



MARGO FINANCE LIMITED

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

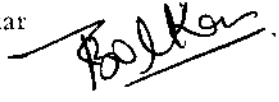


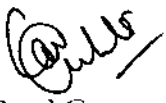
Tel. : 25753331, 41539444, 25767330 E-mail : mfdelhi.1991@gmail.com

Website : www.margofinance.com

CIN : L65910MH1991PLC080534

FORM A

Format of covering letter of the annual audit report to be filed with the stock exchanges

No.	Particulars	Details
1.	Name of the Company	Margo Finance Limited
2.	Annual consolidated financial statements for the year ended	31 st March 2015
3.	Type of Audit observation	Not Applicable
4.	Frequency of observation	No such observation were there in past
5.	To be signed by	
	<ul style="list-style-type: none">Managing Director	Ms. Rekha Tukaram Bolkar 
	<ul style="list-style-type: none">Chief Financial Officer	Mr. Shree Dass Maheshwari 
	<ul style="list-style-type: none">Audit Committee Chairman	Mr. Sushilkumar Krishna Agrawal 
	<ul style="list-style-type: none">Auditor of the company	Refer our Audit Report dated 14 th May, 2015 on the financial statements of the Company For M/s AVK & Associates, Chartered Accountants (Firm Registration No. 002638N)  Parul Gupta (Partner) (Membership No. 095539)



Regd. Office : Office No. 3, Plot No. 266, Village Alte, Kumbhoj Road, Taluka Hatkanangale, Dist. Kolhapur-416109, Maharashtra

Tel. : 0230-2483105, 2483106, 2483276 Fax : 0230-2483275

Head Office : 301, 3rd Floor, "ARCADIA" Nariman Point, Mumbai-400 021 Phones : (022) 43419500, 43419501

Fax : (022) 22823098, 22041028 E-mail : info@indocount.com, Web Site : www.indocount.com



MARGO FINANCE LIMITED

CIN : L65910MH1991PLC080534

Regd. Office : Office No. 3, Plot No. 266, Village Alte, Kumbhoj Road, Taluka Hatkanangale,
Dist. Kolhapur - 416109, Maharashtra

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

Phone : 011 – 25753331, 41539444, 25767330

E-mail : info@margofinance.com Website : www.margofinance.com

NOTICE

NOTICE is hereby given that 24th Annual General Meeting of the shareholders of MARGO FINANCE LIMITED will be held on Saturday the 22nd August, 2015 at 3:00 P.M. at the Registered Office of the Company at Office No. 3, Plot No. 266, Village Alte, Kumbhoj Road, Taluka Hatkanangale, Dist. Kolhapur – 416 109, to transact the following business :

ORDINARY BUSINESS :

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March 2015, the Statement of Profit and Loss and Cash Flow Statement for the year ended on that date and the Reports of Auditors' and Directors' thereon.
2. To appoint a Director in place of Mr. Anil Kumar Jain (DIN : 00086106), who retires by rotation at this Annual General Meeting and being eligible offers himself for re-appointment.
3. To appoint Auditors and to fix their remuneration.

“**RESOLVED THAT** pursuant to provisions of Section 139(1) and other applicable provisions, if any of the Companies Act, 2013 and rules framed thereunder and subject to ratification of their appointment by shareholders at every subsequent Annual General Meeting, M/s AVK & Associates, Chartered Accountants, (Firm Registration No. 002638N) be and are hereby re-appointed as Statutory Auditors of the Company, to hold office from the conclusion of this Annual General Meeting till the conclusion of 26th Annual General Meeting (subject to the rectification of the appointment by the Members at every AGM held after this AGM) at such remuneration as may be decided by the Board of Directors.”

SPECIAL BUSINESS :

4. To consider and, if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution :

“**RESOLVED THAT** pursuant to the provisions of Sections 149, 150, 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014, as may be amended from time to time and Clause 49 of the Listing Agreement, Mr. Anilkumar Indralal Gulati (DIN : 02739661) who was appointed as an Additional Director (Independent) by the Board of Directors, who has submitted a declaration that he meets the criteria for independence as provided in Section 149(6) of the Act and in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013 for signifying his candidature as a Director be and is hereby appointed as an Independent Director of the Company for a term of five consecutive years commencing from the date of 24th Annual General Meeting of the Company and he is not liable to retire by rotation.”

