-	-	-
Balance as at March 31, 2018	**-**	**-**	**2,94,271**	**5,54,715**	**34,72,610**	**1,30,007**	**1,40,200**	**74,027**	**66,938**	**26,40,403**	**73,73,171**
Net carrying amount											
Balance as at April 1, 2016	11,14,43,394	13,12,05,451	63,88,304	52,22,374	88,82,718	2,47,258	1,05,230	2,49,298	2,02,703	64,83,195	27,04,29,925
Balance as at March 31, 2017	11,14,43,394	13,12,05,451	62,39,372	49,37,232	72,15,978	1,66,302	93,365	2,54,130	1,99,861	50,18,343	26,67,73,428
Balance as at March 31, 2018	**11,14,43,394**	**13,12,05,451**	**60,94,033**	**46,67,659**	**71,85,558**	**1,17,251**	**1,99,398**	**5,72,416**	**13,98,103**	**41,52,527**	**26,70,35,790**

Note 3 A

Refer Note No 17 A for Property, Plant & Equipment pledged as security.

Note -04

Investment Property (At Cost)

(All amounts in ₹ unless stated otherwise)

Particulars	Freehold Land & Buildings	Leasehold Land & Buildings	Land	Total
Deemed cost				
Balance as at April 1, 2016	2,34,57,830	9,50,62,557	9,66,33,500	21,51,53,887
Additions	-	-	-	-
Disposals	-	-	-	-
Balance as at March 31, 2017	**2,34,57,830**	**9,50,62,557**	**9,66,33,500**	**21,51,53,887**
Additions/Adjustments	-	7,24,27,472	-	7,24,27,472
Disposals	-	-	-	-
Balance as at March 31, 2018	**2,34,57,830**	**16,74,90,029**	**9,66,33,500**	**28,75,81,359**
Accumulated depreciation				
Balance as at April 1, 2016	-			
Depreciation expense	13,57,034	62,36,834	-	75,93,868
Elimination on disposals of assets	-	-	-	-
Balance as at March 31, 2017	**13,57,034**	**62,36,834**	**-**	**75,93,868**
Depreciation expense	12,76,885	58,73,082	-	71,49,967
Elimination on disposals of assets	-	-	-	-
Balance as at March 31, 2018	**26,33,919**	**1,21,09,916**	**-**	**1,47,43,835**
Net carrying amount				
Balance as at April 1, 2016	2,34,57,830	9,50,62,557	9,66,33,500	21,51,53,887
Balance as at March 31, 2017	2,21,00,796	8,88,25,723	9,66,33,500	20,75,60,019
Balance as at March 31, 2018	**2,08,23,911**	**15,53,80,113**	**9,66,33,500**	**27,28,37,524**

Note -04 A

Amounts recognised in Profit & Loss for Investment Properties:

(All amounts in ₹ unless stated otherwise)

Particulars	For the year ended on March 31, 2018	For the year ended on March 31, 2017
Rental Income	10,55,55,212	13,21,85,144
Direct Operating Expenses from property generating Rental Income (including Repair and Maintenance)	68,76,680	2,43,09,707
Profit from Investment Properties before depreciation	**9,86,78,532**	**10,78,75,437**
Depreciation	71,49,967	75,93,868
Profit from Investment Properties	**9,15,28,565**	**10,02,81,569**

Note -04 B

Leasing Arrangements

Certain Investment Properties are leased to tenants under long-term operating leases with rentals payable monthly (Refer Note 32). Future minimum lease payments receivable under long-term operating leases of Investment Properties in the aggregate is ₹ 75,04,97,685/- (Previous Year ₹ 85,60,52,897/-) and for each of the following period:

(All amounts in ₹ unless stated otherwise)

Particulars	As at March 31, 2018	As at March 31, 2017
Within one year	10,44,28,043	10,55,55,212
Later than one year but not later than 5 years	38,33,16,528	40,02,74,759
Later than 5 years	26,27,53,114	35,02,22,926

Note -04 C

Fair value

(All amounts in ₹ unless stated otherwise)

Particulars	Fair Value Hierarchy	As at March 31, 2018
Buildings	**Level 3**	**1,76,24,68,587**

Description of Valuation Techniques used and key inputs to Valuation on Investment Properties:

Valuation Approach - Rental or Capitilisation Method: Rental method of valuation consists in capitilising the Net Annual Rental Income (NARI) at an appropriate rate of interest or rate of capitilisation. Net annual rent income equals to Gross Annual Rental Income (GARI) minus outgoings like Property Tax, repairs, maintenance, Service Charges, Insurance Premium, Rent Collection and Management Charges etc.

Note -04 D

Refer Note No 17 A for Property, Plant & Equipment pledged as security.

Note -05

(All amounts in ₹ unless stated otherwise)

INVESTMENTS - NON CURRENT	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
INVESTMENT IN EQUITY INSTRUMENTS :			
Investments at Fair Value Through Oci			
- Investment in Others Companies	2,02,413	3,30,011	2,31,978
INVESTMENT IN ASSOCIATES			
Investments at Cost			
- Investment in Associates Companies	9,05,05,731	9,05,05,731	9,05,05,731
OTHER INVESTMENTS:			
Investments at Fair Value Through Profit & Loss			
- Shares in Cooperative Societies	-	500	500
Gross Investments	**9,07,08,144**	**9,08,36,242**	**9,07,38,209**
Aggregate amount of impairment in value of investments			
- Impairment in value of Investments	5,42,80,249	4,78,26,976	3,07,99,929
Net Investments	**3,64,27,895**	**4,30,09,266**	**5,99,38,280**

Note -05 A

(All amounts in ₹ unless stated otherwise)

PARTICULARS	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
(a) Aggregate Amount of Quoted Investments - Cost	9,16,23,308	9,16,23,308	9,16,23,308
(b) Aggregate Amount of Quoted Investments - Market Value	5,38,71,464	5,64,87,836	5,99,37,780
(c) Aggregate Amount of Unquoted Investments	-	500	500
(d) Aggregate Amount of Impairment in Value of Investments	5,42,80,249	4,78,26,976	3,07,99,929

Note -05 B Details of Investment in Equity Shares (Quoted)

(All amounts in ₹ unless stated otherwise)

PARTICULARS	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Investment in Equity Shares of Company			
Method of Valuation: Fair Value through OCI			
i) Metal Box India Limited - 1,200 equity shares of ₹ 10 each, fully paid up	1	1	1
ii) Rajasthan Breweries Ltd - 4,700 equity shares of ₹ 10 each, fully paid up	1	1	1
iii) Sri Ramakrishna Mills(CBE) Limited - 15000 equity shares of ₹ 10 each, fully paid up	1,81,800	2,92,500	2,20,500
iv) MTZ (India) Limited - 10000 equity shares of ₹ 10 each, fully paid up	1	1	1
v) Mawana Sugars Limited - 450 equity shares of ₹ 10 each, fully paid up	20,610	37,508	11,475
Total	**2,02,413**	3,30,011	2,31,978

Note -05 C Detail of Trade Investments in Associates (Quoted)

(All amounts in ₹ unless stated otherwise)

PARTICULARS	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Investment in Equity Shares of Company			
Method of Valuation: At Cost			
Companies under the same management			
i) Jayabharat Credit Limited - 2,172,300 equity shares of ₹ 10 each, fully paid up	2,93,16,380	2,93,16,380	2,93,16,380
ii) India Lease Development Limited - 4,608,840 equity shares of ₹ 10 each, fully paid up	6,11,89,351	6,11,89,351	6,11,89,351
Total At Cost	**9,05,05,731**	**9,05,05,731**	**9,05,05,731**
Less: Impairment in value of Investments	3,07,99,929	3,07,99,929	3,07,99,929
Total	**5,97,05,802**	**5,97,05,802**	**5,97,05,802**
Less: Share of Profit & (Loss) as per Equity Consolidation	(39,26,879)	(80,58,690)	**-**
Less: Impairment in value of Investments on Consolidation as per IND AS 36	(1,95,53,441)	(89,68,357)	-
Total Investment in Associates	**3,62,25,482**	**4,26,78,755**	**5,97,05,802**

Note -05 D Detail of Trade Investments in Shares in Cooperative Societies (Unquoted)

(All amounts in ₹ unless stated otherwise)

PARTICULARS	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Shares in Cooperative Societies			
Method of Valuation: At Cost			
i) Atlanta Premises Cooperative Society Ltd. - 50 shares of ₹ 10 each	-	500	500
Total	**-**	500	500

Note -06

(All amounts in ₹ unless stated otherwise)

LOANS (NON CURRENT)	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Unsecured: Considered Good			
Security Deposits	41,37,030	30,90,039	30,90,039
Total	**41,37,030**	30,90,039	30,90,039

Note -07

Deferred Tax Asset/ (Liabilities)

The balance comprises temporary differences attributable to :

(All amounts in ₹ unless stated otherwise)

DEFERRED TAX ASSET/ (LIABILITIES)	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Deferred tax liability :			
- Depreciation on PPE	4,08,439	7,30,182	10,92,210
- Other timing differences	51,28,261	86,01,586	97,16,652
Total deferred tax liabilities	**55,36,700**	93,31,768	1,08,08,862
Deferred tax Asset :			
- Depreciation on Investment Properties	37,96,538	23,46,505	-
- Liabilities / provisions that are deducted for tax purposes when paid	44,41,598	42,37,648	46,11,667
- Business Loss			-
- Impairment of Investment	1,39,77,164	1,47,78,536	95,17,178
- Other timing differences	1,69,359	61,405	-
Total deferred tax assets	2,23,84,659	2,14,24,094	1,41,28,845
Net deferred tax assets/ (liabilities)	**1,68,47,959**	**1,20,92,326**	**33,19,983**

Note -07 A

Movement in Deferred Tax Assets

(All amounts in ₹ unless stated otherwise)

PARTICULARS	IMPAIRMENT OF INVESTMENTS	LIABILITIES / PROVISIONS THAT ARE DEDUCTED FOR TAX PURPOSES WHEN PAID	CARRIED FORWARD BUSINESS LOSS
As at April 1, 2016	95,17,178	46,11,667	-
(Charged)/credited :			
to Profit and Loss	52,61,358	(3,74,019)	-
to other comprehensive income	-	-	-
to Equity	-	-	-
As at March 31, 2017	1,47,78,536	42,37,648	-
(Charged)/credited :			
to Profit and Loss	(8,01,372)	2,03,950	-
to other comprehensive income	-	-	-
to Equity	-	-	-
As at March 31, 2018	**1,39,77,164**	**44,41,598**	**-**

contd..

PARTICULARS	DEPRECIATION ON INVESTMENT PROPERTIES	OTHER ITEMS	TOTAL DEFERRED TAX ASSETS
As at April 1, 2016	-	99,282	1,42,28,127
(Charged)/credited :			
to Profit and Loss	23,46,505	(37,877)	71,95,967
to Other Comprehensive Income	-	-	-
to Equity	-	-	-
As at March 31, 2017	23,46,505	61,405	2,14,24,094
(Charged)/credited :			
to Profit and Loss	14,50,033	1,07,954	9,60,565
to Other Comprehensive Income	-	-	-
to Equity	-	-	-
As at March 31, 2018	**37,96,538**	**1,69,359**	**2,23,84,659**

Note -07 B

Movement in Deferred Tax Liabilities

(All amounts in ₹ unless stated otherwise)

PARTICULARS	DEPRECIATION ON PPE	OTHER ITEMS	TOTAL DEFERRED TAX LIABILITIES
As at April 1, 2016	10,92,210	98,15,935	1,09,08,145
(Charged)/credited :			
to Profit and Loss	(3,62,028)	(12,75,753)	(16,37,781)
to other comprehensive income	-	61,405	61,405
to Equity	-	-	-
As at March 31, 2017	7,30,182	86,01,587	93,31,769
(Charged)/credited :			
to Profit and Loss	(3,21,743)	(36,15,904)	(39,37,647)
to other comprehensive income	-	1,42,578	1,42,578
to Equity	-	-	-
As at March 31, 2018	**4,08,439**	**51,28,261**	**55,36,700**

Note -07 C

Unused Tax Losses & Credit not Recognised in Deffered Tax

(All amounts in ₹ unless stated otherwise)

Unused Tax Losses & Tax Credit not Recognised	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Long Term Capital Loss not recognised	46,63,062	24,63,062	24,63,062
Expiry Year	Upto FY 2026-27	Upto FY 2021-22	Upto FY 2021-22
Business Loss not recognised	2,05,63,224	2,36,12,878	-
Expiry Year	N.A	N.A	N.A
MAT Credit not Recognised	8,62,61,566	8,62,61,566	8,62,61,566
Expiry Year	Upto FY 2024-25	Upto FY 2024-25	Upto FY 2023-24

Note -08

(All amounts in ₹ unless stated otherwise)

INVENTORIES	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Commercial Project	92,42,17,428	89,77,17,423	89,02,28,235
Total	**92,42,17,428**	89,77,17,423	89,02,28,235

Note -09

(All amounts in ₹ unless stated otherwise)

TRADE RECEIVABLES	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Unsecured:			
- Considered Good	4,04,29,743	2,82,06,215	1,39,30,905
Gross Trade Receivables	**4,04,29,743**	2,82,06,215	1,39,30,905
Impairment Allowance :			
- Unsecured, Considered Good	-	-	-
Total Impairment Allowance	**-**	**-**	**-**
Net Trade Receivables	**4,04,29,743**	2,82,06,215	1,39,30,905

Note -10

(All amounts in ₹ unless stated otherwise)

CASH & CASH EQUIVALENTS	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Cash in Hand			
- Cash in Hand	86,806	45,533	10,86,987
Bank Balances			
- Balances with Banks in Current Account	16,12,713	19,21,422	13,59,012
- Cheques in Hand	-	-	2,00,000
- Flexi Deposits upto 3 months Original Maturity *	20,49,250	1,15,05,340	84,36,266
Total	**37,48,769**	1,34,72,295	1,10,82,265
* Includes Fixed Deposits with Banks under Lien against bank guarantees to government authorities	35,340	35,340	1,56,884

Note -11

(All amounts in ₹ unless stated otherwise)

BANK BALANCE OTHER THAN ABOVE	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Other Bank Balances			
- Balances with Banks in Unpaid Dividend Account	8,61,682	23,77,621	23,79,553
- Fixed Deposits having Original Maturity more than 3 months. *	2,68,500	13,99,415	15,69,277
Total	**11,30,182**	37,77,036	39,48,830
* Includes Fixed Deposits with Banks under Lien against bank guarantees to government authorities	2,68,500	2,68,500	3,19,779

Note -12

(All amounts in ₹ unless stated otherwise)

LOANS (CURRENT)	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Inter Corporate Deposits with Related Parties			
Unsecured: Considered Good			
- Jayabharat Credit Limited	-	12,90,00,000	16,50,00,000
Total	**-**	12,90,00,000	16,50,00,000

Note -12 A

Disclosure pursuant to Regulation 34(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015

Jaya Bharat Credit Limited	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Maximum Outstanding Balance during the year (At Fair Value) & At Cost	12,90,00,000	16,50,00,000	16,50,00,000
Investments by Loan in Equity shares of Company	NIL	NIL	NIL

Note -13

(All amounts in ₹ unless stated otherwise)

OTHER FINANCIAL ASSETS	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Accrued Interest on			
- Intercorporate Deposits with Jayabharat Credit Limited	-	27,37,629	58,58,651
- Bank Deposits	84,899	90,017	31,055
Total	**84,899**	28,27,646	58,89,706

Note -14

(All amounts in ₹ unless stated otherwise)

CURRENT TAX ASSETS (NET)	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Advance Income Tax	2,31,12,662	2,91,56,565	2,66,72,638
Less: Provision of Taxation	-	-	-
Total	**2,31,12,662**	2,91,56,565	2,66,72,638

Note -15

(All amounts in ₹ unless stated otherwise)

OTHER CURRENT ASSETS	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Advance to Employees	5,70,500	4,20,989	6,13,889
Other Advances & Recoverables	19,11,029	17,91,535	33,05,973
Prepaid Expenses	9,12,334	10,25,864	10,62,984
Balances with Government Authorities	97,746	960	16,015
Total	**34,91,609**	32,39,348	49,98,861

Note -16

(All amounts in ₹ unless stated otherwise)

EQUITY SHARE CAPITAL	As at March 31, 2018		As at March 31, 2017		As at April 1, 2016	
	NUMBER	AMOUNT	NUMBER	AMOUNT	NUMBER	AMOUNT
Authorised:						
Equity Shares of ₹ 10/- (Previous Year ₹ 10) each	5,00,00,000	50,00,00,000	5,00,00,000	50,00,00,000	5,00,00,000	50,00,00,000
Issued, subscribed and paid up:						
Fully paid up Equity Shares of ₹10/- (Previous Year ₹ 10) each	1,93,63,595	19,36,35,950	1,93,63,595	19,36,35,950	1,93,63,595	19,36,35,950
Total	**1,93,63,595**	**19,36,35,950**	**1,93,63,595**	**193,635,950**	**1,93,63,595**	**19,36,35,950**

Note -16 A

(All amounts in ₹ unless stated otherwise)

EQUITY SHARE CAPITAL	As at March 31, 2018		As at March 31, 2017		As at April 1, 2016	
	NUMBER	AMOUNT	NUMBER	AMOUNT	NUMBER	AMOUNT
Shares outstanding at the beginning of the year	1,93,63,595	19,36,35,950	1,93,63,595	19,36,35,950	1,93,63,595	19,36,35,950
Add : Shares issued during the year	-	-	-	-	-	-
Shares outstanding at the end of the year	**1,93,63,595**	**19,36,35,950**	**1,93,63,595**	**19,36,35,950**	**1,93,63,595**	**19,36,35,950**

Note -16 B Shareholders holding more than 5% of fully paid-up equity shares:

(All amounts in ₹ unless stated otherwise)

NAME	As at March 31, 2018		As at March 31, 2017		As at April 1, 2016	
	NO. OF SHARES	%	NO. OF SHARES	%	NO. OF SHARES	%
Equity shares of ₹ 10/- each fully paid up						
Bahubali Services Limited	40,94,800	21.15	40,94,800	21.15	40,94,800	21.15
Shri Rajiv Gupta & Smt. Arti Gupta	22,71,865	11.73	22,71,865	11.73	22,71,865	11.73
Smt. Arti Gupta & Shri Rajiv Gupta	9,81,000	5.07	9,81,000	5.07	9,81,000	5.07

Note -16 C

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.

