



NOTICE

NOTICE is hereby given that the 20th Annual General Meeting of the Shareholders of MARGO FINANCE LIMITED will be held on Tuesday, the 2nd August, 2011 at 11.00 A.M. at the Registered Office of the Company i.e. at Village Alte, Taluka : Hatkanangale, Dist. Kolhapur – 416 109, Maharashtra to transact the following business :

ORDINARY BUSINESS :

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2011, the Profit and Loss Account for the year ended on that date and the Reports of Directors` and Auditors` thereon.
2. To appoint a Director in place of Shri G. P. Agrawal, who retires by rotation and being eligible, offers himself for reappointment.
3. To appoint a Director in place of Shri Sushil Kumar Agarwal, who retires by rotation and being eligible, offers himself for reappointment.
4. To appoint auditors and fix their remuneration.

By Order of the Board
For **MARGO FINANCE LIMITED**

Place : Mumbai
Date : 17th May, 2011

ANIL KUMAR JAIN
CHAIRMAN

NOTES :

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF /HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE PROXY FORM SHOULD BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.
2. Register of Members and the Share Transfer Books of the Company will remain closed from 22.07.2011 to 02.08.2011 (both days inclusive).
3. Members are requested to :
 - i) Intimate immediately changes, if any, in their registered addresses.
 - ii) Quote Ledger Folio No./DP ID/Client ID No. in all their correspondence to the Company's Registrar & Share Transfer Agent.
 - iii) Intimate about consolidation of folios, if shareholdings are under multiple folios.
 - iv) Members/proxies should bring the attendance slip duly filled in for attending the aforesaid meeting.
 - v) Members are requested to send their queries, if any, at least 14 days in advance of the meeting addressed to Margo Finance Limited at 506, Pragati Tower, 26, Rajendra Place, New Delhi-110 008 so that information can be made available at the meeting.
 - vi) Trading in Equity Shares of the Company are compulsorily in de-mat form w.e.f. 26.03.2001.
 - vi) This is with reference to the compliance of Ministry of Corporate Affairs with regard to "green initiative" in the corporate governance, we hereby request you to update your E-mail ID with your Depository Participant so that we may be able to dispatch the Annual Reports etc.

By Order of the Board
For **MARGO FINANCE LIMITED**

Place : Mumbai
Date : 17th May, 2011

ANIL KUMAR JAIN
CHAIRMAN



MARGO FINANCE LIMITED

ADDITIONAL INFORMATION

Brief Profile of Shri G. P. Agrawal, who retires by rotation, and is eligible for re-appointment :

Shri G. P. Agrawal is a Law Graduate and a Fellow Member of the Institute of Company Secretaries of India. He has a rich experience of over 31 years in the fields of Corporate Affairs, Project Financing, Capital Market, Company Law & legal matters in the Private Sector and has been associated with the Company since its incorporation.

Outside Directorships :

- (i) Almondz Capital & Management Services Ltd.
- (ii) Almondz Finanz Ltd.
- (iii) Almondz Insurance Brokers Pvt. Ltd.
- (iv) Rama Vision Ltd.
- (v) Yartex Exports Ltd.

Brief Profile of Shri Shushil Kumar Agarwal, who retires by rotation, and is eligible for re-appointment :

Shri Shushil Kumar Agarwal is a Chartered Accountant by profession and has a rich experience of over 41 years in the area of auditing and taxation etc.

Outside Directorship :

- (i) Pranavadiya Spinning Mills Limited

By Order of the Board
For **MARGO FINANCE LIMITED**

Place : Mumbai
Date : 17th May, 2011

ANIL KUMAR JAIN
CHAIRMAN

Note :

This is with reference to the compliance of Ministry of Corporate Affairs with regard to "green initiative" in the corporate governance, we hereby request you to update your E-mail ID with your Depository Participant so that we may be able to dispatch the Annual Reports etc. through



MARGO FINANCE LIMITED

DIRECTORS' REPORT

Your Directors present their 20th ANNUAL REPORT along with the Audited Accounts for the year ended 31st March, 2011.

FINANCIAL RESULTS :

The Financial Results for the year ended on 31st March, 2011 are as under :

Particulars	2010-2011 (Rs. in lacs)	2009-2010 (Rs. in lacs)
Total Income	31.10	38.22
Gross Profit Before Depreciation	11.26	20.11
Less : Depreciation	0.93	1.15
Profit Before Tax	10.33	18.96
Less : Provision for Taxation	1.82	2.23
Net Profit After Tax	8.51	16.73
Less : Transfer to Special Reserve	1.70	3.35
Add : Profit brought forward from Previous year	68.98	55.60
Balance carried to Balance Sheet	75.79	68.98

OPERATIONS :

The Company has earned a Net Profit of Rs. 8.51 lacs during the year under review against the Net Profit of Rs. 16.73 lacs in the Previous Year. Company is looking for an opportunity to make a suitable expansion / diversification.

DIVIDEND :

Due to inadequate profits the Board of Directors do not recommend any dividend for the year.

DEPOSITS :

The Company has not accepted any fixed deposits from the Public.

DIRECTORS :

In accordance with the provisions of Companies Act, 1956, Shri G. P. Agrawal and Shri Sushil Kumar Agarwal, Directors of the Company, retire by rotation at this Annual General Meeting and being eligible, offer themselves for re-appointment.

AUDITORS :

The Auditors, M/s AVK & Associates, Chartered Accountants, retire at the conclusion of this Annual General Meeting and being eligible, offer themselves for re-appointment. They have furnished a certificate to the effect under Section 224 (1-B) of the Companies Act, 1956.

The Observations of the Auditors as referred in their report are suitably explained in the Notes to Accounts and therefore do not call for any further comments.

PERSONNEL :

Particulars of employees in accordance with the provisions of Section 217 (2A) of the Companies Act, 1956 read with Companies (Particulars of Employees) Rules, 1975 as amended, are not given, as none of the employees qualify for such disclosure.



MARGO FINANCE LIMITED

DISCLOSURE :

Being a Non-Banking Financial Company, inclusion of particulars with respect to conservation of energy and technology absorption as required under Companies (Disclosure of Particulars in the Report of Directors) Rules, 1998 is not required.

CORPORATE GOVERNANCE :

The Corporate Governance Report together with a Certificate from a Practicing Company Secretary confirming compliance of guidelines is made part of this Report as per Clause 49 of the Listing Agreement entered into with the Stock Exchange(s).