5. To consider and, if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution :

“**RESOLVED THAT** pursuant to the provisions of Sections 149, 150, 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014, as may be amended from time to time and Clause 49 of the Listing Agreement, Mr. Venkiteswaran Venkiteswaran Parlikad (DIN : 07006240) who was appointed as an Additional Director (Independent) by the Board of Directors, who has submitted a declaration that he meets the criteria for independence as provided in Section 149(6) of the Act and in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013 for signifying his candidature as a Director be and is hereby appointed as an Independent Director of the Company for a term of five consecutive years commencing from the date of 24th Annual General Meeting of the Company and he is not liable to retire by rotation.”

6. To consider and, if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution :

“RESOLVED THAT pursuant to recommendation of the Nomination and Remuneration Committee and approval of the Board and subject to the provision of Sections 196, 197, 203 and other applicable provisions of the Companies Act, 2013 and rule made thereunder (including any statutory modification or re-enactment thereof) read with Schedule V to the said Act and Articles of Association of the Company, approval of the Members of the Company be and is hereby accorded to appoint, Ms. Rekha Tukaram Bolkar (DIN : 06446020) as Managing Director of the Company for a period of three years from 11.02.2015 to 10.02.2018 on the remuneration and terms and conditions as set out in the explanatory statement attached thereto.

RESOLVED FURTHER THAT Ms. Rekha Tukaram Bolkar, Managing Director of the Company be and is hereby designated as Key Managerial Personnel (KMP) for compliance of the Section 203(1) of the Companies, Act, 2013.

RESOLVED FURTHER THAT the Board be and is hereby authorized to do all such acts, deeds and things and execute all such documents, instruments and writings as may be required to give effect to the aforesaid resolution.”

7. To consider and, if thought fit, to pass, with or without modification(s), the following resolution as a Special Resolution :

“RESOLVED FURTHER THAT pursuant to the provisions of Sections 152(6) read with other applicable provisions, if any, of the Companies Act, 2013 read with Companies (Appointment and Qualification of Directors) Rules, 2014 and Article of Association of the Company, the approval of the Members of the Company be and is hereby accorded to consider Ms. Rekha Tukaram Bolkar, Managing Director for ascertaining the number of Directors to be retire by rotation.

RESOLVED FURTHER THAT the Board be and is hereby authorized to do all such acts, deeds and things and as may be required to give effect to the aforesaid resolution.”

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

Jyotsna Jindal
Company Secretary
ACS : 37276

Place : Mumbai
Date : 13th May, 2015

Notes :

1. Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, which sets out details relating to Special Business at the Meeting, is annexed hereto.
2. A Member entitled to attend and vote at the Meeting is entitled to appoint another person as his/her proxy to attend and vote instead of himself/herself and the proxy need not be a Member of the Company. The instrument of proxy, in order to be effective, must be deposited at the Registered Office of the Company duly completed and signed not less than 48 hours before the commencement of the Meeting. Proxies submitted on behalf of the Companies, Societies etc., must be supported by an appropriate resolution/authority, as applicable. A person can act as proxy on behalf of Members not exceeding fifty (50) and holding in the aggregate not more than 10% of the total share capital of the Company. In case a proxy is proposed to be appointed by a Member holding more than 10% of the total share capital of the Company carrying voting right, then such proxy shall not act as a proxy for any other person or shareholder.
3. Register of members and the share transfer books of the Company will remain closed from 17.08.2015 to 22.08.2015 (both days inclusive).
4. Corporate Members intending to send their authorized representatives to attend the Meeting are requested to send to the Company a certified copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the meeting.
5. Members holding shares in dematerialized form are requested to intimate all changes pertaining to their bank details, National Electronic Clearing Service (NECS), Electronic Clearing Service (ECS), mandates, nominations, power of attorney, change of address, change of name, e-mail address, contact numbers, etc. to their Depository Participant (DP). Changes intimated to the DP will then be automatically reflected in the Company's records which will help the Company and the Company's Registrars and Transfer Agents, M/s Link Intime India Pvt. Ltd. (R & T Agent) to provide efficient and better services. Members holding shares in physical form are requested to intimate such changes to R & T Agent.
6. (a) Members holding shares in physical form are advised to submit particulars of their Bank account viz. Name of the Bank, address of the branch, 9 digit MICR code of the branch, type of account and account number to the Company's Registrars and Transfer Agents viz. Link Intime India Pvt. Ltd. (Unit: Margo Finance Ltd.) 44, Community Centre, 2nd Floor, Naraina Industrial Area, Phase-I, Near PVR Naraina, New Delhi – 110 028.
(b) Members holding shares in demat form are advised to inform the particulars of their bank account to their respective Depository Participants.