Note -16 D

Reserves and Surplus

Nature and purpose of Other Reserves

CAPITAL RESERVE

The reserve was created on merger of companies under common control.

SECURITIES PREMIUM ACCOUNT

The amount received in excess of face value of the equity shares is recognised in Securities Premium Reserve. In case of equity-settled share based payment transactions, the difference between fair value on grant date and nominal value of share is accounted as securities premium reserve.

REVALUATION RESERVE

When the value of fixed assets in written up in the books of account of a company on revaluation, a corresponding credit is given to the Revaluation Reserve. Such reserve represents the difference between the estimated present market values and the book values of the fixed assets.

PROPERTY RESERVE

When the value of Investment Property is depreciated, a corresponding credit is given to Property Reserve. The reserve was transferred to General Reserve in FY 2016-17.

RETAINED EARNINGS

Retained earnings are the profits that the Company has earned till date, less any transfers to general reserve, dividends or other distributions paid to shareholders.

GENERAL RESERVE

General Reserve represents the statutory reserve, this is in accordance with Corporate law wherein a portion of profit is apportioned to general reserve. Under Companies Act, 1956 it was mandatory to transfer amount before a company can declared dividend, however under Companies Act, 2013 transfer of any amount to General Reserve is at the discretion of the Company.

OTHER COMPREHENSIVE INCOME

Other Comprehensive Income Reserve represents the balance in equity for items to be accounted in Other Comprehensive Income. OCI is classified into i). Items that will not be reclassified to profit and loss ii). Items that will be reclassified to profit and loss.

Note -17

(All amounts in ₹ unless stated otherwise)

Financial Liabilities	As at March 31, 2018		As at March 31, 2017		As at April 1, 2016	
	Non-Current	Current	Non-Current	Current	Non-Current	Current
Borrowing						
Term Loan						
Secured :						
From Bank	-	-	20,64,69,893	1,40,82,658	22,05,52,551	7,64,29,607
Unsecured :						
From Others	-	18,41,28,464	17,53,12,198	-	11,56,09,114	-
Vehicle Loan						
Secured :						
From Others	14,35,711	22,35,327	36,71,038	20,83,714	57,54,752	19,01,024
Total	**14,35,711**	**18,63,63,791**	38,54,53,129	1,61,66,372	34,19,16,417	7,83,30,631
Current Maturities of Long Term Borrowing		**18,63,63,791**		1,61,66,372		7,83,30,631
Total	**14,35,711**	**-**	38,54,53,129	-	34,19,16,417	-

Note -17 A

(a) Term Loan from Bank is 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. This term loan is repayable by way of monthly instalments and the rate of interest ranging from 9.50% to 13.00 %.

(b) Term loan from other is secured against the securities of mutual funds, shares etc. held by the directors and there family members and group entities. The rate of interest is ranging from 9.00% to 12.25%.

(c) Vehicle Loan from NBFC is secured against hypothecation of vehicle and personal guarantee of one of the directors of the Company. This loan is repayable by way of monthly instalments and rate of interest is 9.80 %.

Note -18

(All amounts in ₹ unless stated otherwise)

OTHER FINANCIAL LIABILITIES	As at March 31, 2018		As at March 31, 2017		As at April 1, 2016	
	Non-Current	Current	Non-Current	Current	Non-Current	Current
Security Deposits	3,23,28,510	-	3,01,13,181	-	2,81,54,415	2,45,00,000
Current Maturities of Long Term Borrowing	-	18,63,63,791	-	1,61,66,372	-	7,83,30,631
Interest accrued but not due on Loans	-	16,854	-	24,96,533	-	17,88,279
Bank book overdraft	-	11,48,165	-	1,72,03,519	-	31,91,538
Advances from Others	-	2,01,63,381	-	2,00,29,991	-	2,26,09,979
Advances from related parties*	-	25,57,52,500	-	21,22,52,000	-	19,00,00,000
Unclaimed Dividend**	-	8,61,682	-	23,77,621	-	23,79,553
Other liabilities	-	91,02,091	-	1,45,63,760	-	2,07,44,796
Total	**3,23,28,510**	**47,34,08,464**	3,01,13,181	28,50,89,796	2,81,54,415	34,35,44,776

* For Advances from Related Parties refer Note No. 33

** In respect of Unclaimed Dividend, the amount is due for credit to Investor Education and Protection Fund on November 4, 2018.

Note -19

(All amounts in ₹ unless stated otherwise)

OTHER LIABILITIES	As at March 31, 2018		As at March 31, 2017		As at April 1, 2016	
	Non-Current	Current	Non-Current	Current	Non-Current	Current
Statutory dues	-	23,75,481	-	14,52,132	-	9,28,053
Advance against sale of property	16,50,00,000	-	-	-	-	-
Advance Revenue on Security Deposit	1,45,73,459	-	1,71,67,095	-	1,97,60,732	-
Advances for Projects	-	1,71,95,783	-	1,69,08,478	-	1,73,95,786
Other Liabilities	-	-	-	77,92,254	-	87,83,637
Total	**17,95,73,459**	**1,95,71,264**	1,71,67,095	2,61,52,864	1,97,60,732	2,71,07,476

Note -20

(All amounts in ₹ unless stated otherwise)

PROVISIONS	As at March 31, 2018		As at March 31, 2017		As at April 1, 2016	
	Non-Current	Current	Non-Current	Current	Non-Current	Current
Provisions for Employee Benefits :						
Compensated Absences	7,98,666	4,91,656	8,30,058	3,85,391	8,75,148	4,89,352
Gratuity	72,74,910	86,83,691	65,09,587	59,89,036	66,99,697	68,60,292
Total	**80,73,576**	**91,75,347**	73,39,645	63,74,427	75,74,845	73,49,644

For movements in each class of Provision during the Financial Year (Refer Note 20A & 20B)

Disclosure under Ind AS -37 on “Provisions, Contingent Liabilities and Contingent Assets”:

Movement in Provisions

Note - 20 A

Movements in each class (Current & Non Current) of provision during the financial year, are set out below:

(All amounts in ₹ unless stated otherwise)

Particular	Gratuity	Compensated Absences
As at March31, 2017	1,24,98,623	12,15,449
Provision made during the year	38,50,843	1,10,073
Less : Paid during the year	3,90,865	35,200
As at March 31, 2018	**1,59,58,601**	12,90,322

Note - 20 B

The Company has adopted Indian Accounting Standard (Ind AS) - 19 on Employee Benefit as under :

Gratuity

The Company has a defined benefit gratuity plan. Every employee who has rendered continuous service of five years or more is entitled to get gratuity on superannuation, resignation, termination, disablement or on death in accordance with Gratuity Act 1972. The liability for the same is recognised on the basis of actuarial valuation.

Compensated Absences

The Company has a other long term benefit plan for Earned Leave Encashment. Provision for Encashment of Earned Leave equivalent to maximum of 60 days (basic pay plus dearness allowance) is provided at the year end and charged to Statement of Profit & Loss. The liability for the year 2017-18 is accounted for on the basis of Actuarial Valuation.

a) **The amounts recognized in the Balance Sheet is as under:**

Particulars	Period	Gratuity	Compensated Absences
Present value of obligations as at the end of year	2017-18	1,59,58,601	12,90,322
	2016-17	1,24,98,623	12,15,449
Funded status	2017-18	(1,59,58,601)	(12,90,322)
	2016-17	(1,24,98,623)	(12,15,449)
Net Assets/(Liability) recognized in balance sheet	2017-18	1,59,58,601	12,90,322
	2016-17	1,24,98,623	12,15,449
Company's best estimate of expense for the next Annual reporting period		**18,71,718**	1,16,496

b) **Expense recognized in Statement of Profit and Loss is as under:**

Particulars	Period	Gratuity	Compensated Absences
Current Service Cost	2017-18	5,93,726	-
	2016-17	5,16,556	-
Past Service Cost	2017-18	30,77,414	-
	2016-17	-	-
Interest Cost on Defined Benefit Obligation	2017-18	8,37,408	81,435
	2016-17	10,30,559	1,03,702
Net Actuarial (Gain) / Loss recognized in the period	2017-18	6,57,705	-
	2016-17	1,98,722	-
Expenses recognized in Statement of Profit and Loss	2017-18	45,08,548	1,10,073
	2016-17	15,47,125	1,37,949

c) **Expenses recognized in Other Comprehensive Income is as under:**

Particulars	Period	Gratuity	Compensated Absences
Actuarial (Gains)/Loss on Defined Benefit Obligation	2017-18	(6,57,705)	-
	2016-17	(1,98,722)	-
Unrecognized actuarial (Gain)/Loss recognized in Other Comprehensive Income	2017-18	(6,57,705)	-
	2016-17	(1,98,722)	-

d) **Reconciliation of Opening and Closing balances of Defined Benefit Obligation is as under:**

Particulars	Period	Gratuity	Compensated Absences
Present Value of Obligations as at beginning of year	2017-18	1,24,98,623	12,15,449
	2016-17	1,35,59,989	13,64,500
Interest Cost	2017-18	8,37,408	81,435
	2016-17	10,30,559	1,03,702
Current Service Cost	2017-18	5,93,726	-
	2016-17	5,16,556	-
Actuarial (Gains)/Losses arising from Changes in Demographic Assumptions	2017-18	-	-
	2016-17	-	-

Changes in Financial Assumptions	2017-18	(2,13,504)	(24,345)
	2016-17	3,35,801	43,391
Experience Adjustments	2017-18	(4,44,201)	52,983
	2016-17	(5,34,523)	(9,144)
Past Service Cost	2017-18	30,77,414	-
	2016-17	-	-
Benefits Paid	2017-18	(3,90,865)	(35,200)
	2016-17	(24,09,769)	(2,87,000)
Present value of obligations as at end of year	2017-18	1,59,58,601	12,90,322
	2016-17	1,24,98,623	12,15,449

e) **Actuarial Assumptions are as under:**

Particulars	**Period**	**Gratuity**	**Compensated Absences**
Discount Rate	2017-18	7.20%	7.20%
	2016-17	6.70%	6.70%
Expected rate of Future Salary Increase	2017-18	5.67%	5.67%
	2016-17	5.67%	5.67%
Mortality rates	2017-18	As per Indian Assured Lives	
	2016-17	Martality (2006-08) Table	
Retirement Age	2017-18	60	60
	2016-17	60	60
Ages		**Withdrawal Rate**	**Withdrawal Rate**
Up to 30 Years	2017-18	5%	5%
	2016-17	5%	5%
From 31 to 44 years	2017-18	5%	5%
	2016-17	5%	5%
Above 44 years	2017-18	5%	5%
	2016-17	5%	5%

Mortality rates inclusive of provision for disability -100% of IALM (2006 – 08)

Risks Associated with Plan Provisions

Valuations are based on certain assumptions, which are dynamic in nature and vary over time. As such Company is exposed to various risks as follow:

Salary Risk	The present value of the defined benefit plan liability is calculated with the assumption of salary increase rate of plan participants in future. Deviation in the rate of increase of salary in future for plan participants from the rate of increase in salary used to determine the present value of obligation will have a bearing on the plan's liability.
Investment Risk	The present value of the defined benefit plan liability is calculated using a discount rate determined by reference to Government bonds Yield. If plan liability is funded and return on plan asset is below this rate, it will create a plan deficit.
Discount Rate Risk	A decrease in the bond interest rate (discount rate) will increase the plan liability
Mortality Risk	The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants. For this report we have used indian Assured Lives Mortality (2006-08) ultimate table. A change in mortality rate will have a bearing on the plan's liability.

f) **Maturity Profile of Defined Benefit Obligation is as under:**

Particulars	Period	Gratuity	Compensated Absences
Duration of defined benefit obligation Duration (years)			
1	2017-18	86,83,691	4,91,656
	2016-17	59,89,036	3,85,391
2	2017-18	4,59,122	66,624
	2016-17	8,69,535	1,34,006
3	2017-18	5,51,772	61,099
	2016-17	5,17,831	56,784
4	2017-18	3,88,267	56,014
	2016-17	4,31,368	52,318
5	2017-18	25,03,627	1,67,605
	2016-17	2,94,579	48,189
Above 5	2017-18	33,72,122	4,47,324
	2016-17	43,96,274	5,38,761
Total		**2,84,57,224**	**25,05,771**

g) **Summary of Membership Data:**

Particulars	Balance Sheet As at March 31, 2018
Number of Employees	23
Total Monthly Salary for Gratuity in ₹	12,62,000
Total Monthly Salary for leave availment in ₹	12,62,000
Average Past Service (Years)	27.96
Average Age (Years)	56.52
Average remaining Working Life (Years)	3.48

h) **Major Categories of Plan Assets (as percentage of total plan assets) is as under:**

Particulars	Period	Gratuity	Compensated Absences
Fund Managed by Insurer	2017-18	-	-
	2016-17	-	-

i) **Sensitivity analysis is as under:**

Impact of the Change in Discount Rate

Particulars	Period	Gratuity	Compensated Absences
Impact due to Increase of 1%	2017-18	4,35,798	49,734
	2016-17	4,05,332	52,460
Impact due to Decrease of 1%	2017-18	4,02,379	45,792
	2016-17	3,71,541	48,005

Impact of the Change in Salary Increase

Particulars	Period	Gratuity	Compensated Absences
Impact due to Increase of 1%	2017-18	3,78,169	49,991
	2016-17	2,13,087	52,474
Impact due to Decrease of 1%	2017-18	3,53,894	46,853
	2016-17	2,16,810	48,896

*Changes in Defined Benefit Obligation due to 1% Increase/Decrease in Mortality Rate, if all other assumptions remain constant is negligible.

Sensitivities as to rate of inflation, rate of increase of pensions in payment, rate of increase of pensions before retirement & life expectancy are not applicable being a lump sum benefit on retirement.