DIRECTORS' RESPONSIBILITY STATEMENT :

Your Directors confirm :

- a) that in preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures.
- b) that the Directors had selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year ended on 31st March, 2011 and of the Profit of the Company for that year.
- c) that the Directors had taken proper and sufficient care for maintenance of adequate accounting records for the year ended 31st March, 2011 in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the company and for prevention and detection of fraud and other irregularities.
- d) that the Directors had prepared the Annual Accounts ended 31st March, 2011 on a "going concern" basis.

ACKNOWLEDGEMENTS :

Your Directors place on record their appreciation of the support made by the employees at all levels, Bankers, Shareholders and Customers of the Company.

On behalf of Board of Directors
For **MARGO FINANCE LIMITED**

Place : Mumbai
Date : 17th May, 2011

ANIL KUMAR JAIN
CHAIRMAN



MANAGEMENT DISCUSSION AND ANALYSIS REPORT

INDUSTRY AND BUSINESS OUTLOOK

The growth in the Indian economy together with the growth in the Capital markets will have better future for your Company. Non Banking Finance Companies play major role in financing, inspite of presence of large number of Foreign as well as Nationalised Banks in this field, the role of NBFCs is established.

Due to growing economy of the country there is a scope of NBFCs. The economic indicators for the future are also strong. Your Company hope to explore the opportunities thrown up by the economy.

RISKS & CONCERNS

Risk is synonym with NBFCs which is inherent part of their business. Your Company is also subjected to various types of such risks. Your Company has identified these risks and guarded itself by adopting a range of strategies and measures to reduce the impact of such risks.

Credit risks considered to be major risk being faced by NBFCs. Your Company has evolved various policies and systems for credit risk to closely monitor the same. Your Company is having appropriate pre disbursal and post disbursement monitoring and regular follow up of the collection process. A low level of NPA proportion in the assets of your Company reflects its sound risk management policies. Your Company also follow provisioning norms of RBI.

OPPORTUNITIES AND THREATS

Business Opportunities for Finance Companies are enormous as the new areas and segments are being explored. There is a large scope of small size NBFCs like ours, for certain segment of customers, which remain unserved by Banks and large size NBFCs.

The major threat being faced by NBFCs are from aggressive marketing of Banks and low rates of financing being offered by them.

INTERNAL CONTROL AND THEIR ADEQUACY

Foundation of your Company's control mechanism vests in Management Information Systems (MIS). Your Company has devised effective systems so that assets and business of the company are safeguarded. The internal control is regularly reviewed and augmented by the Audit Committee. The management feels that the system of internal controls are adequate considering the size of operations of the Company.

HUMAN RESOURCES

Operating in the service industry, your Company's performance is heavily dependent on the knowledge and expertise of its personnel. The Company is having dedicated team of persons.

CAUTIONERY STATEMENT

Statement in this Management Discussion describing the Company's objectives, estimates, expectations may constitute "Forward Looking Statement" within the meaning of applicable laws. Actual results might differ materially from those either expressed or implied. Important factors that could make a difference to the Company's operations include demand and supply conditions, cyclical demand, changes in Government regulations, tax regimes, economic development within India.



CORPORATE GOVERNANCE REPORT

1. Company's Philosophy

The Management of the Company recognizes the importance of Corporate Governance for better transparency as well protection of Shareholder's interest.

2. Board of Directors

The Board of Directors of the Company comprises of all Non-Executive Directors headed by Non-Executive Chairman. The present strength of the board is 4 (Four) and out of which 3 (Three) are independent Directors. The Independent Directors do not have any material pecuniary relationship or transactions with the company, promoters, management which may affect their judgements in any manner. The Board meets at least once in a quarter to consider amongst other matters, the quarterly audited/unaudited financial results of the Company.

Sr. No.	Name	Category	No. of Directorship in other Public Ltd. Companies	No. of Membership in other Board Committees
1.	Shri Anil Kumar Jain	Non-Executive Chairman	4	2 Chairmanship 1 Membership
2.	Shri G. P. Agrawal	Non-Executive Director, Independent	5	2 Chairmanship 5 Membership
3.	Shri Sushil Kumar Agarwal	Non-Executive Director, Independent	1	1 Chairmanship
4.	Shri Pradeep Kantilal Shah	Non-Executive Director, Independent	NIL	NIL

During the year under review, 4 Board Meetings were held on 29th May, 2010, 14th August, 2010, 11th November, 2010 and 14th February, 2011. The gap between the two meetings was not more than 4 months. The last Annual General Meeting was held on 31st July, 2010.

The attendance of the individual directors in the aforesaid meetings was as follows :

Name of Director	Category	Meeting Date & Attendance			
		29.05.2010	14.08.2010	11.11.2010	14.02.2011
Shri Anil Kumar Jain	Chairman	✓	✓	✓	✓
Shri G. P. Agrawal	Director	X	X	X	X
Shri Sushil Kumar Agarwal	Director	✓	✓	✓	✓
Shri Pradeep Kantilal Shah	Director	✓	✓	✓	✓

3. Re-appointment of Directors

Shri G. P. Agrawal is a Law graduate and a Fellow Member of the Institute of Company Secretaries of India. He has got more than 31 years of experience in the field of Corporate Affairs, Project Finance, Capital Market, Company Law and Legal matters in Private Sector. He has handled public / rights issues for a number of companies. He has got wide experience in dealing with All Indian / State Financial Institutions and Banks and successfully raised funds for many projects in the field of Textile, Papers, and Picture Tubes etc. He has been associated with the Company since its incorporation.



MARGO FINANCE LIMITED

Shri Shushil Kumar Agarwal is a Chartered Accountant by profession and has a rich experience of over 41 years in the area of auditing and taxation etc.

Both Shri G. P. Agrawal and Shri Shushil Kumar Agarwal will hold office until conclusion of the ensuing annual general meeting, subject to however, being eligible for re-appointment.

4. Remuneration of Directors

Name	Category	Sitting Fees (Rs.)
Shri Anil Kumar Jain	Director	4000
Shri G. P. Agrawal	Director	—
Shri Sushil Kumar Agarwal	Director	4000
Shri Pradeep Kantilal Shah	Director	4000

5. Audit Committee

The Audit Committee was formed in accordance with the requirements of Clause 49 of the Listing Agreement. The broad terms of reference of the Audit Committee are :

- To review the overall financial reporting process and disclosure of financial information.
- To review the annual accounting / financial statements, policies and practice.
- To appraise the adequacy of proper internal control and internal audit systems.
- To review the Company's financials and risk management policies.
- To recommend the appointment and removal of external Auditors and fixation of audit fees.
- To approve payment to Statutory Auditor for any other services rendered by them.
- To review with the management, the quarterly financial statements before submission to the Board of Directors.