- (c) Members are requested to provide their e-mail addresses for sending the notice/ documents etc. to them through email and also requested to register their email IDs and changes therein for future communication.
- (d) Members holding shares in physical form are requested to consider converting their holding to dematerialized form to eliminate all risks associated with physical shares and for ease of portfolio management. Members can contact the Company or R & T Agent for assistance in this regard.
7. Members seeking any information with regard to the Accounts, are requested to write to the Company at an early date so as to enable the Management to keep the information ready at the Meeting.
8. Members / Proxies are requested to bring their attendance slip duly filled for attending the aforesaid Meeting. In case of joint holders attending the Meeting, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote.
9. As per the provisions of Section 72 of the Companies Act, 2013 and Rule 19(1) of the Companies (Share Capital and Debentures) Rules 2014, Shareholders holding shares in physical form may file nomination in the prescribed SH-13 with the Company's Registrar and Transfer Agent. In respect of shares held in demat form, the nomination form may be filed with the respective Depository Participant.
10. Notice of the 24th Annual General Meeting of the Company along with Attendance Slip and Proxy Form, is being sent to all the members in electronic mode, whose email IDs are registered with the Company / Depository Participant(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copies of the Notice of the 24th Annual General Meeting of the Company is being sent in the permitted mode. Members may also note that the Notice of the 24th Annual General Meeting and the Annual Report for the year 2014-15 will also be available on the Company's website www.margofinance.com for their download. The physical copies of the aforesaid documents will also be available at the Company's Registered Office at Kolhapur for inspection during normal business hours on working days. For any communication, the shareholders may also send requests to the Registrar and Share Transfer Agent's at their E-mail ID : delhi@linkintime.co.in
11. The voting rights of Members shall be in proportion to the equity shares held by them in the paid up equity share capital of the Company as on 17th August, 2015 ('cut-off date'). Any person, who is a Member of the Company as on the cut-off date is eligible to cast vote on all the resolutions set forth in the Notice of AGM using remove e-voting or ballot form at the AGM.
12. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company/ Registrar and Share Transfer Agent, M/s Link Intime India Pvt. Ltd.
13. The Route Map and prominent land mark for easy location of the venue of AGM is annex on page No. 6 of the Notice.
14. Details of Directors seeking appointment/re-appointment at the Annual General Meeting of the Company to be held on 22nd August, 2015 are provided in Annexure - 1 of this Notice.

ADDITIONAL INFORMATION

Brief profile of Mr. Anil Kumar Jain, who retires by rotation and is eligible for re-appointment :

Mr. Anil Kumar Jain is commerce graduate having approx. 38 years of experience in general business and administration.

Outside Directorship :

Indo Count Industries Limited
Pranavadiya Spinning Mills Limited

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

JYOTSNA JINDAL
Company Secretary
ACS : 37276

Place : Mumbai
Date : 13th May, 2015

EXPLANATORY STATEMENT
PURSUANT TO PROVISIONS OF SECTION 102 OF THE COMPANIES ACT, 2013

ITEM Nos. 4 & 5 :

Mr. Anilkumar Indralal Gulati (DIN : 02739661) was appointed as an Additional (Independent) Director of the Company with effect from November 13, 2014 by the Board of Directors. The Company has received a Notice from a Member in writing along with requisite deposit under Section 160 of the Companies Act, 2013 proposing his candidature for the office of Director.

Mr. Gulati has given a declaration to the Board that he meets the criteria of independence as provided under Section 149(6) of the Companies Act, 2013.

Mr. Anilkumar Indralal Gulati has rich experience of 30 years in the field of Finance, Account and Taxation.