Note -21

(All amounts in ₹ unless stated otherwise)

REVENUE FROM OPERATIONS	For the year ended on March 31, 2018	For the year ended on March 31, 2017
Value of Services		
Rent from Immovable Properties	10,55,55,212	13,21,85,144
Total	**10,55,55,212**	**13,21,85,144**

Note -22

(All amounts in ₹ unless stated otherwise)

OTHER INCOME	For the year ended on March 31, 2018		For the year ended on March 31, 2017	
Interest Received (Gross)				
- Fixed deposits with banks	7,51,477		2,39,190	
- Intercorporate deposits	44,76,053		1,23,31,536	
- Others	33,45,569	85,73,099	64,980	1,26,35,706
Interest income on Unwinding of Financial Instruments		25,93,637		25,93,637
Miscellaneous income		90,50,932		90,40,886
Net Gain/(Loss) on Sale of Assets		-		1,33,946
Credit balances written back		57,78,158		-
Realisation of debts earlier written off		-		9,00,000
Total		**2,59,95,826**		**2,53,04,175**

Note -23

(All amounts in ₹ unless stated otherwise)

EMPLOYEE BENEFITS EXPENSE	For the year ended on March 31, 2018	For the year ended on March 31, 2017
Salaries and Incentives (see note 23A below)	2,70,32,911	2,46,77,013
Contributions to Provident and Other Fund	19,74,426	20,52,185
Staff Welfare Expenses	28,75,949	21,91,593
Total	**3,18,83,286**	2,89,20,791

Note -23 A The Remuneration of Key Managerial Personnals includings Chairman-cum-Managing Director, Functional Directors and Company Secretory included in various schedules to Statement of Profit & Loss is as under:-

(All amounts in ₹ unless stated otherwise)

REMUNERATION OF KEY MANAGERIAL PERSONNALS	For the year ended on March 31, 2018	For the year ended on March 31, 2017
Salaries and Incentives	96,80,435	96,82,695
Contribution to provident and other funds	8,91,420	8,85,330
Total	**1,05,71,855**	1,05,68,025

Note -24

(All amounts in ₹ unless stated otherwise)

FINANCE COSTS	For the year ended on March 31, 2018	For the year ended on March 31, 2017
Interest Others	3,67,18,630	5,03,66,120
Interest Expenses on Unwinding of Financial Instruments	22,15,329	19,58,765
Total	**3,89,33,959**	5,23,24,885

Note -25

(All amounts in ₹ unless stated otherwise)

DEPRECIATION AND AMORTISATION EXPENSE	For the year ended on March 31, 2018	For the year ended on March 31, 2017
Depreciation on PPE	45,85,347	49,21,770
Depreciation on Investment Properties	71,49,967	75,93,868
Total	**1,17,35,314**	1,25,15,638

Note -26

(All amounts in ₹ unless stated otherwise)

OTHER EXPENSES	For the year ended on March 31, 2018	For the year ended on March 31, 2017
Rent	6,69,200	4,23,932
Legal and professional charges	1,23,75,712	63,37,122
Power and fuel	56,62,755	52,93,662
Travelling and conveyance	79,63,609	77,47,894
Communication	10,10,660	11,61,795
Printing & stationary	13,75,073	18,62,510
Bank charges	59,811	1,38,755
General expenses	1,05,66,563	97,70,600
Payments to auditors (see note 26A below)	4,75,000	5,46,250
Repair and maintenance - Building	18,01,791	12,40,399
Repair and maintenance - Others	49,69,843	29,60,040
Insurance	8,97,989	10,12,656
Rates and taxes	87,47,182	2,59,48,827
Compensation charges	22,00,000	-
Commission and brokerage	1,89,500	-
Amount written off	500	-
Impairment of Investment at Cost	25,26,394	89,68,357
Miscellaneous expenses	41,43,242	58,69,394
Total	**6,56,34,824**	**7,92,82,193**

Note -26 A

(All amounts in ₹ unless stated otherwise)

PAYMENT TO AUDITORS	For the year ended on March 31, 2018	For the year ended on March 31, 2017
Audit fee	3,25,000	3,25,000
Tax Audit	75,000	75,000
Other Services	75,000	75,000
Service Tax input credit not available	-	71,250
Total	**4,75,000**	5,46,250

Note -27

(All amounts in ₹ unless stated otherwise)

TAX EXPENSES	For the year ended on March 31, 2018	For the year ended on March 31, 2017
Tax expense comprises of:		
Current Income Tax	-	15,00,000
Deferred Tax	(48,98,211)	(88,33,748)
Taxation in Respect of Earlier Year	(29,81,174)	-
Total	**(78,79,385)**	(73,33,748)

Note -27 A The major components of Income Tax Expense and the reconciliation of Expected Tax Expense based on the Domestic Effective Tax Rate of the Company and the reported Tax Expense in Profit or Loss are as follows:

TAX RECONCILIATION	For the year ended on March 31, 2018	For the year ended on March 31, 2017
Accounting Profit before Tax from Continuing Operations		
India Statutory Income Tax Rate	25.75%	30.90%
Accounting Profit before Income Tax	(2,05,63,224)	(2,36,12,878)
Expenses not deductible (allowable) in calculating taxable income	4,85,02,012	5,49,18,448
Income Chargeable under Other Income Heads	10,81,48,849	13,49,12,727
Expenses allowed under Income Tax	42,34,536	77,27,992
Income from House Property (Net)	6,66,51,611	6,18,00,891
Net Taxable Income	(1,77,92,986)	(4,95,34,258)
Income Tax at Taxable Income	**-**	**-**
Tax in respect of Earlier Years	(29,81,174)	-
Deffered Tax (Asset)/ Liability	(48,98,211)	(88,33,748)
Adhoc Income Tax Provided	-	15,00,000
Tax Expense	**(78,79,385)**	(73,33,748)
Effective Income Tax Rate applicable	**NIL**	NIL

Note -28

(All amounts in ₹ unless stated otherwise)

OTHER COMPREHENSIVE INCOME	For the year ended on March 31, 2018	For the year ended on March 31, 2017
Items that will not be reclassified to profit or loss :		
Re-measurement gains (losses) on defined benefit plans	6,57,705	1,98,722
Net (loss)/gain on FVTOCI equity securities	(1,27,598)	98,033
Income tax effect of the above	1,42,578	61,405
Items that will be reclassified to profit or loss:		
Exchange differences on translation of foreign operations	-	-
Income tax effect	-	-
Total	**3,87,529**	**2,35,350**

Note -29

(All amounts in ₹ unless stated otherwise)

EARNINGS PER EQUITY SHARE	For the year ended on March 31, 2018	For the year ended on March 31, 2017
Profit attributable to Equity Share Holders for basic Earnings	(1,26,83,839)	(1,62,79,130)
Profit attributable to Equity Share Holders adjusted for the effect of dilution	(1,26,83,839)	(1,62,79,130)
Earnings per Equity Share (for continuing operation):		
(1) Basic (in ₹)	**(0.66)**	**(0.84)**
(2) Diluted (in ₹)	**(0.66)**	**(0.84)**

Note -29 A

WEIGHTED AVERAGE NUMBER OF EQUITY SHARES USED AS DENOMINATOR	For the year ended on March 31, 2018	For the year ended on March 31, 2017
Number of Equity shares at the beginning of the year	**1,93,63,595**	1,93,63,595
Add: Weighted average number of equity shares issued during the year	-	-
Weighted average number of Equity shares for Basic EPS (₹)	**1,93,63,595**	1,93,63,595
Add: Adjustments	-	-
Weighted average number of equity shares for Diluted EPS (₹)	**1,93,63,595**	1,93,63,595
Face Value per Equity Share (₹)	**10**	10

Note -30

(All amounts in ₹ unless stated otherwise)

CONTINGENT LIABILITIES, CONTINGENT ASSETS AND COMMITMENTS (TO THE EXTENT NOT PROVIDED FOR)	As at March 31, 2018	As at March 31, 2017
(a) Claims against Company not acknowledged as debt		
- Electricity Charges(BSES)	**69,24,304**	69,24,304
- Employee's State Insurance Corporation	**74,75,606**	74,75,606
- Disputed demands related to Service tax	**1,03,51,192**	1,03,51,192
- Disputed demands related to Property Tax	**2,58,39,142**	-
- In respect of Associate Company	**13,49,997**	13,49,997
Guarantees given to Sales Tax and other authorities, on behalf of the Company (against pledge of fixed deposits)	**-**	-
(b) Guarantees		
- To Sale Tax & Others	**3,03,840**	3,03,840
(c) Other money for which Company is contingenty liable	**-**	-
(d) Commitments	**-**	-
(e) Contingent Assets	**-**	-
Total	**5,22,44,081**	**2,64,04,939 2**

Note -31

Disclosure as per Indian Accounting Standard (Ind AS) 108 "Operating Segments"

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 Ind AS 108 is not applicable.

Geographical Information

The operations of the Company are mainly carried out within the country and therefore, geographical segments are not disclosed.

Information about major customers

Four Customers of Company (previous Year Five Customers) accounted for 10% or more of revenue during financial year ending March 31, 2018 and March 31, 2017.

Revenue from these customers contribute 75% of total revenue (Previous Year 79% of total revenue) of Company.

Note -32

Leases

Operating Lease Commitments — As Lessor

The Company has entered into operating leases on its Investment Property, Portfolio consisting of certain office and manufacturing buildings. These leases have terms of between five and 20 years. All leases include a clause to enable upward revision of the rental charge on an annual basis according to prevailing market conditions.

For future minimum rentals receivable under non-cancellable operating leases as at 31 March refer Note 4

Note -33

Related party transactions

Under Common Control	**Key Managerial Personnels (KMP)**
Bahubali Services Limited	Shri Rajiv Gupta (Chairman & Managing Director & Chief Executive Officer)
MGF Estate Private Limited	Smt Arti Gupta (Joint Managing Director)
Ram Prakash & Co. Private Limited	Shri Arun Mitter (Executive Director)
Grosvenor Estates Private Limited	Shri M.K. Madan (Vice President & Company Secretary & Chief Financial Officer)
GEE GEE Holdings Private Limited	Shri Rohit Madan (Company Secretary in India Lease Development Limited - an associate company)

Associate Companies	Enterprises over which KMP are able to exercise significant influence
India Lease Development Limited (Holding 31.35% Equity Shares)	Nil
Jayabharat Credit Limited (Holding 43.45% Equity Shares)	

(All amounts in ₹ unless stated otherwise)

NATURE OF TRANSACTION	March 31, 2018	March 31, 2017
Nature of Transaction :		
Advance Received during the year		
Under Common Control		
Bahubali Services Limited	22,00,000	13,25,000
Grossvenor Estate Private Limited	-	1,73,00,000
GEE GEE Holdings Private Limited	-	1,19,50,000
Ram Prakash & Co Private Limited	25,70,00,000	3,82,25,000
	25,92,00,000	6,88,00,000
Advance Received Repaid during the year		
Under Common Control		
Bahubali Services Limited	5,50,52,000	1,27,73,000
MGF Estate Private Limited	1,60,00,000	16,00,000
Grossvenor Estate Private Limited	5,03,25,000	1,64,75,000
GEE GEE Holdings Private Limited	5,60,00,000	7,50,000
Ram Prakash & Co Private Limited	3,83,25,000	1,49,50,000
	21,57,02,000	4,65,48,000
Advances Taken Maximum balance during the year		
Under Common Control		
Bahubali Services Limited	5,28,52,000	6,43,00,000
MGF Estate Private Limited	1,60,00,000	1,76,00,000
Grossvenor Estate Private Limited	5,03,25,000	5,31,75,000
GEE GEE Holdings Private Limited	5,60,00,000	5,62,50,000
Ram Prakash & Co Private Limited	25,74,20,000	4,79,50,000
	43,25,97,000	23,92,75,000
Advances Taken outstanding balance as on the year end		
Under Common Control		
Bahubali Services Limited	-	5,28,52,000
MGF Estate Private Limited	-	1,60,00,000
Grossvenor Estate Private Limited	-	5,03,25,000
GEE GEE Holdings Private Limited	-	5,60,00,000
Ram Prakash & Co Private Limited	25,57,50,000	3,70,75,000
	25,57,50,000	15,94,00,000
Inter Corporate Deposit Given received back		
Associate Companies		
Jayabharat Credit Limited	12,90,00,000	3,60,00,000
	12,90,00,000	3,60,00,000

Inter Corporate Deposit Given Maximum balance during the year		
Associate Companies		
Jayabharat Credit Limited	12,90,00,000	16,50,00,000
	12,90,00,000	16,50,00,000
Inter Corporate Deposit Given Outstanding balance as on the year end		
Associate Companies		
Jayabharat Credit Limited	-	13,17,37,629
	-	13,17,37,629
Interest Received On Inter Corporate Deposit Given		
Associate Companies		
Jayabharat Credit Limited	44,76,052	1,23,31,535
	44,76,052	1,23,31,535
Remuneration		
Key Managerial Personnel		
Shri Rajiv Gupta	30,91,889	32,44,274
Smt. Arti Gupta	27,70,560	27,04,910
Shri Arun Mitter	32,06,286	32,14,161
Shri M. K. Madan	15,03,120	14,04,680
Shri Rohit Madan (Company Secretary in India Lease Development	12,25,840	11,33,440
Limited - an associate company)	**1,17,97,695**	1,17,01,465

Non Financial Transactions

(i) Shri Rajiv Gupta and Shri Arun Mitter have given personal guarantee to banks for company's borrowings.

(ii) Disclosures in respect of transactions with identified related parties are given only for such period during which such relationships existed.

Other Information

Sundry Expenses include ₹ 1,28,750/- (Previous Year ₹ 1,03,450/-) paid towards Directors' Sitting Fees for attending Board Meetings. No Meeting Fee was paid for attending Committee Meetings.

Transport, Travelling and Motor Car Expenses include ₹ 1,90,936/- (Previous Year ₹ 90,951/-) for Directors Travelling.

Note -34

FAIR VALUE MEASUREMENTS

The carrying amounts of Financial Assets and Financial Liabilities in each category are as follows:

(All amounts in ₹ unless stated otherwise)

PARTICULARS	NOTE REFERENCE	March 31, 2018				March 31, 2017				April 1, 2016		
		FVPL	FVOCI	AMORTIZED COST	FAIR VALUE	FVPL	FVOCI	AMORTIZED COST	FAIR VALUE	FVPL	FVOCI	AMORTIZED COST
Financial Assets												
Investments	05	-	2,02,413	3,62,25,482	3,64,27,895	-	3,30,011	4,26,79,255	4,30,09,266	-	2,31,978	5,97,06,302
Security deposits	06	-	-	41,37,030	41,37,030	-	-	30,90,039	30,90,039	-	-	30,90,039
Trade receivables	09	-	-	4,04,29,743	4,04,29,743	-	-	2,82,06,215	2,82,06,215	-	-	1,39,30,905
Cash and bank balances	10	-	-	37,48,769	37,48,769	-	-	1,34,72,295	1,34,72,295	-	-	1,10,82,265
Other bank balances	11	-	-	11,30,182	11,30,182	-	-	37,77,036	37,77,036	-	-	39,48,830
Inter corporate deposits	12	-	-	-	-	-	-	12,90,00,000	12,90,00,000	-	-	16,50,00,000
Other Financial Assets	13	-	-	84,899	84,899	-	-	28,27,646	28,27,646	-	-	58,89,706
Total financial assets		**-**	**2,02,413**	**8,57,56,105**	**8,59,58,518**	**-**	**3,30,011**	**22,30,52,486**	**22,33,82,497**	**-**	**2,31,978**	**26,26,48,047**
Financial Liabilities												
Borrowings	17	77,99,502	-	-	77,99,502	40,16,19,501	-	-	40,16,19,501	42,02,47,048	-	-
Security Deposits	18			3,23,28,510	3,65,83,374		-	3,01,13,180	3,46,97,052		-	2,81,54,415
Other Financial Liabilities	18	-	-	28,70,44,673	28,70,44,673	-	-	26,89,23,424	26,89,23,424	-	-	58,68,16,301
Total financial liabilities		**77,99,502**	**-**	**31,93,73,183**	**33,14,27,549**	**40,16,19,501**	**-**	**29,90,36,604**	**70,52,39,977**	**42,02,47,048**	**-**	**61,49,70,716**

The carrying amount of Trade Receivables, Trade Payables and Cash & Cash Equivalent are considered to be the same as their Fiar Values due to their short term nature

The carrying amount of the Financial Assets and Liabilities carried Amortised Cost is considered a reasonable approximation of Fair Value.

The above table excludes Investment in Subsidiaries, Associate and Joint Venture, which are measured at cost in accordance with Ind AS 27, 'Separate Financial Statements'.

Note -35

FAIR VALUE HIERARCHY

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are (a) recognised and measured at fair value and (b) measured at amortised cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the group has classified its financial instruments into the three levels prescribed under the accounting standard. An explanation of each level follows underneath the table.

Financial assets and liabilities measured at fair value - recurring fair value measurements as March 31, 2018	Note	Level 1	Level 2	Level 3	Total
Financial Assets					
Investments	5	3,64,27,895	-	-	3,64,27,895

Financial assets and liabilities measured at fair value - recurring fair value measurements as March 31, 2017	Note	Level 1	Level 2	Level 3	Total
Financial Assets					
Investments	5	4,30,08,766	-	500	4,30,09,266

Financial assets and liabilities measured at fair value - recurring fair value measurements as April 1, 2016	Note	Level 1	Level 2	Level 3	Total
Financial Assets					
Investments	5	5,99,37,780	-	500	5,99,38,280

The fair value of financial instruments as referred to in note above has been classified into three categories depending on the inputs used in the valuation technique. The hierarchy gives the highest priority to quoted prices in active market for identical assets or liabilities (level 1 measurement) and lowest priority to unobservable inputs (level 3 measurements).