The Audit Committee comprises of three Non Executive Independent Directors, Shri Sushil Kumar Agarwal, Shri Pradeep Kantilal Shah and Shri G. P. Agrawal.

The quorum for the Audit Committee meeting is 1/3 of the total strength or 2 whichever is higher. The terms of reference of the Audit Committee are in line with Stock Exchange Listing Agreement and provisions of Section 292 A of the Companies Act, 1956.

During the Financial year 2010-2011, the Audit Committee meetings were held 4 times i.e. on 29th May, 2010, 14th August, 2010, 11th November, 2010 and 14th February, 2011. The gap between the two meetings was not more than 4 months.

All the Audit Committee meetings were attended by Shri Sushil Kumar Agarwal and Shri Pradeep Kantilal Shah. Shri Sushil Kumar Agarwal, Chairman of the Audit Committee, was present at the Annual General Meeting of the Company to answer the shareholders queries.

6. Share Transfer and Share Holders' Grievance Committee

At present the Share Transfer and Share Holders / Investor grievances committee comprises of Shri Anil Kumar Jain, Shri G. P. Agrawal and Shri Pradeep Kantilal Shah. The Chairman is elected amongst members of the Committee. Quorum of the Committee Meeting is two Directors.

During the year under review 15 Share transfer and share holders / Investor grievance committee meetings were held. Gap between two meetings was more than statutory period of 14 days in the absence of transactions and the same was being conducted on as and when required basis.



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The various issues addressed in connection with Shareholders and Investor services & grievance are :

a) **Share transfer :**

- i) Approve and effect transfer and transmission of shares.
- ii) Issue of new Share Certificates in lieu of lost / mutilated share certificates.
- iii) Consolidation of folios / transposition of names.

b) **Shareholders / Investors complaints :**

- i) Non receipt of shares after transfer / transmission.
- ii) Non receipt of Annual Report.
- iii) Other matters including change of address etc.

The minutes of the committee are placed in the subsequent board meeting held after the committee meeting. The Compliance Officer of the Company attends every meeting and closely supervises the shareholders grievances and coordinates with the regulatory Authorities and other agencies.

7. **Disclosure**

Disclosures on materially significant related party transactions i.e. transactions of the company of material nature, with its promoters, the directors or the management, their subsidiaries or relatives, etc. that may have potential conflict with the interests of the company at large.

There is no material transaction with any related party which may have potential conflict with the interests of the Company at large. However, the Company has annexed to the accounts, a list of related parties as per Accounting Standard 18 and the transactions entered into with them.

Details of non-compliance by the Company, penalties, strictures imposed on the Company by Stock Exchange(s) or SEBI, or any statutory authority, on any matter related to capital markets, during the last three years.

Neither any non-compliance with any of the legal provisions of law has been made by the Company nor has any penalty, stricture been imposed by the Stock Exchange(s) or SEBI, or any statutory authority, on any matter related to capital markets, during the last three years.

8. **Remuneration Committee**

The Board has not constituted any remuneration Committee.

9. **Compliance**

The Company has complied with the requirement of Stock Exchanges, SEBI and other Statutory authorities during the preceding financial year on all matters related to Capital Market and no penalty / strictures, have been imposed on the Company.

10. **Means of Communication**

Quarterly Results are faxed / couriered to the Stock Exchanges immediately after the Board Meeting as required under the listing agreement. Quarterly Results are also published in English / Hindi / Marathi Newspapers.

The Annual Report is posted to every shareholder of the Company.

Management Discussion & Analysis Report forms part of this Annual Report.



GENERAL SHAREHOLDER'S INFORMATION

	Day	Date	Time	Venue
Annual General Meeting :	Tuesday,	the 2nd August, 2011	11.00 A.M.	Village Alte, Taluka : Hatkanangale, Dist. Kolhapur - 416 109 (Maharashtra)

Financial Year : 31st March, 2011

Book Closure Dates : 22nd July, 2011 to 2nd August, 2011 (Both days inclusive)

Date, Time & Venue of the Last Three AGMs :

Financial Year Ended	Date	Time	Venue	Special Resolution Passed, If any	Dividend Payment Details
31.03.2010	31.07.2010	12.45 p.m.	Village Alte, Hatkanangale, Dist. Kolhapur - 416 109	No	N.A.
31.03.2009	29.09.2009	11.00 a.m.	Village Alte, Hatkanangale, Dist. Kolhapur - 416 109	No	N.A.
31.03.2008	27.09.2008	2.00 p.m.	Hotel Shalini Palace, Rankala, Kolhapur - 416 010	No	N.A.

No Special Resolution was passed and no item was considered for adoption by postal ballot in the preceding three Annual General Meetings of the Company.

Listing on Stock Exchanges : The Stock Exchange, Mumbai
25th Floor, Phiroze Jeebhoy Towers
Dalal Street, Mumbai - 400 001
Stock Code : 500206

Depositories : The National Securities Depository Ltd.,
4th floor, `A` Wing, Trade World,
Kamala Mills Compound,
Senapati Bapat Marg,
Lower Parel, Mumbai – 400 013

Central Depositories Services (India) Ltd.
Phiroze Jeebhoy Towers
17th floor, Dalal Street
Mumbai – 400 001

Registrar & Share Transfer Agent's and Address for Correspondence : Link Intime India Pvt. Ltd.,
A-40, 2nd Floor, Near Batra Banquet Hall,
Naraina Industrial Area, Phase - II,
New Delhi – 110 028.
Telephone No. 011-41410592 to 594
Fax No. 011 - 41410591
E-mail : delhi@linkintime.co.in

**MARGO FINANCE LIMITED**

Stock price data for the period from 1st April, 2010 to 31st March, 2011 at Bombay Stock Exchange :

Month	High (Rs.)	Low (Rs.)	Volume
April 2010	4.60	2.43	38408
May 2010	5.00	3.73	26014
June 2010	4.76	3.75	16243
July 2010	5.60	3.33	16393
August 2010	7.60	5.25	40639
September 2010	6.02	4.33	28294
October 2010	6.51	4.17	35617
November 2010	5.65	4.80	9418
December 2010	5.07	4.14	30682
January 2011	4.56	3.91	2814
February 2011	4.20	3.44	25873
March 2011	3.60	3.17	33499

Distribution of shareholding as on 31st March, 2011 :