Mr. Gulati is Director in 5 other Companies as follows :

Sl. No.	Names of the Companies / Bodies Corporate / Firms / Association of Individuals	Directorship
1.	Funfirst Funtronic Private Limited	Director
2.	Durlabh Technology Solutions Private Limited	Director
3.	Grey Sim Limited	Director
4.	Funfirst Global Skillers Private Limited	Director
5.	Grey Sim Learnings Foundation	Director

Directors are of the view that Mr. Gulati would bring valuable experience and gender diversity to the Board and the Company would benefit from his appointment as an Independent Director. Accordingly, the Board recommends the passing of the Ordinary Resolution as set out in the Item No. 4 of the Notice for appointment of Mr. Gulati as an Independent Director, not liable to retire by rotation.

A statement containing his profile is given as per Annexure 1.

Except Mr. Gulati, being an appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the resolution set out at Item No. 4.

Mr. Venkiteswaran Venkitaswaran Parlikad (DIN : 07006240) was appointed as an Additional (Independent) Director of the Company with effect from November 13, 2014 by the Board of Directors. The Company has received a Notice from a Member in writing along with requisite deposit under Section 160 of the Companies Act, 2013, proposing his candidature for the office of Director.

Mr. Parlikad has given a declaration to the Board that he meets the criteria of independence as provided under Section 149(6) of the Companies Act, 2013.

Mr. Venkiteswaran Venkitaswaran Parlikad has rich experience in field of Accounts.

Mr. Parlikad does not have any other Directorship in other Companies.

Directors are of the view that Mr. Parlikad would bring valuable experience and gender diversity to the Board and the Company would benefit from his appointment as Independent Director. Accordingly, the Board recommends the passing of the Ordinary Resolution as set out in the Item No. 5 of the Notice for appointment of Mr. Parlikad as an Independent Director, not liable to retire by rotation.

A statement containing his profile is given as per Annexure 1.

Except Mr. Parlikad, being an appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the resolution set out at Item No. 5.

In the opinion of the Board, both the Directors fulfill the conditions specified in the Companies Act, 2013 read with rules made there under and Clause 49 of the Listing Agreement for their appointment as Independent Directors of the Company. Copy of the draft letter for appointment of as an Independent Directors setting out the terms and conditions would be available for inspection without any fee by the Members at the Registered Office of the Company during normal business hours on any working day.

Further in Compliance with the provision of Section 149 read with Schedule IV of the Companies Act, 2013, the appointment of these Directors as Independent Directors is being placed before the Members for their approval.

ITEM NOS. 6 & 7 :

Ms. Rekha Tukaram Bolkar, Managing Director of the Company is appointed by the Board of Directors on the recommendation of the Nomination and Remuneration Committee in their Meeting held in February, 2015 for a term of 3 years from 11.02.2015 to 10.02.2018. The material provisions of the agreement to be entered into with Ms. Rekha Tukaram Bolkar are as under :

1.	Basic Salary	:	Rs. 1,31,760/- P.A.
2.	Housing Rent Allowance	:	Rs. 56,880/- P.A.
3.	Special Allowances	:	Rs. 45,144/- P.A.
4.	Conveyance Allowance	:	Rs. 9,600/- P.A.
5.	Medical Allowance	:	Rs. 15,000/- P.A.
6.	The MD shall also be eligible and entitled for the following perquisites : (a) Contribution to Provident Fund as per the rule of the Company. (b) Ex-Gratia Rs. 4,800/- P.A.		

Pursuant to the provisions of Section 197, 198 of the Companies Act, 2013 read together with Schedule V thereof and rules made thereunder, in case of no profits or inadequacy of profits the Company is permitted to pay to the Managerial Remuneration upto the ceiling limits as specified in Schedule V and subject to the approval of Members by way of an ordinary resolution.

For the purpose of calculating the above ceiling, perquisites shall be evaluated in accordance with the provision of Companies Act, 2013 read with rule made there under and Schedule V of the said Act and Income Tax Rules.

The following shall not be included for the purpose of computation of the Managing Director's remuneration or perquisites as aforesaid :

- (i) The Company's contribution to Provident Fund and Superannuation Fund pursuant to the Rules of the Company.
- (ii) Gratuity payable to the Managing Director pursuant to the Rules of the Company.
- (iii) Encashment of leave at the end of tenure or at the time of ceasing to be Managing Director pursuant to the Rules of the Company.

Payment of remuneration is approved by resolution passed by the Nomination and Remuneration Committee in its meeting dated 10th February, 2015. As required by the Companies Act, 2013, approval of the members is being sought, for the appointment and remuneration of Ms. Rekha Tukaram Bolkar as Managing Director.