The categories used are as follows:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities

Level 2: The fair value of Financial Instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data rely as little as possible on entity specific estimates.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

The Company's policy is to recognize transfers into and transfer out of fair value hierarchy levels as at the end of the reporting period.

Note -36

FINANCIAL RISK MANAGEMENT

The Company's businesses are subject to several risks and uncertainties including financial risks. The Company's documented risk management polices, act as an effective tool in mitigating the various financial risks to which the business is exposed to in the course of their daily operations. The risk management policies cover areas such as liquidity risk, commodity price risk, foreign exchange risk, interest rate risk, counterparty and concentration of credit risk and capital management.

The Company's senior management oversees the management of these risks. The senior professionals working to manage the financial risks and the appropriate financial risk governance framework for the Company are accountable to the Board of Directors and Audit Committee. This process provides assurance to Company's senior management that the Company's financial risk-taking activities are governed by appropriate policies and procedures and that financial risk are identified, measured and managed in accordance with Company policies and Company risk objective.

36.1. MARKET RISK

The Company's size and operations result in it being exposed to the following market risks that arise from its use of financial instruments:

Price Risk;

Commodity Price RISK;

Interest Rate Risk

The above risks may affect the Company's income and expenses, or the value of its financial instruments. The Company's exposure to and management of these risks are explained below.

36.1.1. PRICE RISK - POTENTIAL IMPACT OF RISK & MANAGEMENT POLICY

The Company is mainly exposed to the price risk due to its investment in Equity Shares & Mutual Funds. The price risk arises due to uncertainties about the future market values of these investments.

The Company has laid policies and guidelines which it adheres to in order to minimise price risk arising from investments in Equity Shares & Mutual Funds.

The majority of investments of the Company are publicly traded and listed in BSE Index. Carrying amounts of the Company's investment in Equity Shares at the end of the reporting period are given in Note 28

36.1.2.PRICE RISK - SENSITIVITY TO RISK

The following tables demonstrate the sensitivity to a reasonably possible change in equity index where investments of the Company are listed. The impact on the company profit before tax is due to changes in the BSE Index.

PARTICULARS	IMPACT ON PROFIT AFTER TAX		IMPACT ON OTHER COMPONENTS OF EQUITY AFTER TAX	
	March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017
BSE Index Increase by 5%	18,11,274	21,33,938	10,121	16,501
BSE Index Decrease by 5%	(18,11,274)	(21,33,938)	(10,121)	(16,501)

36.1.3. COMMODITY PRICE RISK - POTENTIAL IMPACT OF RISK & MANAGEMENT POLICY

The Company is affected by the price volatility of certain commodities. Its operating activities require the ongoing manufacture of industrial and domestic cable and therefore require a continuous supply of Copper and Aluminium being the major input used in the manufacturing. Due to the significantly increased volatility of the price of the Copper and Aluminium, the Company has entered into various purchase contracts for these material for which there is an active market The Company's Board of Directors has developed and enacted a risk management strategy regarding commodity price risk and its mitigation. The Company partly mitigated the risk of price volatility by entering into the contract for the purchase of these material based on average price of for each month.

36.1.4. INTEREST RATE RISK - POTENTIAL IMPACT OF RISK & MANAGEMENT POLICY

The Company is mainly exposed to the interest rate risk due to its investment in term deposits with banks. The Company invests in term deposits for a period upto one year. Considering the short-term nature, there is no significant interest rate risk pertaining to these deposits.

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's long-term debt obligations with floating interest rates and term deposits. The Company's fixed rate borrowings and deposits are carried at amortised cost. They are therefore not subject to interest rate risk as defined in Ind AS 107, since neither the carrying amount nor the future cash flows will fluctuate because of a change in market interest rates.

The risk is managed by the Company by maintaining an appropriate mix between fixed and floating rate of borrowings.

The exposure of the Company's borrowing to interest rate changes at the end of the reporting period are as follows:

PARTICULARS	March 31, 2018	March 31, 2017	April 1, 2016
Variable rate borrowings	18,41,28,464	39,58,64,749	41,25,91,272
Fixed rate borrowings	36,71,038	57,54,752	76,55,776
Total borrowings	**18,77,99,502**	**40,16,19,501**	**42,02,47,048**

36.1.5. INTEREST RATE RISK – SENSITIVITY

The sensitivity analysis below has been determined based on the exposure to interest rates for non-derivative instruments at the end of the reporting period. For floating rate liabilities, the analysis is prepared assuming the amount of the liability outstanding at the end of the reporting period was outstanding for the whole year.

Particulars	IMPACT ON PROFIT AFTER TAX ON INCREASE		IMPACT ON PROFIT AFTER TAX ON DECREASE	
	March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017
Interest Rate – Increase/ Decrease by 50 basis point (50 bps)	1,83,593	2,51,831	(1,83,593)	(2,51,831)

36.2. CREDIT RISK

Credit risk refers to the risk that counterparty will default on its contractual obligations resulting in financial loss to the Company. The Company has adopted a policy of obtaining sufficient collateral, where appropriate, as a means of mitigating the risk of financial loss from defaults.

The Company is exposed to credit risk from its operating activities (primarily trade receivables and also from its investing activities including deposits with banks, forex transactions and other financial instruments) for receivables, cash and cash equivalents, short-term investments, financial guarantees and derivative financial instruments.

In respect of its investments, the Company aims to minimize its financial credit risk through the application of risk management policies. Credit limits are set based on a counterparty value. The methodology used to set the list of counterparty limits includes, counterparty Credit Ratings (CR) and sector exposure. Evolution of counterparties is monitored regularly, taking into consideration CR and sector exposure evolution. As a result of this review, changes on credit limits and risk allocation are carried out.

For financial instruments, the Company attempts to limit the credit risk by only dealing with reputable banks and financial institutions having high credit-ratings assigned by international credit-rating agencies. Defined limits are in place for exposure to individual counterparties in case of mutual funds schemes and bonds. The carrying value of the financial assets other than cash represents the maximum credit exposure.

None of the Company's cash equivalents, including time deposits with banks, are past due or impaired.

Trade receivables are subject to credit limits, controls & approval processes. These terms and conditions are determined on a case to case basis with reference to the customer's credit quality and prevailing market conditions. The credit quality of the Company's customers is monitored on an ongoing basis and assessed for impairment where indicators of such impairment exist. Due to large geographical base & number of customers, the Company is not exposed to material concentration of credit risk. Basis the historical experience, the risk of default in case of trade receivable is low. Provision is made for doubtful receivables on individual basis depending on the customer ageing, customer category, specific credit circumstances & the historical experience of the group. The solvency of customers and their ability to repay the receivable is considered in assessing receivables for impairment. Where receivables are impaired, the Company actively seeks to recover the amounts in question and enforce compliance with credit terms.

The Company assesses and manages credit risk of Financial Assets based on following categories arrived on the basis of assumptions, inputs and factors specific to the class of Financial Assets.

A : Low Credit Risk on financial reporting date

B : Moderate Credit Risk

C : High Credit Risk

The Company provides for Expected Credit Loss based on the following:

ASSET GROUP	BASIS OF CATEGORISATION	PROVISION FOR EXPENSES CREDIT LOSS
Low Credit Risk	Cash and Cash Equivalents, other Bank Balances and other Financial Assets	12 month expected credit loss
Moderate Credit Risk	Trade Receivables	Life time expected credit loss
High Credit Risk	Trade Receivables and other Financial Assets	Life time expected credit loss or fully provided for

CREDIT RATING	PARTICULARS	March 31, 2018	March 31, 2017	April 1, 2016
A: Low credit risk	Cash and Cash Equivalents, other Bank Balances and other Financial Assets	48,78,951	1,72,49,331	1,50,31,095
B: Moderate credit risk	Trade Receivables	4,04,29,743	2,82,06,215	1,39,30,905
C: High credit risk				

A: Low Credit Risk

March 31, 2018

PARTICULARS	NOTE REFERENCE	CARRYING AMOUNT	IMPAIRMENT	CARRYING AMOUNT NET OF IMPAIRMENT PROVISION
Cash and Cash Equivalents	10	37,48,769	-	37,48,769
Other Bank Balances	11	1,34,72,295	-	1,34,72,295
Loans	6 & 12	41,37,030	-	41,37,030
Other Financial Assets	13	84,899	-	84,899

March 31, 2017

PARTICULARS	NOTE REFERENCE	CARRYING AMOUNT	IMPAIRMENT	CARRYING AMOUNT NET OF IMPAIRMENT PROVISION
Cash and Cash Equivalents	10	1,34,72,295	-	1,34,72,295
Other Bank Balances	11	37,77,036	-	37,77,036
Loans	6 & 12	13,20,90,039	-	13,20,90,039
Other Financial Assets	13	28,27,646	-	28,27,646

April 1, 2016

PARTICULARS	NOTE REFERENCE	CARRYING AMOUNT	IMPAIRMENT	CARRYING AMOUNT NET OF IMPAIRMENT PROVISION
Cash and Cash Equivalents	10	1,10,82,265	-	1,10,82,265
Other Bank Balances	11	39,48,830	-	39,48,830
Loans	6 & 12	16,80,90,039	-	16,80,90,039
Other Financial Assets	13	58,89,706	-	58,89,706

B: Moderate Credit Risk

March 31, 2018

AGEING	NOTE REFERENCE	UPTO 1 YEAR	BETWEEN 1 AND 2 YEARS	BETWEEN 2 AND 3 YEARS	ABOVE 3 YEARS	TOTAL
Gross Carrying Amount (Considered Good)	9	73,36,278	2,83,70,101	40,63,364	6,60,000	4,04,29,743
Expected Credit Losses (Loss Allowance Provision)		-	-	-	-	-
Carrying Amount of Trade Receivables (Net of Impairment)		**73,36,278**	**2,83,70,101**	**40,63,364**	**6,60,000**	**4,04,29,743**

March 31, 2017

AGEING	NOTE REFERENCE	UPTO 1 YEAR	BETWEEN 1 AND 2 YEARS	BETWEEN 2 AND 3 YEARS	ABOVE 3 YEARS	TOTAL
Gross Carrying Amount (Considered Good)	9	2,67,82,851	14,23,364	-	-	2,82,06,215
Expected Credit Losses (Loss Allowance Provision)		-	-	-	-	-
Carrying Amount of Trade Receivables (Net of Impairment)		**2,67,82,851**	**14,23,364**	**-**	**-**	**2,82,06,215**

April 1, 2016

AGEING	NOTE REFERENCE	UPTO 1 YEAR	BETWEEN 1 AND 2 YEARS	BETWEEN 2 AND 3 YEARS	ABOVE 3 YEARS	TOTAL
Gross Carrying Amount (Considered Good)	9	1,39,30,905	-	-	-	1,39,30,905
Expected Credit Losses (Loss Allowance Provision)		-	-	-	-	-
Carrying Amount of Trade Receivables (Net of Impairment)		**1,39,30,905**	**-**	**-**	**-**	**1,39,30,905**

C: High Credit Risk NIL

36.3. LIQUIDITY RISK

Liquidity risk is the risk that the Company will face in meeting its obligations associated with its financial liabilities. The Company's approach in managing liquidity is to ensure that it will have sufficient funds to meet its liabilities when due without incurring unacceptable losses. In doing this, management considers both normal and stressed conditions.

The Company maintained a cautious liquidity strategy, with a positive cash balance throughout the year ended March 31, 2018 and March 31, 2017.

Cash flow from operating activities provides the funds to service the financial liabilities on a day-to-day basis.

The Company regularly monitors the rolling forecasts to ensure it has sufficient cash on an on-going basis to meet operational needs. Any short term surplus cash generated, over and above the amount required for working capital management and other operational requirements, is retained as cash and cash equivalents (to the extent required) and any excess is invested in interest bearing term deposits and other highly marketable debt investments with appropriate maturities to optimise the cash returns on investments while ensuring sufficient liquidity to meet its liabilities.

The following table shows the maturity analysis of the Company's financial liabilities based on contractually agreed undiscounted cash flows along with its carrying value as at the Balance Sheet date.

March 31, 2018	UNDISCOUNTED AMOUNT			
NON-DERIVATIVE LIABILITIES	CARRYING AMOUNT	PAYABLE WITHIN 1 YEAR	MORE THAN 1 YEARS	TOTAL
Borrowings	18,77,99,502	18,71,62,143	14,35,711	18,85,97,854
Unpaid dividend	8,61,682	8,61,862	-	8,61,862
Other current financial liabilities	28,61,82,991	28,61,82,991	-	28,61,82,991
Other noncurrent financial liabilities	3,23,28,510	-	3,70,68,000	3,70,68,000

March 31, 2017	UNDISCOUNTED AMOUNT			
NON-DERIVATIVE LIABILITIES	CARRYING AMOUNT	PAYABLE WITHIN 1 YEAR	MORE THAN 1 YEARS	TOTAL
Borrowings	40,16,19,501	39,40,97,792	1,46,83,714	40,87,81,506
Unpaid dividend	23,77,621	23,77,621	-	23,77,621
Other current financial liabilities	26,65,45,803	26,65,45,803	-	26,65,45,803
Other noncurrent financial liabilities	3,01,13,180	-	5,02,68,000	5,02,68,000

April 1, 2018	UNDISCOUNTED AMOUNT			
NON-DERIVATIVE LIABILITIES	CARRYING AMOUNT	PAYABLE WITHIN 1 YEAR	MORE THAN 1 YEARS	TOTAL
Borrowings	42,02,47,048	4,36,97,434	38,58,81,506	42,95,78,940
Unpaid dividend	23,79,553	23,79,553		23,79,553
Other current financial liabilities	26,28,34,592	23,83,34,592	-	23,83,34,592
Other noncurrent financial liabilities	2,81,54,415	-	7,47,68,000	7,47,68,000

36.3.1.CURRENT & LIQUID RATIO

The following table shows the Ratio analysis of the Company for respective periods

PERIOD	CURRENT RATIO	LIQUID RATIO
March 31, 2018	1.98	0.09
March 31, 2017	3.49	0.14
April 1, 2016	2.97	0.08

36.3.2.COLLATERAL

Vehicle Loan is secured against hypothecation of vehicle and personal guarantee of one of the directors of the Company. Term Loan from Bank is 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 counterparties have an obligation to return the securities to Company.

There are no other significant terms and conditions associated with the use of collateral.

Note -37

CAPITAL MANAGEMENT

37.1. RISK MANAGEMENT

Capital management is driven by Company's policy to maintain a sound capital base to support the continued development of its business. The Board of Directors seeks to maintain a prudent balance between different components of the Company's capital. The Management monitors the capital structure and the net financial debt at individual currency level. Net financial debt is defined as current and non-current financial liabilities less cash and cash equivalents and short term investments.

The Company monitors capital using gearing ratio, which is net debt divided by total capital plus net debt. The Company's policy is to keep the Gearing Ratio within 30%.

PARTICULARS	March 31, 2018	March 31, 2017	April 1, 2016
Debt @	18,77,99,502	40,16,19,501	42,02,47,048
Cash and bank balances	48,78,951	1,72,49,331	1,50,31,095
NET DEBT	**18,29,20,551**	**38,43,70,170**	**40,52,15,953**
Equity Share Capital	19,36,35,950	19,36,35,950	19,36,35,950
Other Equity	67,62,99,209	68,85,95,519	70,46,39,299
TOTAL EQUITY	**86,99,35,159**	**88,22,31,469**	**89,82,75,249**
GEARING RATIO (NET DEBT TO EQUITY RATIO)	**21%**	**44%**	**45%**

@ Debt is defined as long-term and short-term borrowings (excluding derivative and contingent consideration).

Note 38

FIRST TIME ADOPTION OF IND AS

The Company has adopted Indian Accounting Standards (Ind AS) as notified by the Ministry of Corporate Affairs with effect from April 1, 2017, with a transition date of April 1, 2016. These financial statements for the year ended March 31, 2018 are the first financial statements the Company has prepared under Ind AS. For all periods up to and including the year ended March 31, 2017, the Company prepared its financial statements in accordance with the accounting standards notified under the section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 ('Previous GAAP').

The adoption of Ind AS has been carried out in accordance with Ind AS 101, First-time Adoption of Indian Accounting Standards. Ind AS 101 requires that all Ind AS standards and interpretations that are issued and effective for the first Ind AS financial statements be applied retrospectively and consistently for all financial years presented. Accordingly, the Company has prepared financial statements which comply with Ind AS for year ended March 31, 2018, together with the comparative information as at and for the year ended March 31, 2017 and the opening Ind AS Balance Sheet as at April 1, 2016 the date of transition to Ind AS.