No. of Equity Shares	No. of Shareholders	% of Shareholders	No. of Shares Held	% of Share Holding
1 - 250	8104	82.86	1012400	22.15
251 - 500	1242	12.70	473067	10.35
501 - 1000	299	3.06	245435	5.37
1001 - 2000	79	0.81	115419	2.53
2001 - 3000	11	0.11	26840	0.59
3001 - 4000	7	0.07	25757	0.56
4001 - 5000	11	0.11	51951	1.14
5001 - 10000	6	0.06	44937	0.98
Above 10000	22	0.22	2574194	56.33
	9781	100.00	4570000	100.00



MARGO FINANCE LIMITED

Shareholding pattern as on 31st March, 2011 :

Category	No. of Equity Shares held	% of Shareholding
Promoters & Associates	24,46,927	53.543
Financial Institutions / Banks / Insurance Companies including Central / State Government Institutions	100	0.002
Mutual Funds and UTI	—	—
FIs	—	—
NRIs	6,588	0.144
Domestic Corporate Bodies	1,11,495	2.440
Indian Public	20,04,890	43.871
Total	45,70,000	100.000

Dematerialisation of shares and liquidity :

As per directive of SEBI the Equity Shares of the Company are compulsorily traded in dematerialized form with effect from 26.03.2001. The ISIN No. allotted for the shares of company is INE 680B01019. Requests for dematerialisation of shares are processed and confirmed within 15-20 days of receipt from NSDL and CDSL.

Offices of the Company :

The Company has offices at the following places :

Registered Office :

Village Alte, Taluka : Hatkanangale
Dist. Kolhapur – 416 109
Maharashtra

Delhi Office :

506, Pragati Tower,
26, Rajendra Place
New Delhi – 110 008

Head Office :

301, Arcadia
Nariman Point
Mumbai – 400 021

Communication Address :

Shri S. D. Maheshwari
Manager
506, Pragati Tower, 26, Rajendra Place
New Delhi – 110 008



COMPLIANCE CERTIFICATE

**CERTIFICATE ON COMPLIANCE WITH THE CONDITIONS OF CORPORATE GOVERNANCE UNDER
CLAUSE 49 OF THE LISTING AGREEMENT**

**To the Shareholders of
Margo Finance Limited**

We have examined the compliance of conditions of corporate governance by Margo Finance Limited for the year ended on 31st March, 2011 as stipulated in Clause 49 of the Listing Agreement(s) of the said company with stock exchange(s) in India.

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

In our opinion and to the best of our information and explanations given to us, we certify that the Company has complied with the conditions of corporate governance as stipulated in Clause 49 of the Listing Agreement.

We state that no investor grievance is pending for a period of exceeding one month against the company as per the records maintained by the shareholders / investors grievance committee.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For **ASHU GUPTA & CO.**
Company Secretaries

Place : New Delhi
Dated : 17th May, 2011

ASHU GUPTA
Proprietor
C.P. No. 6646



AUDITORS` REPORT

**To the Members,
Margo Finance Limited,**

We have audited the attached Balance Sheet of MARGO FINANCE LIMITED as at March 31, 2011, the Profit & Loss Account and the Cash Flow Statement for the year ended on that date, which we have signed under reference to this report. These financial statements are the responsibility of the management of the Company. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in India. These standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amount and disclosure in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

As required by the Companies (Auditors' Report) Order, 2003 issued by the Company Law Board in terms of Section 227(4A) of the Companies Act, 1956, we enclose in the annexure a statement on the matters specified in the said order.

Further to our comments in annexure referred to in paragraph 1 above :

- i) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.
- ii) 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 the said books.
- iii) The Balance Sheet, Cash Flow Statement and the Profit & Loss Account referred to in this report are in agreement with the books of account.
- iv) In our opinion the Balance Sheet, Cash Flow Statement and the Profit & Loss Account comply with the Accounting Standards referred to in sub-section (3C) of Section 211 of the Companies Act, 1956.
- v) In our opinion, and based on information and explanations given to us none of the directors are disqualified as on 31st March, 2011 from being appointed as director in terms of clause (g) of sub-section (1) of Section 274 of the Companies Act, 1956.
- vi) In our opinion and to the best of our information and according to the explanations given to us, the said accounts read with the notes thereon in Schedule 13, give the information required by the Companies Act, 1956 in the manner so required and give a true and fair view :
 - a) In the case of Balance Sheet, of the State of affairs of the Company as at 31st March, 2011.
 - b) In the case of Profit & Loss Account, of the profit of the Company for the year ended on that date.
 - c) In the case of Cash Flow Statement of cash flows for the year ended on that date.

For AVK & ASSOCIATES
Chartered Accountants

Parul Gupta
Partner
FCA- 095539

Place : Mumbai
Dated : 17th May, 2011

Firm Registration No. 002638N



MARGO FINANCE LIMITED

Annexure referred to in paragraph 1 of the Auditors' Report on the Accounts for the year ended 31st March, 2011.

- (i) (a) The company is maintaining proper records showing full particulars including quantitative details and situation of fixed assets.
- (b) As explained to us, all the fixed assets have been physically verified by the management according to a regular program, which, in our opinion, is reasonable having regard to the size of the company and the nature of its assets. No material discrepancies with respect to book records were noticed on such verification.
- (ii) There is no inventory except the stocks under finance agreement, therefore the Clause No. (ii) (a), (b) and (c) of the order are not applicable to the company.
- (iii) The company has not received unsecured loans from companies, firms or other parties covered in the register maintained under Section 301 of the Companies Act, 1956, however the company has granted unsecured loans to companies, firms or other parties covered in the register maintained under Section 301 of the Companies Act, 1956, details of which are furnished hereunder :

a) Following are the particulars of unsecured loans granted by the company :

S. No.	Name of the Party	Amount (Rs. In Lacs)	Year end Balance (Rs. In Lacs)	Maximum Balance (Rs. In Lacs)
1.	Rini Investment & Finance Pvt. Ltd.	2.30	0.70	1.50
2.	Skyrise Properties Private Limited	Nil	127.56*	127.56*

* Including Interest

In our opinion, rate of interest and other terms and conditions on which the loans have been received and granted are not prima facie prejudicial to the interest of the company.

Parties to whom loans have been granted have repaid the principal amount as per stipulation, wherever applicable.

- (iv) In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the company and the nature of its business with regard to purchase of fixed assets. During the course of our audit, no major weakness has been noticed in the internal controls.
- (v) (a) According to the information and explanations given to us, we are of the opinion that the transactions that need to be entered in the register maintained under Section 301 of the Companies Act, 1956 have been so entered.
- (b) In our opinion and according to the information and explanations given to us, the transactions made in pursuance of contracts or arrangements entered in the register maintained under Section 301 and exceeding the value of rupees five lacs in respect of any party during the year have been made at prices which are reasonable having regard to prevailing market prices at the relevant time.
- (vi) In our opinion and according to the information given to us, the company has not accepted any deposits from the public within the meaning of Sections 58A and 58AA of the Companies Act, 1956 and the Companies (Acceptance of Deposit) Rules, 1975.
- (vii) In our opinion, the company has an adequate internal audit system commensurate with the size and the nature of its business.