Ms. Rekha Tukaram Bolkar has only one Directorship in Commet Impex Private Limited.

The draft Agreement between the Company and the Managing Director is available for inspection by the members at the Company's Registered office during normal business hour on any working day.

Hence, your Directors recommend the above resolution for approval of the Shareholders as a Ordinary Resolution. Except Ms. Rekha Tukaram Bolkar no other Director or Key Managerial Personnel of the Company or their relatives are concerned or interested in the proposed resolution.

In Compliance of the provision of Section 152(6) of the Companies Act, 2013 read with rule made thereunder and Article of Associate of the Company the term of appointment of Ms. Bolkar, Managing Director of the Company are being revised and she will be considered for ascertaining the number of Directors to retire by rotation. Accordingly, the Board recommends the passing of the Special Resolution as set out in the Item No. 7 of the Notice for variation in the terms of appointment of Ms. Bolkar, Managing Director by considering her as rotational Director.

This may also be treated as a written memorandum setting out the terms of reappointment of Ms. Rekha Tukaram Bolkar, pursuant to the Companies Act, 2013. A statement containing her profile is given as per Annexure 1.

Contact Details

Company : Margo Finance Limited Regd. Office : Office No. 3, Plot No. 266, Village Alte, Kumbhoj Road, Taluka Hatkanangale, Dist. Kolhapur – 416 109, Maharashtra CIN : L65910MH1991PLC080534 E-mail ID : info@margofinance.com	Registrar and Transfer Agent : Link Intime India Pvt. Ltd. 44, Community Centre, 2nd Floor, Naraina Industrial Area, Phase-I, Near PVR, Narania, Delhi-110028 Phones : 011-41410592/3/4
Scrutinizer : CV Kulkarni Practising Company Secretary E-mail ID : cvkulkarnics@gmail.com	e-Voting Agency : Central Depository Services (India) Limited E-mail ID : helpdesk.evoting@cdslindia.com

Additional Information relating to appointment / Re-appointment of the Directors at the Annual General Meeting of the Company pursuant to Clause 49 of the Listing Agreement are as under :

Name of the Director	Mr. Anilkumar Indralal Gulati	Mr.Venkiteswaran Venkitaswaran Parlikad	Ms. Rekha Tukaram Bolkar
DIN	02739661	07006240	06446020
Date of Birth	18.07.1964	17.03.1958	21.05.1967
Date of Appointment	13.11.2014	13.11.2014	23.08.2014
Experience in the Specific Functional Area	Mr. Anilkumar Indrala Gulati has got more than 30 years of experience in the field of Finance, Accounts and Taxation.	Mr. Venkiteswaran Venkitaswaran Parlikad has got more than 25 years of experience in the field of Accounts.	Ms. Rekha Tukaram Bolkar has got more than 21 years of experience in the field of Administration.
Qualification	Graduate Degree in Commerce	Graduate	Commerce Graduate
Directorship in other Public Companies	NIL	NIL	NIL
Member (M), Chairman (C) of the Committee of the Board of the Public Limited Companies on which he/she is a Director	NIL	NIL	NIL
No. of Shares held in the Company	NIL	NIL	NIL

ROUTE MAP OF THE MEETING VENUE



E-Voting :

Pursuant to section 108 of the Companies Act, 2013 read with Rules 20 of Companies (Management and Administration) Rules, 2015, and Clause 35B of Listing Agreement the Company is pleased to provide 'remote e-voting' (e-voting from a place other than venue of the AGM) facility through Central Depository Services (India) Limited (CDSL) as an alternative, for all members of the Company to enable them to cast their votes electronically, on the resolutions mentioned in the notice of the 24th Annual General Meeting of the Company.

The facility for voting, through ballot /polling paper shall also be made available at the venue of the 24th AGM. The Members attending the Meeting, who have not already cast their vote through remote e-voting shall be able to exercise their voting rights at the Meeting. The members who have already cast their vote through remote e-voting may attend the Meeting but shall not be entitled to cast their vote again at the AGM.

The voting rights of shareholders shall be in proportion to their shares of the Paid up Equity Share Capital of the Company as on cut off date i.e. 17th August, 2015.