In preparing these Ind AS financial statements, the Company has availed certain exemptions and exceptions in accordance with Ind AS 101, as explained below. The resulting difference between the carrying values of the assets and liabilities in the financial statements as at the transition date under Ind AS and Previous GAAP have been recognised directly in equity (retained earnings or another appropriate category of equity).

This note explains the adjustments made by the Company in restating its financial statements prepared under previous GAAP, including the Balance Sheet as at April 1, 2016 and the financial statements as at and for the year ended March 31, 2017.

38.1 OPTIONAL EXEMPTIONS FROM RETROSPECTIVE APPLICATION

Ind AS 101 permits first-time adopters certain exemptions from retrospective application of certain requirements under Ind AS. The Company has elected to apply the following optional exemptions from retrospective application:

A. DEEMED COST FOR PROPERTY, PLANT AND EQUIPMENT AND INVESTMENT PROPERTY

On transition to Ind AS, the Company has elected to continue with the carrying value of all of its Property, Plant and Equipment and Investment Property recognised as at April 1, 2016 measured as per the Previous GAAP and use that carrying value as the deemed cost of the Property, Plant and Equipment and Investment Property.

B. INVESTMENTS IN JOINT VENTURES

The Company has elected to measure its investments in joint ventures at the Previous GAAP carrying amount as its deemed cost on the date of transition to Ind AS.

C. LEASES

Appendix C to Ind AS 17-" Leases" requires an entity to assess whether a contract or arrangement contains a lease. In accordance with Ind AS 17, this assessment should be carried out at the inception of the contract or arrangement. Ind AS 101 provides an option to make this assessment on the basis of facts and circumstances existing at the date of transition to Ind-AS except where the effect is expected to be not material. The Company has elected to apply this exemption for such contracts/arrangements.

38.2 MANDATORY EXCEPTIONS FROM RETROSPECTIVE APPLICATION

The Company has applied the following exceptions to the retrospective application of Ind AS as mandatorily required under Ind AS 101:

A. ESTIMATES

On assessment of the estimates made under the Previous GAAP financial statements, the Company has concluded that there is no necessity to revise the estimates under Ind AS, as there is no objective evidence of an error in those estimates. However, estimates that were required under Ind AS but not required under Previous GAAP are made by the Company for the relevant reporting dates reflecting conditions existing as at that date.

B. CLASSIFICATION AND MEASUREMENT OF FINANCIAL ASSETS

Ind AS 101 requires an entity to assess classification and measurement of financial assets on the basis of facts and circumstances that exist on the date of transition to Ind AS. Accordingly, the Company has applied the above requirement prospectively. Classification of financial assets to be measured at amortised cost or fair value through other comprehensive income is made on the basis of the facts and circumstances that existed on the date of transition to Ind AS.

C. DERECOGNITION OF FINANCIAL ASSETS AND FINANCIAL LIABILITIES

Ind AS 101 requires a first time adopter to apply the derecognition provisions of Ind AS 109 prospectively for transactions occurring on or after the date of transition to Ind AS. Accordingly, the Company has applied the derecognition requirement for financial assets and financial liabilities in Ind AS 109 prospectively for transactions occurring on or after date of transition to Ind AS.

D. IMPAIRMENT OF FINANCIAL ASSETS

Ind AS 101 requires an entity to assess and determine the impairment allowance on financial assets as per Ind AS 109 using the reasonable and supportable information that is available without undue cost or effort to determine the credit risk at the date that financial instruments which were initially recognised and compare that to the credit risk at the date of transition to Ind AS. The Company has applied this exception prospectively.

38.3 TRANSITION TO IND AS – RECONCILIATIONS

Ind AS 101 requires that an entity should explain how the transition from previous GAAP to Ind ASs affected its reported balance sheet, financial performance and cash flows, accordingly the Company has prepared:

i. Reconciliation of Balance sheet as at April 1, 2016

ii. Reconciliation of Balance sheet as at March 31, 2017

iii. Reconciliation of Statement of Profit and Loss for the year ended March 31, 2017

iv. Reconciliation of Equity as at March 31, 2017 & as at April 1, 2016

v. Reconciliation of Total Comprehensive Income for the year ended on March 31, 2017

vi. Impact of Ind AS adoption on the Standalone Statements of Cash Flows for the year ended on March 31, 20177

Note 38.3.(i)

Reconciliation of Consolidated Balance sheet on April 1, 2016

(at the date of Transition)

(All amounts in ₹ unless stated otherwise)

PARTICULARS	INDIAN (GAAP)	Adjustments	IND AS
I. ASSETS			
1 Non-Current Assets			
(a) Property, Plant and Equipment	27,04,29,925	-	27,04,29,925
(b) Investment Property	21,51,53,887	-	21,51,53,887
(c) Financial Assets		-	-
(i) Investments	2,30,003	2,475	2,32,478
(ii) Investments on Equity Method	3,59,28,328	2,37,77,474	5,97,05,802
(iii) Loans	30,90,039	-	30,90,039
(d) Deferred Tax Asset (Net)	1,47,09,334	(1,13,89,351)	33,19,983
	53,95,41,516	1,23,90,598	55,19,32,114
2 Current Assets			
(a) Inventories	89,02,28,235	-	89,02,28,235
(b) Financial Assets			
(i) Trade Receivables	1,39,30,905	-	1,39,30,905
(ii) Cash and Cash Equivalents	1,10,82,265	-	1,10,82,265
(iii) Other Bank Balances	39,48,830	-	39,48,830
(iv) Loans	16,50,00,000	-	16,50,00,000
(v) Other Financial Assets	58,89,706	-	58,89,706
(c) Current Tax Assets (Net)	2,66,72,638	-	2,66,72,638
(d) Other Current Assets	49,98,861	-	49,98,861
	1,12,17,51,440	-	1,12,17,51,440
TOTAL ASSETS	**1,66,12,92,956**	**1,23,90,598**	**1,67,36,83,554**
II. EQUITY AND LIABILITIES			
1 Equity			
(a) Equity Share capital	19,36,35,950	-	19,36,35,950
(b) Other Equity	67,91,48,945	2,54,90,354	70,46,39,299
Total Equity	87,27,84,895	2,54,90,354	89,82,75,249
2 Liabilities			
Non-Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	38,58,81,506	(4,39,65,089)	34,19,16,417
(ii) Other Financial Liabilities	7,47,68,000	(4,66,13,585)	2,81,54,415
(b) Other Liabilities	-	1,97,60,732	1,97,60,732
(c) Provisions	94,60,244	(18,85,399)	75,74,845
	47,01,09,750	(7,27,03,341)	39,74,06,409
Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	6,43,00,000	(6,43,00,000)	-
(ii) Other Financial Liabilities	22,13,90,269	12,21,54,507	34,35,44,776
(b) Other Current Liabilities	2,58,28,786	12,78,690	2,71,07,476
(c) Provisions	68,79,256	4,70,388	73,49,644
	31,83,98,311	5,96,03,585	37,80,01,896
TOTAL EQUITY & LIABILITIES	**1,66,12,92,956**	**1,23,90,598**	**1,67,36,83,554**

Note 38.3.(ii)

Reconciliation of Consolidated Balance sheet on March 31, 2017

(All amounts in ₹ unless stated otherwise)

PARTICULARS	INDIAN (GAAP)	Adjustments	IND AS
I. ASSETS			
1 Non-Current Assets			
(a) Property, Plant and Equipment	26,67,73,428	-	26,67,73,428
(b) Investment Property	20,75,60,019	-	20,75,60,019
(c) Financial Assets			
(i) Investments	3,02,003	28,508	3,30,511
(ii) Investments on Equity Method	26,68,615	4,00,10,140	4,26,78,755
(iii) Loans	30,90,039	-	30,90,039
(d) Deferred Tax Asset (Net)	1,97,15,396	(76,23,070)	1,20,92,326
	50,01,09,500	3,24,15,578	53,25,25,078
2 Current Assets			
(a) Inventories	89,77,17,423	-	89,77,17,423
(b) Financial Assets			
(i) Trade Receivables	2,82,06,215	-	2,82,06,215
(ii) Cash and Cash Equivalents	1,34,72,295	-	1,34,72,295
(iii) Other Bank Balances	37,77,036	-	37,77,036
(iv) Loans	12,90,00,000	-	12,90,00,000
(v) Other Financial Assets	28,27,646	-	28,27,646
(c) Current Tax Assets (Net)	2,91,56,565	-	2,91,56,565
(d) Other Current Assets	32,39,348	-	32,39,348
	1,10,73,96,528	-	1,10,73,96,528
TOTAL ASSETS	**1,60,75,06,028**	**3,24,15,578**	**1,63,99,21,606**
II. EQUITY AND LIABILITIES			
1 Equity			
(a) Equity Share capital	19,36,35,950	-	19,36,35,950
(b) Other Equity	64,60,30,212	4,25,65,307	68,85,95,519
Total Equity	83,96,66,162	4,25,65,307	88,22,31,469
2 Liabilities			
Non-Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	39,40,97,792	(86,44,663)	38,54,53,129
(ii) Other Financial Liabilities	5,02,68,000	(2,01,54,819)	3,01,13,181
(b) Other Liabilities		1,71,67,095	1,71,67,095
(c) Provisions	73,39,645	-	73,39,645
	45,17,05,437	(1,16,32,387)	44,00,73,050
Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	5,28,52,000	(5,28,52,000)	-
(ii) Other Financial Liabilities	23,07,55,138	5,43,34,658	28,50,89,796
(b) Other Current Liabilities	2,61,52,864	-	2,61,52,864
(c) Provisions	63,74,427	-	63,74,427
	31,61,34,429	14,82,658	31,76,17,087
TOTAL EQUITY & LIABILITIES	**1,60,75,06,028**	**3,24,15,578**	**1,63,99,21,606**

Note 38.3.(iii)
Reconciliation of Profit or Loss for the year ended March 31, 2017

(All amounts in ₹ unless stated otherwise)

PARTICULARS	INDIAN (GAAP)	Adjustments	IND AS
I. **Revenue From Operations**			
Value of Services	13,21,85,144	-	13,21,85,144
Other Income	2,27,10,538	25,93,637	2,53,04,175
Total Income	15,48,95,682	25,93,637	**15,74,89,319**
Expenses:			
Employee Benefits Expense	2,73,07,058	16,13,733	2,89,20,791
Finance Costs	4,81,96,232	41,28,653	5,23,24,885
Depreciation and Amortisation Expense	1,25,15,638	-	1,25,15,638
Other Expenses	7,37,89,813	54,92,380	7,92,82,193
Total Expenses	16,18,08,741	1,12,34,766	**17,30,43,507**
Profit/ (loss) before share of profit /(loss) of Joint Venture and Tax	(69,13,059)	(86,41,129)	(1,55,54,188)
Share of profit/ (loss) of associates (net of tax)	(2,49,340)	(78,09,350)	(80,58,690)
Profit before Exceptional Items and Tax	(71,62,399)	(1,64,50,479)	(2,36,12,878)
Exceptional Items	-	-	-
Profit before Tax	(71,62,399)	(1,64,50,479)	**(2,36,12,878)**
Tax Expense:			
(1) Current Tax	15,00,000	-	15,00,000
(2) Deferred Tax	(50,06,062)	(38,27,686)	(88,33,748)
Profit / (Loss) for the Period from Continuing Operations	(36,56,337)	(1,26,22,793)	**(1,62,79,130)**
Profit / (Loss) for the Discontinued Operations	-	-	**-**
Tax expenses of Discontinued Operations	-	-	**-**
Profit / (Loss) for the Discontinued Operations (after tax)	-	-	**-**
Profit / (Loss) for the Period	(36,56,337)	(1,26,22,793)	**(1,62,79,130)**
Other Comprehensive Income			
(i) Items that will not be reclassified into Profit & Loss	-	2,35,350	2,35,350
(ii) Income tax relating to items that will not be reclassified to profit/loss Income Tax effect	-	-	-
Total Comprehensive Income for the period	(36,56,337)	(1,23,87,443)	**(1,60,43,780)**

Note 38.3.(iv)
Reconciliation of Total Equity (Consolidated) as at March 31, 2017 and April 1, 2016

(All amounts in ₹ unless stated otherwise)

Particular	As at March 31, 2017	As at April 1, 2016
Total Equity (Shareholder's Funds) as per Previous GAAP	**64,60,30,212**	**67,91,48,945**
Adjustments:		
Amortised Cost		
- Security Deposit Received	29,87,723	23,52,853
- Non Current Borrowing	71,62,005	93,31,892
Adjustment for :		
Excess Gratuity Expenses	-	14,15,011
Impairment of Investment excess recognised	4,00,10,140	2,37,77,474
Fair value of Investment	28,509	2,475
Tax Impact	(76,23,070)	(1,13,89,351)
Total Adjustments	**4,25,65,307**	**2,54,90,354**
Total Equity as per Ind AS	**68,85,95,519**	**70,46,39,299**

Note 38.3.(v)

Reconciliation of Total Comprehensive Income (Consolidated) for the year ended on March 31, 2017

(All amounts in ₹ unless stated otherwise)

Particular	For the year ended on March 31, 2017
Profit After Tax as per previous GAAP	**(36,56,337)**
Adjustment for :	
- Excess Gratuity Expenses Recognised Earlier now rectified	(14,15,011)
- Impairment of Investment excess recognised	(1,33,01,730)
Finance Income /(Expense)	
- Unwinding of Security Deposit	25,93,637
- Unwinding of Long Term Borrowings & Security Depsoits	(41,28,653)
Fair Value of Investment at OCI	98,033
Tax Impact	37,66,281
Total Adjustments	**(1,23,87,443)**
Total Comprehensive Income for the year ended March 31 2017	**(1,60,43,780)**

Note 38.3.(vi)

Impact of Ind AS adoption on the Consolidated Statements of Cash Flows for the year ended on March 31, 2017

(All amounts in ₹ unless stated otherwise)

Particulars	Previous GAAP	Adjustments	Ind AS
Net Cash from Operating activities	6,73,28,179	(11,97,94,964)	(5,24,66,785)
Net Cash flow from Investing activities	1,46,25,401	(29,49,228)	1,16,76,173
Net Cash flow from Financing activities	(7,97,35,344)	10,89,04,004	2,91,68,660
Net increase/ (decrease) in Cash and Cash Equivalents	**22,18,236**	**(1,38,40,188)**	**(1,16,21,952)**
Cash and Cash Equivalents as at April 1, 2016	1,50,31,095	(71,40,368)	78,90,727
Cash and Cash Equivalents as at March 31, 2017	**1,72,49,331**	**(2,09,80,555)**	**(37,31,224)**

38.4 NOTES TO THE RECONCILIATION OF BALANCE SHEET AS AT APRIL 1, 2016 AND MARCH 31, 2017 AND THE TOTAL COMPREHENSIVE INCOME FOR THE YEAR ENDED MARCH 31, 2017.

A. ASSOCIATES

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

Under Ind AS, these entities are classified as Associates and accounted for using the equity method. For the purpose of applying the equity method, Investment in Associates is increased by ₹ 2,37,77,474/- as at date of transition i.e April 1, 2016, has been measured as the aggregate of the carrying amounts of the assets and liabilities that the Company had previously proportionately consolidated.

B. FAIR VALUE OF INVESTMENTS

Under previous GAAP, investments in Equity Instruments and Mutual Funds were classified as long-term investments or current investments based on the intended holding period and realisability. Long-term investments were carried at cost less provision for other than temporary decline in the value of such investments. Current investments were carried at lower of cost and fair value. Under Ind AS, these investments are required to be measured at fair value. The resulting fair value changes of these investments (other than equity instruments designated as at FVOCI) have been recognised in retained earnings as at the date of transition and subsequently in the Profit & Loss for the year ended March 31, 2017.

Fair value changes with respect to investments in equity instruments designated as at FVOCI have been recognised in FVOCI - Equity Investment Reserve as at the date of transition and subsequently in Other Comprehensive Income (OCI) for the year ended March 31, 2017. This increased other reserves by ₹ 28,509/- as at March 31, 2017 (April 1, 2016 - ₹ 2,475/-)

C. BORROWINGS

Under previous GAAP, transaction costs incurred towards origination of borrowings were charged to profit or loss as and when incurred. Ind AS 109 requires these transaction costs to be deducted from the carrying amount of borrowings on initial recognition. These costs are recognised in the profit or loss over the tenure of the borrowing as part of the interest expense by applying the effective interest rate method.

Accordingly, borrowings as at March 31, 2017 have been reduced by ₹ 71,62,005/-(April 1, 2016 ₹ 93,31892/-) with a corresponding adjustment to retained earnings. The total equity increased by an equivalent amount. The profit for the year ended March 31, 2017 reduced by ₹15,35,016/- as a result of the additional interest expense.