MARGO FINANCE LIMITED

- (viii) The provisions of Section 209(1)(d) of the Companies Act, 1956 regarding maintenance of cost records are not applicable to the company.
- (ix) (a) According to the records of the company, the company is regular in depositing with the appropriate authorities undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees State Insurance, Income Tax, Wealth Tax and other statutory dues applicable to it.
(b) According to the information and explanations given to us, no undisputed amounts payable in respect of income tax, were outstanding as at 31.03.2011 for a period of more than six months from the date they became payable.
- (x) The company does not have accumulated losses at the end of the financial year. The company has not incurred cash losses during the current financial year and in the immediately preceding financial year.
- (xi) Based on our examination of documents and records maintained by the Company the Company has not defaulted in payment of dues to Bank.
- (xii) Based on our examination of documents and records maintained by the company, we are of the opinion that since the company has not granted any loan and advance on the basis of security by way of pledge of shares, debentures and other securities, it is not required to maintain records in respect thereof.
- (xiii) In our opinion, the company is neither a chit fund nor nidhi / mutual benefit fund / society and hence clause 4 (xiii) of the order is not applicable to the company.
- (xiv) Based on our examination of records we are of the opinion that the company has maintained proper records of the transactions and contracts and timely entries have been made therein. The shares, securities, debentures and other securities have been held by the company in it's own name.
- (xv) Based on our examination of the records, we are of the opinion that the company has not given guarantee for loans taken by others from banks or financial institutions.
- (xvi) According to the information and explanations given to us and on an overall examination of the balance sheet of the company, we report that the no funds raised on short-term basis have been used for long-term investments. No long-term funds have been used to finance short-term assets except permanent working capital.
- (xvii) During the year the company has not made any preferential allotment of shares to parties and companies covered in the register maintained under Section 301 of the Companies Act, 1956.
- (xviii) During the year the company had not issued any debentures.
- (xix) During the year no money was raised by public issue.
- (xx) According to the information and explanations given to us, we report no fraud on or by the company has been noticed or reported during the course of our audit.

For AVK & ASSOCIATES
Chartered Accountants

Parul Gupta
Partner
FCA- 095539

Place : Mumbai
Dated : 17th May, 2011

Firm Registration No. 002638N



BALANCE SHEET as at 31st March, 2011

	Schedules		Current Year 31.03.2011 (Rs.)		Previous Year 31.03.2010 (Rs.)
SOURCES OF FUNDS					
1. Shareholders' Funds					
a) Share Capital	1	45,700,000		45,700,000	
b) Reserves & Surplus	2	14,573,897	60,273,897	13,723,428	59,423,428
2. Loan Funds					
Bank Overdraft - Secured against FDR			1,145,168		—
			61,419,065		59,423,428
APPLICATION OF FUNDS					
1. Fixed Assets	3				
a) Gross Block		1,286,950		1,736,122	
b) Less : Depreciation		593,975		972,875	
c) Net Block			692,975		763,247
2. Investments	4		33,711,861		33,155,869
3. Current Assets, Loans & Advances					
a) Current Assets	5	11,235,633		10,262,163	
b) Loans and Advances	6	15,834,515		15,423,775	
		27,070,148		25,685,938	
4. Less : Current Liabilities and Provisions					
a) Current Liabilities & Provisions	7	55,919		181,626	
		55,919		181,626	
Net Current Assets			27,014,229		25,504,312
			61,419,065		59,423,428

**NOTES TO ACCOUNTS &
SIGNIFICANT ACCOUNTING POLICIES** 13

The Schedules referred to above, form an integral part of the Balance Sheet

In terms of our report of even date annexed
For **AVK & ASSOCIATES**
Chartered Accountants
Place : Mumbai **PARUL GUPTA**
Dated : 17th May, 2011 Partner
FCA — 095539
Firm Registration No. 002638N

ANIL KUMAR JAIN
SUSHIL KUMAR AGARWAL
Directors



PROFIT & LOSS ACCOUNT
for the Year Ended 31st March, 2011

	Schedules	Current Year 31.03.2011 (Rs.)		Previous Year 31.03.2010 (Rs.)
INCOME				
Interest & Finance Charges Received	8	2,343,163		2,361,241
Other Income	9	545,513		361,362
Profit on Sale of Investments		221,755		1,099,338
		3,110,431		3,821,941
 EXPENDITURE				
Administration Expenses	10	1,307,995		1,193,827
Personnel Expenses	11	644,850		596,186
Interest & Financial Charges	12	31,782		20,990
Depreciation		93,266		115,434
		2,077,893		1,926,437
 PROFIT BEFORE TAX				
		1,032,538		1,895,504
Less : Provision for Income Tax				
— Previous Year		(10,348)		5,287
— Current Year		192,417	217,490	222,777
		850,469		1,672,727
PROFIT AFTER TAX				
		850,469		1,672,727
Less : Amount Transferred to Special Reserve		170,094		334,545
Balance Brought Forward		6,898,340		5,560,158
Balance Carried to Balance Sheet		7,578,715		6,898,340
 Earning per Share - Basic & Diluted				
		0.19		0.37

NOTES TO ACCOUNTS & SIGNIFICANT ACCOUNTING POLICIES 13

The Schedules referred to above, form an integral part of the Profit & Loss Account

In terms of our report of even date annexed
For **AVK & ASSOCIATES**
Chartered Accountants
Place : Mumbai **PARUL GUPTA**
Dated : 17th May, 2011 Partner
FCA — 095539
Firm Registration No. 002638N

ANIL KUMAR JAIN
SUSHIL KUMAR AGARWAL
Directors



SCHEDULES

	Current Year 31.03.2011 (Rs.)	Previous Year 31.03.2010 (Rs.)
1. SHARE CAPITAL		
Authorised		
10,000,000 (Previous Year 10,000,000) Equity Shares of Rs. 10/- each	<u>100,000,000</u>	<u>100,000,000</u>
Issued, Subscribed and Paid-up		
4,570,000 (Previous Year 4,570,000) Equity Shares of Rs. 10/- each fully paid up	<u>45,700,000</u>	<u>45,700,000</u>
	<u>45,700,000</u>	<u>45,700,000</u>
2. RESERVES & SURPLUS		
a) General Reserve	1,249,000	1,249,000
b) Share Warrant Option Premium	3,380,000	3,380,000
c) Profit & Loss Account	7,578,715	6,898,340
d) Special Reserve Fund		
Opening Balance	2,196,088	1,861,543
Add : Transferred from Profit & Loss Account	170,094	334,545
	<u>2,366,182</u>	<u>2,196,088</u>
	<u>14,573,897</u>	<u>13,723,428</u>