The instructions for shareholders voting electronically are as under :

- i) The remote e-voting period begins on 19th August, 2015 at 10.00 a.m. (IST) and ends on 21st August, 2015 at 05.00 p.m (IST). 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. 17th August, 2015 may cast their votes electronically. The remote e-voting module shall be disabled by CDSL for voting after 5.00 p.m (IST) on 21st August, 2015.
- 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" tab to cast your vote.
- v) Now Enter your User ID
 - a) For CDSL: 16 digits beneficiary ID,
 - b) For NSDL: 8 Character DP ID followed by 8 Digits 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 a first time user, follow the steps given below :

For Members holding shares in Demat Form and 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) <ul style="list-style-type: none"> • Members who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number which is printed on Attendance Slip indicated in the PAN field.
DOB	Enter the Date of Birth as recorded in your demat account or in the Company records for the said demat account or folio in dd/mm/yyyy format.
Bank Details	Enter the Bank Details as recorded in your demat account or in the Company records for the said demat account or folio. <ul style="list-style-type: none"> • Please enter the DOB or Bank Details in order to login. If the details are not recorded with the depository or company please enter the member id / folio number in the 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 also to be 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, the details can be used only for e-voting on the resolutions contained in this Notice.
- xii) Click on the EVSN for the relevant on which you choose to vote. In this case, it would be Margo Finance Limited.
- 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 Resolution 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 out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- xviii) If you as a Demat account holder have forgotten the existing password, then enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- xix) Note for Non-Individual Shareholders & Custodians :
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to www.evotingindia.com and register themselves as Corporates and Custodians respectively.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com
 - After receiving the login details they should create compliance user using the admin login and password. The Compliance user would be able to link the depository account(s)/folio numbers on which they wish to vote.
 - The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- (xx) Any person, who becomes a member of the Company after dispatch of the Notice of AGM and holding shares as of the cut off date i.e. 17th August, 2015, may follow the same instructions as mentioned above for e-Voting or send a request at delhi@linkintime.co.in or at investors@margofinance.com. However, if such member is already registered with CDSL for remote e-voting the he/she/it can use his/her/its existing user ID and password for casting the vote. The facility to reset the forgotten password is also provided by CDSL by using "Forgot user Details / Password" option avail on www.evotingindia.com.
- (xxi) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and evoting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com.
- The voting rights of shareholders shall be in proportion to their shares of the paid up equity shares capital of the Company.
 - C V Kulkarni, Practicing Company Secretary (Membership No.: 3342; CP No: 2792) (Address: Flat No.2, B-Wing, Suyash Apartments, 769 / 770, Sadashiv Peth, Barrister Gadgil Street, Pune - 411 030) has been appointed as scrutinizer for conducting the e-voting process in the fair and transparent manner.
 - Notice of the Meeting is also displayed at www.margofinance.com or at www.evotingindia.com
 - The result of voting will be announced by the Chairman of the Meeting after the 24th AGM to be held on 22nd August, 2015, the result of the Meeting will be communicated to the Stock Exchanges and will be placed on the website of www.cdslindia.com and www.margofinance.com.

In case a member receives physical copy of the Notice by Post [for members whose e-mail addresses are not registered with the Company/Depository Participant(s)] :

- a) User ID and initial password –This is provided at the bottom of the attendance slip for the Annual General Meeting (which is being sent along with this Notice)
 - b) Please follow all steps from sl. no. (i) to sl. no. (xxi) above to cast vote.
2. 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. Once the vote on a resolution is cast by a member, the Member shall not be allowed to change it subsequently or cast the vote again.
 4. In case of any query pertaining to e-voting, please visit Help & FAQ's section available at CDSL website www.evotingindia.com.

The Scrutinizer shall, immediately after conclusion of General Meeting, first count the vote, thereafter unblock the votes cast through e-voting in the presence of at least two (2) witnesses not in the employment of the Company and make, not later than three (3) days from the conclusion of Meeting, a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, and submit forthwith to the Chairman or person authorised by him in writing who shall countersign the same and declare the result of voting forthwith.