D. SECURITY DEPOSITS

Under previous GAAP, interest free lease security deposits (that are refundable in cash on completion of the lease term) are recorded at their transaction value. Under Ind AS, all financial assets are required to be recognised at fair value. Accordingly, the Company has fair valued these security deposits under Ind AS.

Difference between the fair value and transaction value of the security deposit has been recognised as advance rent. Consequent to this change, the amount of security deposits decreased by ₹ 2,01,54,820/- as at March 31, 2017 (April 1, 2016 ₹ 2,21,13,585/-). The advance rent increased by ₹ 1,71,67,095/- as at March 31, 2017 (1st April, 2016 - ‘ 1,97,60,732/-). Total equity increased by ₹ 29,87,725/- at March 31, 2017 (April 1, 2016 ₹ 23,52,853/-). The profit for the year as at March 31, 2017 increased by ₹ 3,78,308/- due to recognition of income on advance rent of ₹ 25,93,637/- which is partially off-set by the notional finance cost of ₹ 22,15,329/- recognised on security deposits.

E. RE-MEASUREMENT OF DEFINED BENEFIT OBLIGATION

Both under previous GAAP and Ind AS, the Company Group recognised costs related to its post employment defined benefit plan on an actuarial basis. Under previous GAAP, the entire cost, including actuarial gains and losses, are charged to profit or loss. Under Ind AS, re-measurements i.e. actuarial gains and losses and the return on plan assets, excluding amounts included in the net interest expense on the net defined benefit liability are recognised in balance sheet through other comprehensive income. Thus, employee benefits expense is increased by ₹ 1,98,722/- and is recognised in other comprehensive income during the year ended March 31, 2017. The related tax expense has also been reclassified from Profit and loss account to other comprehensive income. There is no impact on the total equity as at April 1, 2016 & March 31, 2017.

F. DEFERRED TAX

Previous GAAP requires deferred tax accounting using the income statement approach, which focuses on differences between taxable profits and accounting profits for the period. Ind AS 12 requires entities to account for deferred taxes using the balance sheet approach, which focuses on temporary differences between the carrying amount of an asset or liability in the balance sheet and its tax base. The application of Ind AS 12 approach has resulted in recognition of deferred tax on new temporary differences which was not required under Previous GAAP.

G. RETAINED EARNINGS

Retained earnings as at April 1, 2016 has been adjusted consequent to the above Ind AS transition adjustments

H. OTHER COMPREHENSIVE INCOME

Under previous GAAP, the Company has not presented Other Comprehensive Income (OCI) separately. Hence, it has reconciled Indian GAAP profit to profit as per Ind AS. Further, Indian GAAP profit is reconciled to total comprehensive income as per Ind AS.

Note - 39

Interest in Other Entities

Associates

Set out below are the associates of the Company as at March 31, 2018 which, in the opinion of the directors, are material to the group. The entities listed below have share capital consisting solely of equity shares, which are held directly by the group. The country of incorporation or registration is also their principal place of business, and the proportion of ownership interest is the same as the proportion of voting rights held.

(All amounts in ₹ unless stated otherwise)

Name of Entity	Functional Currency	Ownership Interest held by the Company			Relationship
		March 31, 2018	March 31, 2017	April 1, 2016	
India Lease Development Limited	₹	31.35%	31.35%	31.35%	Associate
Jayabharat Credit Limited	₹	43.45%	43.45%	43.45%	Associate

(a) No Dividend is received from any of the below mentioned entities.

(b) Summarised Financial Information for Associate's is set out below:

(All amounts in ₹ unless stated otherwise)

Particulars	India Lease Development Limited			Jayabharat Credit Limited		
	March 31, 2018	**March 31, 2017**	**April 1, 2016**	**March 31, 2018**	**March 31, 2017**	**April 1, 2016**
Non-Current Assets	6,21,10,380	6,63,68,645	6,65,08,352	46,47,34,435	46,48,44,959	46,50,35,187
Current Assets	11,29,84,149	11,11,74,185	11,15,30,547	13,94,95,869	13,96,67,617	14,92,88,429
Total Assets (A)	**17,50,94,529**	**17,75,42,830**	**17,80,38,899**	**60,42,30,304**	**60,45,12,576**	**61,43,23,616**
Non-Current Liabilities	7,92,76,513	7,91,84,422	7,94,88,180	53,78,07,500	51,92,01,796	49,88,63,284
Current Liabilities	1,54,99,996	1,81,60,386	1,75,57,409	49,67,894	81,42,438	2,03,18,762
Total Liabilities (B)	**9,47,76,509**	**9,73,44,808**	**9,70,45,589**	**54,27,75,394**	**52,73,44,234**	**51,91,82,046**
Net Assets C= (A-B)	**8,03,18,020**	**8,01,98,022**	**8,09,93,310**	**6,14,54,910**	**7,71,68,342**	**9,51,41,570**
a) Includes Cash and Cash Equivalents	17,71,429	1,37,920	15,64,983	5,85,366	7,67,055	4,96,166
b) Includes Financial Liabilities (excluding Trade and Other Payables and Provisions)	1,14,35,813	1,16,63,686	1,16,42,462	-	-	-

(c) Summarised statement of Profit & Loss for Associate's is set out below: **(All amounts in ₹ unless stated otherwise)**

Particulars	India Lease Development Limited		Jayabharat Credit Limited	
	March 31, 2018	**March 31, 2017**	**March 31, 2018**	**March 31, 2017**
Revenue	-	1,65,344	-	64,98,247
Interest Income	65,35,300	65,23,715	9,941	14,216
Interest Expense	-	-	45,67,106	1,23,31,535
Depreciation and Amortisation	21,535	4,018	1,30,967	1,92,645
Tax expense	-	-	-	-
Profit and Total Comprehensive Income for the year	**1,19,998**	(7,95,288)	**(1,57,13,432)**	(1,79,73,228)

(d) Reconciliation of carrying amounts is set out below: **(All amounts in ₹ unless stated otherwise)**

Particulars	India Lease Development Limited	Jayabharat Credit Limited
Opening Net Assets (April 1, 2016)	8,09,93,310	9,51,41,570
Capital Introduction	-	
Profit/ (Loss) for the year	(7,95,288)	(1,79,73,228)
Profit Distribution	-	
Closing Net Assets (March 31, 2017)	8,01,98,022	7,71,68,342
Profit/ (Loss) for the year	1,19,998	(1,57,13,432)
Capital Distribution	-	-
Closing Net Assets (March 31, 2018)	8,03,18,020	6,14,54,910
Company's share in %	31.35%	43.45%
Carrying Amount	2,51,79,699	2,67,02,158

Note - 40

Statement pursuant to Section 129(3) of Companies Act, 2013 related to

Part "A" : Subsidiaries

Company does not have any subsidiary as at March 31, 2018

Part "B" : Associates & Joint Venture

Statement pursuant to Section 129(3) of Companies Act, 2013 related to

(All amounts in ₹ unless stated otherwise)

S. No.	Name of Associates	India Lease Development Limited	Jayabharat Credit Limited
1	Latest Audited Balance Sheet Date	March 31, 2018	March 31, 2018
2	Date on which the Associate was associated or acquired	November 6, 1994	April 1, 2002
3	Shares of Joint Ventures held by the Company on the year end	31.35%	43.45%
	Numbers	4,608,840 equity shares of ₹ 10 each, fully paid up	2,172,300 equity shares of ₹ 10 each, fully paid up
	Amount of Investment in Joint Venture	3,62,25,482	NIL
	Extent of Share in Profit/Loss	31.35%	43.45%
4	Description of how there is significant influence	By holding of 31.35% Equity Shares of India Lease Development Limited	By holding of 43.45% Equity Shares Jayabharat Credit Limited
5	Reason why the Joint Venture is not consolidated	Not Applicable	Not Applicable
6	Networth Attributable to Shareholding as per latest audited Balance Sheet	8,03,18,020	6,14,54,910
7	Profit / (Loss) for the year	Profit ₹ 1,19,998/-	Loss ₹ 1,57,13,432/-
	(i) Considered in Consolidation	Profit ₹ 37,619/-	Total Share of Loss ₹ 68,27,486/- however, due to impairment on Investment, loss restricted at ₹ 39,64,498/-
	(ii) Not Considered in Consolidation	Profit ₹ NIL	Loss ₹ 28,62,988/-

Note -41

Additional Information in pursuant to Schedule III of the Companies Act, 2013

(All amounts in ₹ unless stated otherwise)

S. No	Name of the Entity	Ownership Interest	Net Assets, i.e., Total Assets minus Total Liabilities		Share in Profit or Loss		Share in Other Comprehensive Income		Share in Total Comprehensive Income	
			As % of Consolidated net Assets	Amount	As % of consolidated Profit or Loss	Amount	As % of Consolidated Other Comprehensive Income	Amount	As % of Total Comprehensive Income	Amount
1	Parent	-	100.00	86,99,35,157	69.04	(87,56,960)	100.00	3,87,529	68.06	(83,69,431)
2	Subsidiaries	0.00%	-	-	-	-	-	-	-	-
3	Non - Controlling Interest in All Subsidiaries	0.00%	-	-	-	-	-	-	-	-
			-	-	-	-	-	-	-	-
4	Associates		-	-	-	-	-	-	-	-
	Investments Accounted for using Equity Method		-	-	-	-	-	-	-	-
A	Indian									
a.)	India Lease Development Limited	31.35%	-	-	(0.30)	37,619	-	-	(0.31)	37,619.00
b.)	Jayabharat Credit Limited	43.45%	-	-	31.26	(39,64,498)	-	-	32.24	(39,64,498)
	TOTAL		100.00	86,99,35,157	100.00	(1,26,83,839)	100.00	3,87,529	100.00	(1,22,96,310)

Note -42

Notes in respect of one of the Associate Company **"India Lease Development Limited"**

Going Concern

The accumulated losses as at the close of the year amounts to, ₹ 21,16,99,752 (after adjustment of General Reserve) against the Paid-Up Capital and other Reserves amounting to ₹ 29,20,17,772 which results in positive net worth. The Company is already a debt free company. In view of utilization of funds to liquidate the liabilities there has been no fresh exposure of business undertaken by the Company.

The management is of the considered view that considering the availability of assets and its realization there will be sufficient cushion available to repay all other liabilities. The accounts, as such, have been prepared on a Going Concern basis.

Other Matters

The net owned funds (NOF) although have become positive yet the Company could not comply with the Reserve Bank of India guidelines prescribed for Non Banking Financial Companies Prudential Norms (Reserve Bank Directions, 1988), with regard to (i) Maintenance of Minimum Capital Adequacy Ratio,(ii) the credit / investment exposures which have become in excess of prescribed limits.

The Company continues to hold the certificate issued by Reserve Bank of India in Category "B" as Non-Accepting Deposits Non Banking Finance Company

Note -43

Corporate Social Responsibility

As per the provisions of section 135 of the Companies Act, 2013, the Company is not falling in the criteria as is prescribed in the said section and as such, CSR is not applicable during this year. The company has incurred ' NIL (Previous Year ' NIL) on promotion of education.

Note -44

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

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

ARTI GUPTA
Joint Managing Director
DIN : 00023237

ARUN MITTER
Executive Director
DIN : 00022941

As per our Report of even date attached
For JAGDISH CHAND & CO.
Chartered Accountants
(ICAI Firm Reg. No: 000129N)

BHARAT KUMAR
Non Executive Independent Director
DIN: 01090141

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

(Praveen Kumar Jain)
Partner
Membership No. 085629

Place: New Delhi
Date: May 28, 2018

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If undelivered, please return to :

The Motor & General Finance Limited

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

New Delhi - 110 002.

Printed By : **VIKRANT CREATIONS**; vikrantcreations14@gmail.com

MGF

THE MOTOR & GENERAL FINANCE LIMITED

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

NOTICE

NOTICE is hereby given that the Eighty Eighth (88^{th}) Annual General Meeting of the members of The Motor & General Finance Limited will be held as given below to transact the following business: -

Date	**September 27, 2018**
Day	**Thursday**
Time	**12.30 P.M.**
Place	**The Executive Club, 439, Village Shahoorpur, P.O. Fatehpur Beri, New Delhi-110030**

ORDINARY BUSINESS

1. To receive, consider and adopt:

a. The Audited Standalone Financial Statements of the company for the Financial Year ended March 31,2018 and the Reports of the Board of Directors and Auditors thereon;

b. The Audited Consolidated Financial Statements of the company for the Financial Year ended March 31,2018 together with the Report of the Auditors thereon,

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

3. To appoint a Director in the place of Smt. Arti Gupta (DIN:00023237), Joint Managing Director, who retires by rotation and being eligible, offers herself for re-appointment.

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

5. To fix the remuneration of Statutory Auditors, M/s Jagdish Chand & Co, Chartered Accountants (ICAI Firm Registration No.000129N) in terms of provisions of Section 142 of the Companies Act, 2013, for the financial year 2018-19.

SPECIAL BUSINESS

6. To consider and if thought fit, to pass with or without modification, the following Resolution as a Special Resolution Company's contribution to Bonafide and Charitable Funds, etc,

"Resolved that pursuant to the provisions of Section 181 and other applicable provisions, if any, of the Companies Act, 2013, the Board of Directors of the company be and is hereby authorized to contribute and/or donate, from time to time in any financial year, to any bonafide, charitable and other funds, any amount the aggregate of which, may exceed five percent of its average net profits for the three immediately preceding financial years, subject to a limit of Rs.3 Crores (Rupees Three Crores only) in any one financial year."

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

Reclassification of Promoter Group

Resolved that pursuant to the provisions of Regulation 31A of SEBI (LODR) Regulations, 2015 and applicable provisions, if any, of the Companies Act, 2013, the consent of the members of the company be and are hereby accorded to reclassify the following individuals from "Promoter Group Category " to "Public Category".

Name of Individual	**No. of shares held**	**% of total equity capital**
(i) Abhiram Seth	53	0.00
(ii) Abhiram Seth & Radhika Seth	10245	0.05
(iii) Radhika Seth	147181	0.76
(iv) Radhika Seth & Abhiram Seth	6319	0.03
(v) Ishika Seth	46676	0.24
(vi) Tanmaye Seth	9895	0.05
Total	**220369**	**1.13**

Resolved further that it is hereby confirmed:

i) That the aforesaid persons do not hold more than 10% of paid up equity share capital of the company. In fact, the aggregate shareholding of all of the above 6(six) persons is only 1.13% of the paid up equity share capital of the company. Due to their existing shareholding in the company being very less, they do not exercise any control over the company and are also not engaged in the management of the company,

ii) That the aforesaid persons/Individuals have not and will continue to not exercise direct or indirect control over the affairs and decision making process of the company,

iii) That the above referred shareholders have not been or would not be appointed as Key Managerial Personnel(KMP) of the company,

iv) That they also do not have any special rights, through formal or informal arrangements, with the company or promoters or any person in the Promoter Group. Further they are also never privy to any price sensitive information of the company.

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

Appointment of Sh. Karun Pratap Hoon, as an Independent Director

"**Resolved that** pursuant to provisions of Section 149, 150, 152 and any other applicable provisions of the Companies Act,2013 and the Rules made thereunder(including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act,2013, Sh. Karun Pratap Hoon (DIN:05202566) a Director of the company, who has submitted declaration that he meets the criteria and a notice in writing from a member has been received, proposing his candidature for the office of Independent Director, being so eligible, be appointed as a Non Executive Independent Director of the company, not liable to retire by rotation, to hold office for a term of 5(five) consecutive years commencing from October 18, 2017 to October 17, 2022 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."

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

Re-appointment of M/s. PCK & Associates, Cost Auditors

"**Resolved that** pursuant to section 148 and other applicable provisions of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules,2014, including any statutory modification or re-enactment thereof for the time being in force, M/s PCK & Associates, Cost Accountants (Firm Regd No.000514) being the Cost Auditors appointed by the Board of Directors of the company to conduct the cost audit for the financial year ending March 31, 2019, be reappointed & paid the remuneration of ₹.40,000 (apart from GST as applicable). The action of the Board in the re-appointment & remuneration payable to M/s. PCK & Associates, Cost Accountants, be and is hereby ratified and confirmed.

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

Continuity of Non Executive Independent Director after the age of 75 years

"Resolved that pursuant to the provisions of Regulation 17(1A) of SEBI(Listing Obligations & Disclosure Requirements(Amendment) Regulations,2018 notified on May 9, 2018 and all other applicable provisions if any(including any statutory modification(s) or enactment thereof for the time being in force) approval be and is hereby accorded to the continuance of Sh. Onkar Nath Aggarwal (DIN:00629878) as Non-Executive Independent Director of the company till the conclusion of his present tenure of appointment i.e. from March 31,2015 to March 30, 2020."