3. FIXED ASSETS

	GROSS BLOCK				DEPRECIATION			NET BLOCK		
	Cost as at 1.4.2010 (Rs.)	Addi- tions (Rs.)	Sale/ Adjust- ments (Rs.)	Total as at 31.3.2011 (Rs.)	As at 1.4.2010 (Rs.)	For the year (Rs.)	Adjust- ments (Rs.)	Total as at 31.3.2011 (Rs.)	As at 31.3.2011 (Rs.)	As at 31.3.2010 (Rs.)
Furniture & Fixtures	415,346	—	244,751	170,595	369,749	15,448	238,314	146,883	23,712	45,597
Vehicles	204,000	—	—	204,000	24,212	19,380	—	43,592	160,408	179,788
Office Equipments	1,116,776	83,315	287,736	912,355	578,914	58,438	233,852	403,500	508,855	537,862
TOTAL	<u>1,736,122</u>	<u>83,315</u>	<u>532,487</u>	<u>1,286,950</u>	<u>972,875</u>	<u>93,266</u>	<u>472,166</u>	<u>593,975</u>	<u>692,975</u>	<u>763,247</u>
Previous Year	1,653,522	82,600	—	1,736,122	857,441	115,434	—	972,875	763,247	



MARGO FINANCE LIMITED

Schedules forming part of the Balance Sheet

	Face Value (Rs.)	Quantity (Nos.)	Current Year	Quantity (Nos.)	Previous Year
			31.03.2011		31.03.2010
			Value (Rs.)		Value (Rs.)
4. INVESTMENTS					
LONG TERM					
A. QUOTED :					
A) Equity Shares					
Almondz Capital & Management Services Ltd.	10	10	380	10	380
Haryana Capfin Limited*	10	570	—	570	—
Indo Count Industries Limited	10	307,004	5,309,220	307,004	5,309,220
Ispat Industries Limited	10	1,000	25,419	—	—
Jindal Steel & Power Limited	1	8,000	3,756,045	8,000	3,756,045
Jindal Poly Films Limited	10	1,000	626,767	—	—
JSW Steel Limited	10	2,051	975,476	2,051	975,476
Larson and Toubro Limited**	2	200	—	400	154,754
Maharashtra Seamless Limited	5	5,509	2,433,693	5,509	2,433,693
Prime Textile Limited	2	200	12,195	200	12,195
Reliance Industries Limited	10	612	1,062,009	612	1,062,009
Tata Consultancy Services Limited**	1	110	—	110	—
Welspun Corp Limited	5	4,300	1,451,163	4,300	1,451,163
			15,652,367		15,154,935
B) Units of Mutual Funds					
HDFC Mutual Fund			1,273,864		1,215,304
			1,273,864		1,215,304
TOTAL 'A'			16,926,231		16,370,239
* issued on demerger					
** Bonus Shares					
Aggregate Market Value of Quoted Investments			Rs.16,443,707		(Previous Year Rs. 17,182,850)
B. UNQUOTED :					
A) Equity Shares					
Indocount Securities Limited	10	427,000	4,270,000	427,000	4,270,000
Hindustan Breweries & Bottling Limited	10	25,000	251,250	25,000	251,250
Shiva Services Limited	10	10,000	100,000	10,000	100,000
			4,621,250		4,621,250
B) Preference Shares					
Aegis Finstate Private Limited		477,000	4,770,000	477,000	4,770,000
Disney Promoters & Finance Private Limited		462,000	4,620,000	462,000	4,620,000
Uniworth Finance & Securities Private Limited		452,000	4,520,000	452,000	4,520,000
			13,910,000		13,910,000
TOTAL 'B'			18,531,250		18,531,250
TOTAL 'A'+ 'B'			35,457,481		34,901,489
Provision for diminution in value of investments			1,745,620		1,745,620
			33,711,861		33,155,869



MARGO FINANCE LIMITED

Schedules forming part of the Balance Sheet

	Current Year 31.03.2011 (Rs.)	Previous Year 31.03.2010 (Rs.)
5. CURRENT ASSETS		
Stock under Finance Agreements	191,664	106,719
Fixed Deposit with Banks (including Interest accrued and due)	10,826,516	9,776,479
Cash / Cheques in Hand	16,771	5,682
Balance with Banks		
— In Current Accounts	67,992	252,888
Sundry Debtors (Unsecured, Considered good)		
— More than Six Months	132,690	105,139
— Others	—	67,826
	132,690	172,965
Less : Provision for Sub-Standard Debtors	—	52,570
	11,235,633	10,262,163
6. LOANS AND ADVANCES		
Loans – Unsecured	14,787,843	14,650,970
Prepaid Expenses	1,259	2,573
Loans / Advances to Staff	332,419	1,500
Security Deposits	291,318	256,968
Advance Tax / Tax Deducted at Source	421,676	511,764
	15,834,515	15,423,775
7. CURRENT LIABILITIES AND PROVISIONS		
Sundry Creditors / Expenses Payable		
— Due to Micro & Small Enterprises	—	—
— Others	36,463	171,281
Unmatured Finance Charges	14,473	5,458
Statutory Liabilities	4,983	4,887
	55,919	181,626



MARGO FINANCE LIMITED

Schedules forming part of the Profit & Loss Account

	Current Year 31.03.2011 (Rs.)	Previous Year 31.03.2010 (Rs.)
8. INTEREST & FINANCE CHARGES RECEIVED		
Interest & Finance Charges Received	2,343,163	2,361,241
(Tax Deducted at Source Rs. 200,276 (Previous Year Rs. 203,278))	<u>2,343,163</u>	<u>2,361,241</u>
9. OTHER INCOME		
Dividend on Long Term Investments	138,683	111,339
Commission Received	—	100,325
Miscellaneous Income	66,518	10,200
Bad Debts Recovered	149,500	99,875
Recovery for Rent & Expenses	80,000	—
Liabilities No Longer Payable Written Back	58,242	24,800
Provision for NPA Reversed	52,570	14,823
	<u>545,513</u>	<u>361,362</u>



