

Courier

DCS/COMP/DB/151/2014-15

December 18, 2014

The Company Secretary / Compliance Officer
The Motor & General Finance Ltd
M.G.F. House, 4/17-B
Asaf Ali Road
New Delhi - 110002
Delhi

Dear Sir/Madam,

Sub: Audit Reports filed by listed companies

This has reference to the provisions of Clause 31(a) of the Listing Agreement and SEBI Circulars pertaining to the "Manner of Dealing with Audit Reports filed by Listed Companies" dated August 13, 2012 and June 05, 2013 which inter-alia mandated listed companies to submit either Form A (Unqualified / Matter of Emphasis Report) or Form B (Qualified / Subject to / Except for Audit Report) along with the company's Annual Report to the Stock Exchange.

As per the provisions of the said circulars, the qualifications raised by the Statutory Auditors in their Audit Report, would be scrutinized by the Qualified Audit Review Committee (QARC) constituted by SEBI.

Accordingly, after scrutiny and discussion by QARC and thereafter by FRRB and as directed by SEBI, you are advised to:

Restate the Financial Statements pertaining to Financial Year 2012-13 giving effect to the qualifications*, in terms of Clause 31A of the Listing Agreement and in terms of SEBI Circular No. CIR/CFD/DIL/7/2012 dated August 13, 2012 read with the SEBI's Clarificatory Circular CIR/CFD/DIL/9/2013 dated June 05, 2013.

(* Refer Annexure-I for details)

You are requested to take note of the same and comply accordingly, under information to the Exchange.

In case you need any clarifications on the above, you may please Ms. Dhara Barot on 22728559 / Mr. Rakesh Parekh on 22728307 (email rakesh.parekh@bseindia.com, dhara.barot@bseindia.com) for assistance.

Yours truly,



Netra Sahani
D.G.M - Listing Compliance



Abhijit Pai
A.G.M - Listing Compliance

ANNEXURE I:

The Motor & General Finance Ltd

Auditor Qualification:

Provision of Rs 280.43 lacs has not been made for diminution in the value of non current long term investments. (Refer Note No. 30). Had our aforesaid observation been considered, the profits for the year would have been Rs. 49.16 lacs (as against the reported figure of Rs. 329.58 lacs) and the deficit in statement of profit & loss would have been Rs. 1944.05 Lacs (as against the reported figure of Rs. 1719.71Lacs).