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

Related Party Transaction

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

Sl No.	Name of Related Party	Period of Contract	Particulars of Contract	Value (₹ In Crores)
1.	India Lease Development Ltd	**1st October, 2018 to 30th September, 2021**	Selling or otherwise disposing of, or buying/leasing of property of any kind and availing or rendering of any services or appointment to an office or place of profit ICDs taken/given, etc	10
2.	Jayabahrat Credit Ltd	-do-	-do-	10
3.	Bahubali Services Ltd	-do-	-do-	40
4.	MGF Estates Pvt Ltd	-do-	-do-	25

5.	MGF Securities Pvt Ltd	-do-	-do-	25
6.	Cards Services India Pvt Ltd	-do-	-do-	10
7.	Associated Traders & Engineers Pvt Ltd	-do-	-do-	25
8.	Local Goods Carriers Pvt Ltd	-do-	-do-	15
9.	Ram Prakash & Co Pvt Ltd	-do-	-do-	80
10.	Grosvenor Estates Pvt Ltd	-do-	-do-	35
11.	Gee Gee Holdings Pvt Ltd	-do-	-do-	35
	Total			**300**

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

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

Place: New Delhi
Date: August 10, 2018

(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 No.: 011-2374606
Website: http:/www.mgfltd.com, Email-mgfltd@hotmail.com
CIN: L74899DL1930PLC000208

NOTES:

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

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

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

4. Pursuant to the provisions of Section 91 of the Companies Act, 2013, the Register of Members and Share Transfer Books will remain closed from **Thursday, the September 20, 2018 to Thursday, September 27,2018(both days inclusive).**

5. **In pursuance to compliance of Notification bearing no.SEBI/LAD-NRO/GN/2018/24 dated June 8,2018 issued by SEBI(LODR) Regulations,2015, the equity shares held by shareholder in physical form after the notified date i.e. December 8,2018 shall not be processed unless the securities are held in dematerialized form with the Depository. Therefore, it has become mandatory to convert physical holding into electronic mode i.e. demat mode before placing the request for transfer of shares.**

   Transfer/Transmission/transposition of shares

   Pursuant to SEBI Circular no. SEBI/HO/MIRSD/DOP1/P/2018/73 dated April 20, 2018, shareholders holding shares are mandatorily required to furnish the PAN and bank account details to the Company/Registrar & Transfer Agent(RTA) for registration under their Folio for :-

   - Registration of physical transfer of shares

   - Deletion of name of deceased shareholder(s) where shares are held jointly in the name of two or more shareholders

   Transmission of shares to the legal heirs where shares are held solely in the name of deceased shareholder; and

   - Transposition of shares where order of names of shareholders are to be changed in the physical shares held jointly by two or more shareholders.

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

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

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

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

d) The e-voting period will commence on **Monday, the September 24,2018 at 9.00 A.M** and will end on **Wednesday, September 26, 2018 at 5.00.P.M.** The company has appointed Ms. Anjali Yadav & Associates, Practicing Company Secretary (FCS No.6628 CP No.7257), B-6/32, Sector 15, Rohini, Delhi-110089 as Scrutinizer to scrutinize e-voting and Insta Poll process in a fair and transparent manner. She has communicated her willingness to be appointed and will be available for the said purpose.

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

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

g) 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 change(s) in their mailing address and also to quote Folio Numbers/Client ID/DPID, in all their correspondence with the company/depository participant.

h) Voting rights shall be reckoned on the paid up value of shares registered in the name of the member/beneficial owner(in case of electronic shareholding) as on the cut off date i.e **Thursday, September 20, 2018**.

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

Pursuant to Section 124(5) of the Act read with the IEPF Authority(Accounting Audit, Transfer and Refund)Rules,2016("the Rules"), all unpaid or unclaimed dividends are required to be transferred by the company to the IEPF established by the Central Government, after the completion of continuous seven years. In accordance with the aforesaid provisions, ₹.11,94,500/**-** was transferred to IEPF on 3-11-2017. In respect of dividend for Financial Year 2009-10.

Pursuant to Section 124(6) of Act read with the Rules, such shares in respect of which dividend has remained unpaid or unclaimed for seven consecutive years shall be transferred to Demat Account maintained by IEPF Authority. In accordance with the aforesaid provisions, 2,03,659 equity shares of the company were transferred to the Demat account maintained by IEPF Authority.

Further, the company vide letter dated June 4, 2018 & reminder on August 10,2018 has already written to such shareholders, who have not claimed dividend pertaining to Financial Year 2010-11, to claim dividend on or before September 21,2018. The company has also published notice in the newspapers as per the IEPF Rules. The company has also on its website **www.mgfltd.com** uploaded the details regarding Unpaid/Unclaimed dividend. The Unclaimed/Unpaid Dividend for the above year shall be transferred to the IEPF on the due date i.e. November 4,2018 and the corresponding eligible shares shall also be transferred to demat account maintained by IEPF.

The respective due date of transfer of the unclaimed/unencashed dividend to the Investors Education & Protection Fund("IE&P) of the Central Government is as below:

Financial year to which dividend relates	Date of Declaration	Due date for transfer to IEPF
2010-11	29-09-2011	04-11-2018

8. Documents referred to in the Notice and the explanatory statement shall be opened 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. The instructions for shareholders voting electronically are as under:-

i) The e-voting period begins on **Monday, the September 24, 2018 at 9.00 A.M**. and ends on **Wednesday, the September 26, 2018 at 5.00 P.M.** During this period shareholders' of the company, holding shares either in physical form or in dematerialized form, as on the cut off date i.e **Thursday, the September 20, 2018** may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

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

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

iv) Click on “Shareholders”

v) Now Enter your User ID

a. for CDSL: 16 digits beneficiary ID

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

(ix) After entering these details appropriately, click on “Submit” tab

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

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

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

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

(xiv) Click on the “ RESOLUTIONS FILE LINK” if you wish to view the entire Resolutions details.

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

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

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

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

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

(xx) Note for Non individual Shareholders and Custodians

- Non individual shareholders(i.e. other than individuals, HUF, NRI etc) and Custodian are required to log on to **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 a Compliance User should be created using the admin login and password. The compliance User would be able to link the account(s) for which they wish to vote on.

- The list of accounts linked in the login should be mailed to helpsesk.evoting@cdslindia ad on approval of the accounts they would be able to cast their vote.

- a scanned copy of the Board Resolution and Power of Attorney(POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

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

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

14. To receive faster communication of all shareholders, including annual reports, the shareholders are requested to kindly register/update their email address with their respective depository participant, where shares are held in electronic form. If, however, shares are held in physical form, members are advised to register their email address with company's Registrar and Share Transfer Agents i.e. M/s Alankit Assignments Limited, Alankit Heights, 3E/7, Jhandewalan Extension, New Delhi-110055.

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

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

Place: New Delhi
Date: August 10,2018

(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 No.: 011-2374606
Website: http:/www.mgfltd.com, Email-mgfltd@hotmail.com
CIN: L74899DL1930PLC000208

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

Item No.6

As per the provisions of Section 181 of the Companies Act,2013, the Board of Directors of the company is authorised to make contributions for charitable purposes, provided that prior permission of the members is obtained for such contribution, in case such contribution exceeds five percent of its average net profits during the three immediately preceding financial years. The approval of the members is being sought, pursuant to Section 181 of the Act, for authorizing the Board of Directors of the company to make contribution to bonafide charitable and other funds, in a financial year, exceeding five percent of the company's average net profits during the three immediately preceding financial years, subject to maximum limit of ₹.3 Crores (Rupees Three Crores) in any financial year.

The Board recommends the Special Resolution at Item No.6 for approval of the members.

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

Item No.7

The individual Promoters who have applied for reclassification from Promoter Category to Public Category under Regulation 31A(2) & (b) of SEBI(Listing Obligations & Disclosure Requirements) Regulations,2015(Listing Regulations) *wrongly classified* in the Promoter's Group, are not related to any person having control over management nor they are related to major shareholders of the company. The individuals are not involved in the management and also have not held any controlling stake in the company. There is no existing Shareholders Agreement with the company and they do not have any Special voting Rights or any other Special Rights and privileges as shareholders. Hence the Board of Directors at their meeting held on August 10, 2018 have accepted the request and recommended for approval of the shareholders.

The Board recommends the Special Resolution at Item No.7 for approval of the members.

None of the Directors except Sh. Abhiram Seth and his relatives stated in the resolution may be deemed to be interested or interested or concerned in the said resolution.

No other Directors, Key Managerial Personnel of the company are interested or concerned in the said resolution.

Item No.8

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.Karun Pratap Hoon(DIN:05202566) who meets the criteria of independence, be appointed as a Non Executive Independent Director of the company, not liable to retire by rotation, to hold office for a term of 5 (five) consecutive years commencing from October 18, 2017 to October 17, 2022. Sh. Karun Pratap Hoon was born on January 26,1988.

The above director is not disqualified from being appointed as a Non Executive 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 signifying his intention to propose Sh. Karun Pratap Hoon as a candidate for the office of a Non Executive Independent Director of the company.

In the opinion of the Board, Sh. Karun Pratap Hoon fulfills the conditions specified in the Companies Act,2013 and rules made thereunder for his appointment as a Non Executive Independent Director of the company. Having regard to the qualifications, knowledge and experience, in his respective field, his appointment as an Independent Director will be in the interest of the company. Copy of the draft letter of appointment for a Non Executive 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 a Non Executive Independent Director in the interest of the company. Brief profile of Sh. Karun Pratap Hoon, a Non Executive Independent Director is also provided in the Director's Report forming part of the Annual Report.

The Board considering his vast experience in marketing, administration and automobile business, recommends the Special Resolution at Item No.8 for approval of the members.

Except Sh. Karun Pratap Hoon, who is interested in his appointment as a Non Executive Independent Director, none of the 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.9

The Board, on the recommendation of the Audit Committee, has approved the re-appointment of M/s PCK & Associates, Cost Accountants(Firm Regd No.000514), as Cost Auditors for audit of the Cost Accounts for the year 2018-19 on the remuneration of ₹. 40,000 apart from GST, as applicable.

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

The Board recommends the Special Resolution at Item No.9 for approval of the members.

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

Item No.10

Sh. Onkar Nath Aggarwal(DIN:00629878) was appointed as a Non Executive Independent Director on March 31, 2015 to discharge the role and functions of a Non Executive Independent.

Director in terms of erstwhile Listing Agreement with the Stock Exchanges and companies Act,2013, till the conclusion of the Annual General Meeting to be held in the year 2020. Regulation 17(1A) of the SEBI(Listing Obligations & Disclosure Requirements)(Amendment) Regulations,2018 notified on May 9, 2018, stipulates that a Special Resolution should be passed to appoint or continue with the appointment of a person as a Non Executive Independent Director who has attained the age of 75 years. Sh. Onkar nath Aggarwal, a Non Executive Independent Director has attained such age as he was born on October 27,1936.

Sh. Onkar Nath Aggarwal, has the desired qualification and indepth experience in his respective field. The Board feels that his vast knowledge and practical understanding of the trade will be of immense benefit to the company.

Accordingly, the Board of Directors, in compliance with the requirements of the said Notification dated May 9, 2018 issued by SEBI, recommends the resolution for approval of members by way of Special Resolution in the forthcoming Annual General Meeting. Sh. Onkar Nath Aggarwal has given consent to continue in office for the remaining period. Sh. Onkar Nath Aggarwal is not holding any share.

Other than Sh. Onkar Nath Aggarwal, none of the Directors, Key Managerial Personnel of the company and relatives of Directors and Key Managerial Personnel are, in any way concerned or interested, financially or otherwise, in the Special Resolution set out in Item No.10 of the Notice.

Item No.11.

Pursuant to Section 188 and other applicable provisions of the Companies Act,2013 and Rules made thereunder, the company can enter into transactions(s) or contract(s)etc, with related party/ies, which are not in ordinary course of business and/or not at arm's length basis, only with the approval of members accorded by way of Special Resolution. The said section, read with the Companies(Meetings of Board and its Powers) Rules,2014, provides that the company having paid up share capital of ₹.10 Crores or more proposing to enter into such transactions which are not in the ordinary course of business shall obtain consent of the company by way Special Resolution. The Audit Committee and the Board of Directors of the company in their separate meetings held on August 10,2018 have approved the transactions given in Item No.11 of the Notice. However, since these transactions, though may be on arm's length basis and/or also in the ordinary course of business, yet as an abundant caution, it is proposed to seek approval of members by passing a **Special Resolution.**

Nature of interest of Related Parties in the company is given below:-

Sl No.	Name of the related party	Nature of interest or concern
1.	India Lease Development Ltd(ILD)	It is an Associate Company of MGF Ltd which holds 31.33% shares in the related party. Sh. Rajiv Gupta is common Chairman of Board of Directors of both companies, while Sh. Arun Mitter, Executive Director in MGF is also a Director in both the companies.
2.	Jayabharat Credit Limited(JBC)	It is an Associate Company of MGF Ltd which holds 43.5% shares in the related party. Sh. Rajiv Gupta is common Chairman of Board of Directors of both Companies, while Sh. Arun Mitter, Executive Director in MGF is Director in both the companies. Sh.M.K. Madan, KMP of MGF is also Director in the related party.
3.	Bahubali Services Limited(BSL)	It holds in MGF 21.15% shares. Sh. Rajiv Gupta is common Chairman of Board of Directors of both companies. Sh. Arun Mitter, Director in MGF is Director in both the Companies. Sh M.K. Madan, KMP of MGF Ltd is also Director in the related party.

4.	MGF Estates Pvt Ltd	Sh. Rajiv Gupta, CMD, Smt. Arti Gupta, JMD, Sh. Arun Mitter Executive Director of MGF Ltd are also directors in the related party.
5.	MGF Securities Pvt Ltd	Sh. Rajiv Gupta, CMD Sh. Arun Mitter,Executive Director and Sh. M.K. Madan, KMP of MGF Ltd are also Directors in the related party
6.	Cards Services India Pvt Ltd	Sh. Rajiv Gupta, CMD and Sh. Arun Mitter, Executive Director are Directors in related party
7.	Associated Traders & Engineers Pvt Ltd	Sh. Rajiv Gupta,CMD and Smt. Arti Gupta, JMD are Directors in the related party
8.	Local Goods Carriers Pvt Ltd	Sh. Rajiv Gupta,CMD and Smt. Arti Gupta,JMD are the Directors in related party.
9.	Ram Prakash & Co Pvt Ltd	Sh. Rajiv Gupta, CMD, Smt. Arti Gupta and Sh. Arun Mitter, Executive Director are the Directors in related party.
10.	Grosvenor Estates Pvt Ltd	Sh. Rajiv Gupta, CMD, Smt. Arti Gupta, JMD, Sh. Arun Mitter, Executive Director, are also Directors in the related party.
11.	Gee Gee Holdings Pvt Ltd	Sh. Rajiv Gupta, CMD, Smt. Arti Gupta, JMD and Sh. Arun Mitter, Executive Director are Directors in the related party.

Save and except Sh. Rajiv Gupta, Smt. Arti Gupta, Sh. Arun Mitter, Directors and Sh. M.K. Madan, KMP wherever interested as mentioned in Sl No.1 to 11 and their relatives, to the extent of their shareholding interest, if any, in the company/ies, none of the other Directors, Key Managerial Personnel and relatives thereof is in any way, concerned or interested financial or otherwise in the above noted transactions.

The draft contracts and/or agreements or arrangements have been approved by the Audit Committee and Board in their meetings held on August 10,2018 and are available for inspection during the business hours at the Registered Office of the company.
The Board recommends the Special Resolution at Item No.11 for approval of the members.

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

Place: New Delhi
Date: August 10, 2018

(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 No.: 011-2374606
Website: http:/www.mgfltd.com, Email-mgfltd@hotmail.com
CIN: L74899DL1930PLC000208

ANNEXURE TO THE NOTICE

INFORMATION PURSUANT TO REGULATION 36 OF SEBI(LODR) REGULATIONS,2015 READ WITH THE PROVISIONS OF THE SECRETARIAL STANDARD ON GENERAL MEETING(SS-2) ISSUED BY THE INSTITUTE OF COMPANY SECRETARIES OF INDIA REGARDING THE DIRECTORS PROPOSED TO BE RE-APPOINTED BY ROTATION/APPOINTED.