Schedules forming part of the Profit & Loss Account

	Current Year 31.03.2011 (Rs.)	Previous Year 31.03.2010 (Rs.)
10. ADMINISTRATION EXPENSES		
Rent	391,000	357,000
Advertisement & Publicity	15,680	21,677
Audit Fee	27,575	27,575
Bad Debts Written off	—	63,925
Loss on Sale of Fixed Assets	44,521	—
Legal & Professional Charges	242,690	191,975
Communication Expenses	84,247	142,838
Insurance Expenses	9,726	12,763
Travelling & Conveyance	35,444	32,816
Printing & Stationery Expenses	73,426	67,053
Share Transfer Expenses	33,273	33,289
Repairs & Maintenance		
— Vehicles	34,567	37,950
— Others	152,282	62,933
Rates, Taxes & Fee	2,738	1,330
Miscellaneous Expenses	160,826	140,703
	<u>1,307,995</u>	<u>1,193,827</u>
11. PERSONNEL EXPENSES		
Salary, Bonus & Allowance	609,548	578,801
Employers' Contribution to PF & ESI	22,680	9,086
Staff Welfare Expenses	12,622	8,299
	<u>644,850</u>	<u>596,186</u>
12. INTEREST & FINANCIAL CHARGES		
Bank Interest	26,624	18,997
Bank Charges	5,158	1,993
	<u>31,782</u>	<u>20,990</u>



13. NOTES TO ACCOUNTS

I. SIGNIFICANT ACCOUNTING POLICIES

- (i) **System of Accounting :**
- a) The Company follows the mercantile system of accounting and recognises income and expenditure on accrual basis except accounting for income from non-performing assets as defined in the guidelines of the Reserve Bank of India on prudential norms for income recognition of Non Banking Financial Companies, penal interest on delayed payments on lease & finance installments and dividend which have been accounted for on cash basis.
 - b) The Company follows the prudential norms for Asset Classification, Income Recognition, Provisioning for bad and doubtful debts as prescribed by the Reserve Bank of India for Non-Banking Finance Companies.
- (ii) **Fixed Assets :**
Fixed Assets are stated at cost of acquisition, less accumulated depreciation.
- (iii) **Depreciation :**
Depreciation is provided on straight line method in accordance with the rates and in the manner prescribed under Schedule XIV of the Companies Act, 1956.
- (iv) **Investments :**
Long term Investments are valued at cost and any diminution in value wherever considered permanent by the management are provided for. Unquoted Equity Shares are valued at cost or break-up value whichever is lower. Unquoted Preference Shares are valued at cost or face value whichever is lower.
- (v) **Inventories :**
Stock under finance agreements is valued at full agreement value less amounts received / receivable upto the close of the financial year.
- (vi) **Revenue Recognition :**
- a) Finance charges are accounted for over the finance period on the basis of sum of digit method. They are recognised as income on due basis as per the terms of agreement.
 - b) Interest is recognized as earned on day to day basis.
- (vii) **Retirement Benefits :**
Company's contribution to Provident Fund, Gratuity and Leave encashment are charged to Profit & Loss Account on accrual basis.
- (viii) **Taxation :**
Provision for the tax for the year comprises current income tax determined to be payable in respect of taxable income and deferred tax being the tax effect of timing differences representing the difference between taxable income and the accounting income that originate in one period and are capable of reversal in one or more subsequent period(s).
- (ix) **Contingent Liabilities :**
Unprovided contingent liabilities are disclosed in the accounts by way of notes giving nature and quantum of such liabilities.



II. NOTES ON ACCOUNTS

	Current Year 31.03.2011 (Rs.)	Previous Year 31.03.2010 (Rs.)
1. Contingent Liabilities not provided for	Nil	Nil
2. Earning per share computed in accordance with the mandatory requirements of Accounting Standard 20 issued by the Institute of Chartered Accountants of India is as under :		
a) Net Profit after tax available for equity shareholders	850,469	1,672,727
b) Weighted average number of Equity Shares of Rs. 10/- each outstanding during the year	4,570,000	4,570,000
c) Basic / Diluted Earning per Share Rs. (a ÷ b)	0.19	0.37
3. In the opinion of the management, the Current Assets, Loans and Advances are approximately of the value stated, if realized, in the ordinary course of business.		
4. In compliance of the Accounting Standard 22 issued by the Institute of Chartered Accountants of India, the company has not made provision for Deferred Tax Asset, the composition of which is given here below :		

	As at 01.04.2010		For the Year		As at 31.03.2011	
	Deferred Tax Asset (Rs.)	Deferred Tax Liability (Rs.)	Deferred Tax Asset (Rs.)	Deferred Tax Liability (Rs.)	Deferred Tax Asset (Rs.)	Deferred Tax Liability (Rs.)
i) Depreciation	—	(26,179)	—	1,520	—	(27,699)
ii) Provision for diminution in the value of Investments	539,397	—	—	—	539,397	—
iii) Provision for NPA	16,244	—	(16,244)	—	—	—
TOTAL	555,641	(26,179)	(16,244)	1,520	539,397	(27,699)

5. **Related Party Disclosure**

List of parties with whom transactions have taken place during the year :

1) Entities under Common Control	2) Key Managerial Personnel
a) Indo Count Industries Limited	a) Shri Anil Kumar Jain
b) Rini Investment & Finance Private Limited	b) Shri G. P. Agrawal
c) Indocount Securities Limited	c) Shri Sushil Kumar Agarwal
d) Skyrise Properties Private Limited	d) Shri Pradeep Kantilal Shah



3) Transactions during the year with related parties

Nature of Transactions	Entities under Common Control (Rs.) (1)	Key Managerial Personnel (Rs.) (2)	Year Ended 31.03.2011 (Rs.)	Year Ended 31.03.2010 (Rs.)
Unsecured Loans (Indocount Securities Limited)				
i) Opening Balance	—	—	—	525,000
ii) Received During the Year	—	—	—	1,075,000
iii) Returned during the year	—	—	—	1,600,000
iv) Balance as on 31.03.2011	—	—	—	—
Current Liabilities (Indo Count Industries Limited)				
i) Opening Balance	68,761	—	68,761	67,877
ii) Expenses paid on our behalf (Net)	58,164	—	58,164	96,031
iii) Amount Paid during the year	94,090	—	94,090	95,147
iv) Expenses Debited	69,500	—	69,500	—
v) Balance as on 31.03.2011	(36,665)	—	(36,665)	68,761
Loans Advanced Rini Investment & Finance Pvt. Ltd.				
i) Opening Balance	—	—	—	5,000
ii) Given During the Year	230,000	—	230,000	—
iii) Returned during the Year	160,000	—	160,000	5,000
iv) Balance as on 31.03.2011	70,000	—	70,000	—
Indocount Securities Limited				
i) Opening Balance	—	—	—	—
ii) Given During the Year	—	—	—	542,376
iii) Returned during the Year	—	—	—	542,376
iv) Balance as on 31.03.2011	—	—	—	—
Skyrise Properties Private Limited				
i) Opening Balance	11,800,000	—	11,800,000	11,800,000
ii) Given During the Year	—	—	—	—
iii) Returned during the Year	—	—	—	—
iv) Balance as on 31.03.2011	11,800,000	—	11,800,000	11,800,000
Expenditure				
i) Rent paid to IndoCount Industries Limited	6,000	—	6,000	6,000
ii) Director Sitting Fee paid to Directors	—	12,000	12,000	16,000
iii) Interest Paid	—	—	—	—

**MARGO FINANCE LIMITED**

Nature of Transactions	Entities under Common Control (Rs.) (1)	Key Managerial Personnel (Rs.) (2)	Year Ended 31.03.2011 (Rs.)	Year Ended 31.03.2010 (Rs.)
Income				
Rent & Expenses Recovered from Indo Count Industries Limited	69,500	—	—	—
i) Interest Received from Rini Investment & Finance Pvt. Ltd	—	—	—	226
ii) Interest Received from Indocount Securities Limited	—	—	—	9,636
iii) Interest Received from Skyrise Properties Private Limited	1,062,000	—	1,062,000	1,062,000

6. Debit / Credit balances of parties are subject to confirmations.
7. Paise have been rounded off to the nearest rupee.
8. Previous year's figures have been regrouped and / or rearranged wherever considered necessary.
9. Additional information pursuant to the Provisions of Paragraphs 3, 4C & 4D of Part II of Schedule VI of the Companies Act, 1956 :

	Current Year 31.03.2011 (Rs.)	Previous Year 31.03.2010 (Rs.)
a) Purchase, Sales & Stocks of Equity Shares	—	—
b) C.I.F. Value of Imports	—	—
c) Expenditure in Foreign Currency	—	—
d) Remittances in Foreign Currency	—	—
e) Earnings in Foreign Currency	—	—

In terms of our report of even date annexed

For **AVK & ASSOCIATES**
Chartered Accountants

Place : Mumbai
Dated : 17th May, 2011
PARUL GUPTA
Partner
FCA — 095539
Firm Registration No. 002638N

ANIL KUMAR JAIN
SUSHIL KUMAR AGARWAL
Directors



10. BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE

I. Registration Details

State Code Registration No.
 Balance Sheet Date
Date Month Year

II. Capital Raised during the year (Amount in Rs. Thousands)

Public Issue Rights Issue
 Bonus Issue Private Placement

III. Position of Mobilisation and Deployment of Funds (Amount in Rs. Thousands)

Total Liabilities Total Assets
 Sources of Funds
 Paid-up Capital Reserves & Surplus
 Secured Loans Unsecured Loans
 Application of Funds
 Net Fixed Assets Investments
 Net Current Assets Miscellaneous Expenditure
 Accumulated Losses

IV. Performance of the Company (Amount in Rs. Thousands)

Turnover Total Expenditure
 Profit Before Tax Profit After Tax
 Earning per Share in Rs. . Dividend Rate %

V. Generic Names of Three Principal Services of Company

Item Code No. . .
 Service Description &
 Item Code No. . .
 Service Description

In terms of our report of even date annexed
 For **AVK & ASSOCIATES**
 Chartered Accountants

Place : Mumbai **PARUL GUPTA**
 Dated : 17th May, 2011 Partner
 FCA — 095539
 Firm Registration No. 002638N

ANIL KUMAR JAIN
SUSHIL KUMAR AGARWAL
 Directors



MARGO FINANCE LIMITED

Board of Directors	Shri Anil Kumar Jain	Chairman
	Shri G. P. Agrawal	Director
	Shri Sushil Kumar Agarwal	Director
	Shri Pradeep Kantilal Shah	Director

Auditors M/s. AVK & Associates, Chartered Accountants

Bankers Karnataka Bank Limited

Registered Office Village Alte,
Taluka : Hatkanangale,
Dist. Kolhapur - 416 109
Maharashtra

Head Office 301, "ARCADIA"
Nariman Point,
Mumbai - 400 021
Maharashtra

Corporate Office 506, Pragati Tower,
26, Rajendra Place,
New Delhi - 110 008

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PROXY
MARGO FINANCE LIMITED

Regd. Office : Village Alte, Taluka : Hatkanangale, Dist. Kolhapur - 416 109, Maharashtra
Corporate Office : 506, Pragati Tower, 26, Rajendra Place, New Delhi - 110 008

I / We _____
of _____
in the district of _____
being a member / members of the above - named Company, hereby appoint Mr. / Miss / Mrs. _____
_____ of _____
in the district of _____
or failing him / her Mr. / Miss / Mrs. _____
of _____ in the district of _____
as my / our proxy to vote for me / us on my / our behalf at the 20th Annual General Meeting of the Company to be held on Tuesday, the 2nd August, 2011 at 11.00 A.M. and at any adjournment thereof.

Signed on this _____ day of _____ 2011

No. of Shares held _____ Ref.No. / L.F.No. / Client ID No. _____

DPID No. : _____

Signature (s) _____

Address : _____

Affix
Re. 1/-
Revenue
Stamp

TEAR HERE

Note : The Proxy must be deposited at the Registered Office of the Company at Village Alte, Taluka : Hatkanangale, Dist. Kolhapur - 416 109, Maharashtra not less than 48 hours before the time for holding the meeting.

-----TEAR HERE-----

ATTENDANCE SLIP
MARGO FINANCE LIMITED

Regd. Office : Village Alte, Taluka : Hatkanangale, Dist. Kolhapur - 416 109, Maharashtra
Corporate Office : 506, Pragati Tower, 26, Rajendra Place, New Delhi - 110 008

I hereby record my presence at the 20th Annual General Meeting being held on Tuesday, the 2nd August, 2011 at 11.00 A.M. at Village Alte, Taluka : Hatkanangale, Dist. Kolhapur - 416 109, Maharashtra

Name of the Shareholder _____
(in block letters)

Folio No./ DPID No. and Client ID No. _____

No. of Shares held _____

(Signature of the Shareholder / Proxy)

- Note:
1. Please complete this attendance slip and hand it over at the entrance of the venue of the meeting.
 2. Please bring your copy of Balance Sheet at the time of Annual General Meeting.