1) Director being re-appointed by rotation (Resolution at Item No.2)

Name : Sh. Rajiv Gupta(DIN:00022964)

Age & Date of Birth : 72 years (13-8-1946)

Qualification : B.E.(IIT, Delhi)

Experience in specific functional area

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

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

Nomination & Remuneration Committee

Stakeholders Relationship Committee

India Lease Development Ltd

Audit Committee

Stakeholder Relationship Committee

Nomination & Remuneration Committee

Jayabharat Credit Ltd

Audit Committee

Stakeholder Relationship Committee

Nomination & Remuneration Committee

Sh. Rajiv Gupta, holds 22,71,865 shares i.e 11.73% of the total Paid up Capital of the company

2) **Director being re-appointed by rotation (Resolution at item No.3)**

Name	:	**Smt. Arti Gupta(DIN:00023237)**
Age & Date of Birth	:	**65 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:

Stakeholder Relationship Committee

Mrs. Arti Gupta holds 981000 shares i.e 5.066 % of the total Paid Up Capital of the company

3). **Director being re-appointed by rotation (Resolution at Item No.4)**

Name	:	**Sh. Arun Mitter (DIN:00022941)**
Age & Date of Birth	:	**56 Years (27.11.1962)**
Qualification	:	**B.Com, ACA**

Experience in specific functional area

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

Other Directorship:

MGF Developments Ltd, Jayabharat Credit Ltd, India Lease Development Ltd, Bahubali Services Ltd, Upper India Hire Purchase Co Association Ltd, Technofab Engineering Ltd, Ram Prakash & Co Pvt Ltd, Discovery Holdings Pvt Ltd, Grosvenor Estates Pvt Ltd, Gee Gee Holdings Pvt Ltd, MGF Securities Pvt Ltd, North Delhi Metro Mall Pvt Ltd, Cards Services India Pvt Ltd, MGF Promotions & Events Pvt Ltd, MGF Estates Management Pvt Ltd, Metroplex Construction Pvt Ltd, Vishnu Apartments Pvt Ltd and MGF Market Place Mall Managements Pvt Ltd.

Committee Membership

The Motor & General Finance Limited

Audit Committee

Stakeholders Relationship Committee

Risk Management Committee

Corporate Social Responsibility Committee

India Lease Development Ltd

Audit Committee

Nomination & Remuneration Committee

Risk Management Committee

Jayabharat Credit Ltd

Audit Committee

Stakeholder Relationship Committee

Nomination & Remuneration Committee

Technofab Engineering Ltd

Audit Committee

Stakeholder Relationship Committee

Nomination & Remuneration Committee

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

4). Director being appointed as a Non Executive Independent Director (Resolution No.8)

Name	:	**Sh. Karun Pratap Hoon (DIN:05202566)**
Age & Date of Birth	:	**30 Years(26.01.1988)**
Qualification	:	**B.A.**

Experience in specific functional area

Mr. Hoon has vast experience in marketing, administration and automobile business.

Other Directorship:

M/s Charisma Automobiles Pvt Ltd

Committee Membership:

The Motor & General Finance Limited

Audit Committee

Stakeholders Relationship Committee

Nomination & Remuneration Committee

Corporate Social Responsibility(CSR) Committee

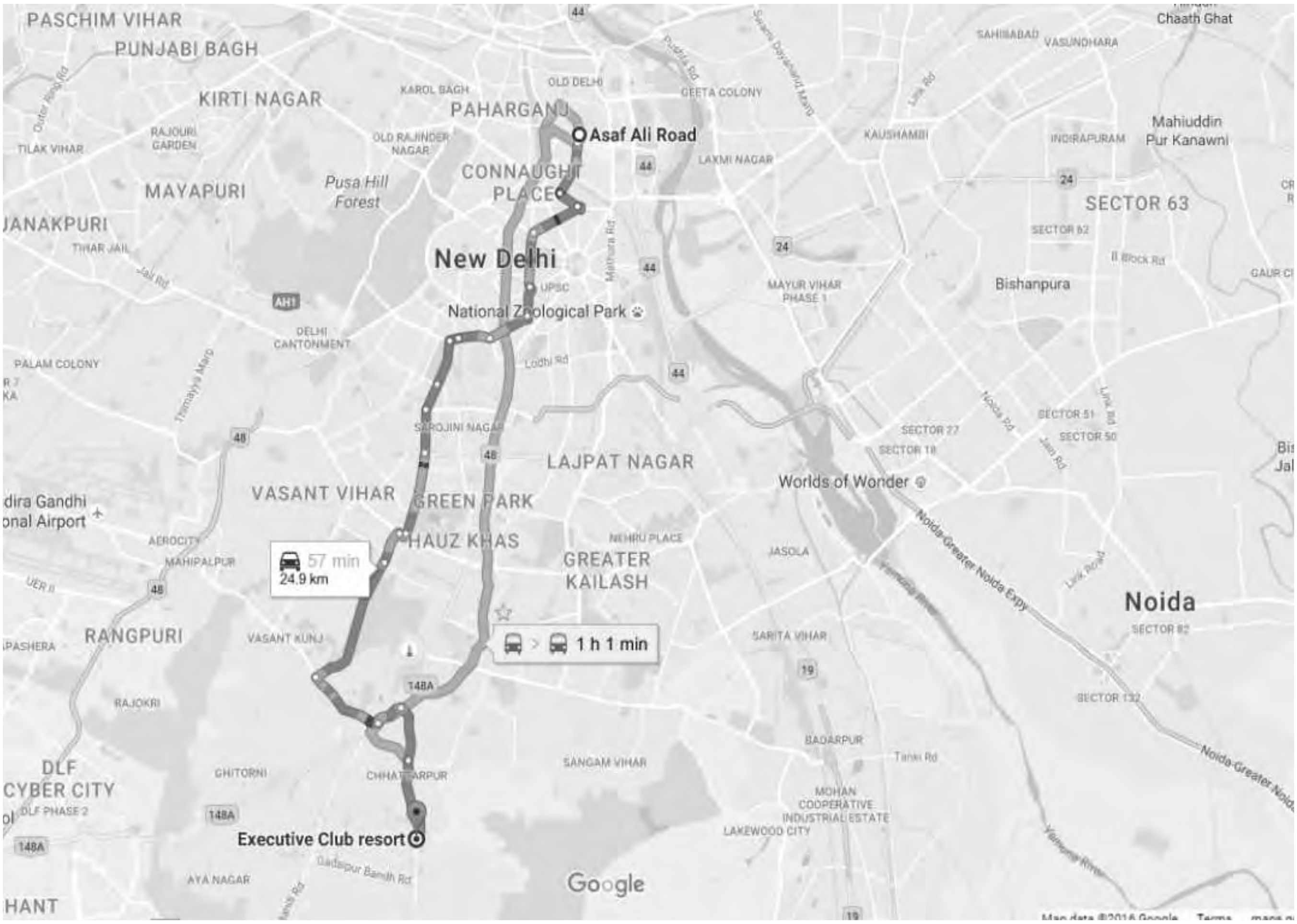
Mr. Karun Pratap Hoon holds Nil shareholding of the total Paid Up Capital of the Company

SHAREHOLDERS INFORMATION

Head Office & Registered Office	**:**	MGF HOUSE 4/17-B, Asaf Ali Road, New Delhi-110002
Internet Facility	:	
E-mail	:	**mgfltd@hotmail.com**
Company website	:	**www.mgfltd.com**
Telephone No.	:	011- 23272216-18,011-3278001-02
Fax No.	:	011-23274606
Date of Annual General Meeting	:	September 27, 2018
Time	:	12.30 P.M
Day	:	Thursday,
Venue	:	The Executive Club 439, Village Shahoorpur P.O. Fatehpur Beri New Delhi-110030
Day and Date of Book Closure		Thursday, the September 20, 2018 to Thursday, the September 27, 2018 (both days inclusive)
Shares listed at	:	BSE Limited Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400001 National Stock Exchange of India Ltd Exchange Plaza, Plot No.C/1, G Block, Bandra Kurla Complex, Bandra(E), Mumbai-400051

The company confirms that it has paid the Annual Listing Fees to the above Stock Exchanges for the year 2018-19

Route Map for AGM



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

Dear Shareholder, August 28, 2018

Re.: Dematerialization of physical shares

This is to inform you that the Securities and Exchange Board of India ('SEBI'), vide its Notification dated June 8, 2018 regarding amendment in the Regulation 40 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, has mandated that w.e.f. December 5, 2018, transfer of securities would be carried out in dematerialized form only, except in case of transmission or transposition of securities. Hence, the Company/its Registrar and Share Transfer Agent (RTA), will not entertain any requests of transfer of equity shares, if they are in physical form and presented for transfer to Company or its RTA, after December 4, 2018.

In view of the above said amendment, you are requested to get your holding dematerialized before the said date by opening a Demat account with any of the Depository Participant (DP) approved by the SEBI.

Thanking you,

Yours' faithfully,

For THE MOTOR & GENERAL FINANCE LIMITED

(Authorised Signatory)

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

Dear Shareholder

August 28, 2018

Re.: DETAILS OF BANK ACCOUNT, COPY OF PAN AND EMAIL ID ETC.

We would like to inform you that the SEBI vide its Circular No. SEBI/HO/MIRSD/DOP1/CIR/P/2018/73 dated April 20, 2018 has directed that all companies through their Registrar & Share Transfer Agents ('RTA') shall, *inter-alia*, take special efforts to collect copy of PAN and Bank details of all securities holders holding securities in physical form.

In accordance with the said circular, we request you to please fill in the enclosed form and forward the same along with the following documents to us [i.e. the RTA of **THE MOTOR & GENERAL FINANCE LIMITED** ('the Company')] at **ALANKIT ASSIGNMENTS LIMITED,** Alankit Heights, 3E/7, Jhandewalan Extension, New Delhi – 110055 to enable us to update the records of the Shareholders.

1. Copy of original cancelled cheque leaf with pre-printed name of the shareholder(s) or copy of passbook/bank statement duly attested by the bank official with date, bank's seal and bank official's code, e-mail and mobile/phone no;

2. Signature(s) of all shareholder(s) duly attested by the Bank official with date, Bank's seal and Bank official's name, code, e-mail and mobile/phone no;

3. Self-attested copy of PAN of the shareholder(s); and

4. Self-attested copy of address proof (preferably Aadhar card) of the shareholder(s).

5. Your E-mail Id and Phone No. for records as well as for receiving communications through electronic means, from time to time.

Please provide the above referred documents within 21 days of this notice to avoid any inconvenience in the matter.

You are further advised to dematerialize your shareholding as the Equity Shares of the Company are under compulsory demat trading by all investors.

Thanking you,

Yours' faithfully,

For The Motor & General Finance Limited

(Authorised Signatory)

Encl.: as above

REGISTRATION FORM FOR BANK DETAILS, COPY OF PAN, EMAIL ID, ETC.

To,

Alankit Assignments Limited
Unit : The Motor & General Finance Limited
Alankit Heights,
3E/7, Jhandewalan Extension,
New Delhi - 110055

Dear Sir,

I give my consent to update the following details in the records of **THE MOTOR & GENERAL FINANCE LIMITED** for sending communications through electronic means, etc. in compliance with the SEBI's Circular.

Folio No. : ______________________________

Name & PAN of the First/Sole holder : ______________________________ / _________________________

Name & PAN of the 1st Joint holder(s) : ______________________________ / _________________________

Name & PAN of the 2nd Joint holder(s) : ______________________________ / _________________________

Bank's Name : ______________________________

Branch's Name & Address : ______________________________

____

____

Account No.:__________________________ Account Type (SB/Current):______________

IFSC Code : _______________________ MICR Code: _____________________

Email Id : ___________________ Phone No.:_______________________

Date:

____
Signature of First/Sole Holder

(Attested by Bank with Seal and name/code/contact details)

Encl.:
(1) Copy of original cancelled cheque leaf (with pre-printed name) or Copy of pass book/bank statement attested by Banker
(2) Signature of all shareholder(s) attested by Banker
(3) Self-attested copy of PAN
(4) Self-attested copy of Aadhar Card

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 Eighth Annual General Meeting(AGM) of the company to be held on Thursday, the September 27, 2018 at 12.30 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 Standalone Audited Financial Statements together with the Report of the Directors and Auditors thereon. & Consolidated Financial Statement for the year ended March 31,2018 and the Report of the Auditors thereon.			
2.	Re-appoint a Director in the place of Sh. Rajiv Gupta(DIN:00022964) who retires by rotation and is eligible for re-appointment.			
3.	Re-appoint a Director in the place of Smt. Arti Gupta(DIN:00023237) who retires by rotation and is eligible for re-appointment.			
4.	Re-appoint a Director in the place of Sh. Arun Mitter(DIN:00022941) who retires by rotation and is eligible for re-appointment.			
5.	To fix the remuneration of Auditors in terms of provisions of Section 142 of the Companies Act, 2013, for the Financial Year ending March 31, 2019.			
6.	Special Resolution for Company's contribution to Bonafide and Charitable Funds.			
7.	Special Resolution for Reclassification of Promoters Group to Public Category.			
8.	Special Resolution for appointment of Sh. Karun Pratap Hoon (DIN: 05202566), as a Non Executive Independent Director			
9.	Special Resolution for Re-appointment of M/s PCK & Associates, Cost Auditors (Firm Regd No.000514) for the Financial Year ending March 31, 2019.			
10.	Special Resolution for Sh. Onkar Nath Aggarwal (DIN: 00629878) for Continuity of Non Executive Independent Director after the age of 75 years.			
11.	Special Resolution for Related Party Transactions.			

Place:
Date:

Signature of the Shareholder(s)

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

INSTRUCTIONS

1. This Ballot Form is provided for the benefit of Members who do not have access to e-voting facility.
2. A member can opt for only one mode of voting i.e. either through e-voting or by Ballot. If a Member casts votes by both modes, then voting done through e-voting shall prevail and Ballot shall be treated as invalid.
3. For details instructions on e-voting, please refer to the notes appended to the Notice of the AGM.
4. The Scrutinizer will collate the votes downloaded from the remote e-voting system and votes received through post to declare the final results for each of the Resolutions forming part of the Notice of the AGM.

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

1. Please complete and sign the Ballot Form (no other form or photocopy thereof is permitted) and send it so as to reach the Scrutinizer appointed by the Board of Directors of the company i.e. Ms Anjali Yadav, Practising Company Secretary (Membership No.FCS-6628/CP-7257),(B-6/32, Sector 15, Rohini, Delhi-110089) C/o The Motor & General Finance Limited, MGF House, 4/17-B, Asaf Ali Road, New Delhi-110002, Mobile No.+919810655161,E-mail ID: **anjaliyadav.associates@gmail.com.**
2. The Form should be signed by the Members as per the specimen signatures registered with the Company/Depositories. In case of joint holding, the Form should be completed and signed by the first named member and in his/her absence, by the next named joint holder. A Power of Attorney(POA) holder may vote on behalf of a member, mentioning the registration number of the POA registered with the company or enclosing an attested copy of the POA. Exercise of vote by ballot is not permitted through proxy.
3. In case the shares are held by companies, trusts, societies, etc the duly completed Ballot Form should be accompanied by a certified true copy of the relevant Board Resolution/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 members shall be in proportion of the share(s) held by them in the paid up equity share capital of the company as on September 20,2018 and as per the Register of Members of the company.
6. Duly completed Ballot Form should reach the Scrutinizer not later than by Wednesday, the September26, 2018 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 market Ballot Forms will be rejected. Ballot Form will be rejected if it is received torn, defaced or mutilated to an extent which makes it difficult for the Scrutinizer to identify either the member or as to whether the votes are in favour or against or of the signatures cannot be verified.
9. The decision of the Scrutinizer on the validity of the Ballot Form and other related matter shall be final.
10. The result shall be placed on the company's website **www.mgfltd.com** within two days of the AGM of the company on **September 29,2018** and communicated to BSE Limited and National Stock Exchange of India Limited(NSE), 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
Phone Nos.: 011-23272216-18, 011-23278001-02 Fax: 011-23274606
Website: http:/www.mgfltd.com Email-mgfltd@hotmail.com
CIN: L74899DL1930PLC000208

88th Annual General Meeting - Thursday, September 27, 2018 at 12.30 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 88th Annual General Meeting of the company at The Executive Club, 439, Village Shahoorpur, P.O. Fatehpur Beri, New Delhi - 110030 on Thursday, the September 27, 2018 at 12.30 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 2017-18 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 88th Annual General Meeting of the Company before casting your vote through e-voting.

MGF

PROXY FORM
(Form No.MGT-11)

[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies(Management and Administration)Rules, 2014]

THE MOTOR & GENERAL FINANCE LIMITED

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

88th Annual General Meeting - Thursday, September 27, 2018 at 12.30 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 88th Annual General Meeting of the company to be held on Thursday, the September 27, 2018 at 12.30 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………… 2018

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.