The resolutions shall be deemed to be passed on the date of the Annual General Meeting, subject to receipt of sufficient votes

**Form No. MGT - 11
PROXY FORM**

(Pursuant to Section 105 (6) of the Companies Act, 2013 and Rule 19 (3) of the Companies (Management and Administration) Rules, 2014)

MARGO FINANCE LIMITED

CIN : L65910MH1991PLC080534

Regd. Office : Office No. 3, Plot No. 266, Village Alte, Kumbhoj Road, Taluka Hatkanangale,
Dist. Kolhapur - 416109, Maharashtra

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

Phone : 011 – 25753331, 41539444, 25767330

E-mail : info@margofinance.com Website : www.margofinance.com

Name of the Member(s) :
Registered Address of the Member :
E-mail ID :
Client ID No./Regd. Folio No. * :
DP ID No. :

* Applicable for investors holding shares in physical form.

I/We being a Member/Members of _____ shares of Margo Finance Limited hereby appoint

- Name _____ Address _____
E-mail ID _____ Signature _____ or failing him / her
- Name _____ Address _____
E-mail ID _____ Signature _____ or failing him / her
- Name _____ Address _____
E-mail ID _____ Signature _____ or failing him / her

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 24th Annual General Meeting of the Company, to be held on the Saturday 22nd day of August, 2015 at 3:00 P.M. at the Registered Office of the Company at Office No. 3, Plot No. 266, Village Alte, Kumbhoj Road, Taluka Hatkanangale, Dist. Kolhapur – 416 109 Maharashtra and at any adjournment thereof in respect of such resolutions as are indicated below :

Item No.	Resolution	For	Against
1.	Ordinary Resolution for Adoption of Annual Financial Statements and Reports of the Company		
2.	Ordinary Resolution for Re-appointment of Mr. Anil Kumar Jain as Director of the Company		
3.	Ordinary Resolution for Appointment of M/s AVK & Associates as Statutory Auditors		
4.	Ordinary Resolution for Appointment of Mr. Anilkumar Indralal Gulati, as an Independent Director of the Company		
5.	Ordinary Resolution for Appointment of Mr. Venkiteswaran Venkitaswaran Parlikad as an Independent Director		
6.	Ordinary Resolution for Appointment of Ms. Rekha Tukaram Bolkar, as Managing Director of the Company		
7.	Special Resolution for variation in terms of Appointment of Mrs. Rekha Tukaram Bolkar, as Managing Director of the Company		

Signed this _____ day of _____ 2015.

Signature of Shareholder _____

Signature of Proxy _____

Affix a
Re. 1/-
Revenue
Stamp

- NOTE : (i) This form of proxy in order to be effective should be duly completed and deposited at Registered office of the Company, not less than 48 hours before the commencement of the Meeting.
(ii) Please complete all details including all details of Member(s) in above box before submission

MARGO FINANCE LIMITED

CIN: L65910MH1991PLC080534

Regd. Office: Office No. 3, Plot No. 266, Village Alte, Kumbhoj Road, Taluka Hatkanangale, Dist. Kolhapur – 416 109, Maharashtra

Email ID: info@margofinance.com; Website: www.margofinance.com

ATTENDANCE SLIP

(TWENTY FOURTH ANNUAL GENERAL MEETING)

Folio No. :		Sl. No. :
Name of Member :		
Registered Address :		

I/We hereby record my/our presence at the **24th ANNUAL GENERAL MEETING** of the Company held on Saturday, the 22nd day of August, 2015 at 3:00 P.M. at the Registered Office of the Company at Office No. 3, Plot No. 266, Village Alte, Kumbhoj Road, Taluka Hatkanangale, Dist. Kolhapur – 416 109 Maharashtra

Name of the Member (in BLOCK LETTERS) _____

DP ID : _____ Client ID : _____

Folio No. : _____ No. of Shares Held: _____

Name of the Proxy (in BLOCK LETTERS) _____

(To be filled in if the valid proxy has been duly lodged with the Company)

Signature of Member/Proxy _____

ELECTRONIC VOTING PARTICULARS

Electronic Voting Sequence No. (EVSN)	USER ID	Sequence Number/Or (Default PAN No.)
150721008		

Note: For electronic voting kindly log-on to E-voting website www.evotingindia.co.in. Please read the instruction given at Page No. 7 of the Notice of Twenty Fourth Annual General Meeting carefully before voting electronically.

**24th
ANNUAL
REPORT
2014-15**



MARGO FINANCE LIMITED



MARGO FINANCE LIMITED

Board of Directors	Mr. Anil Kumar Jain Ms. Rekha Tukaram Bolkar Mr. Govind Prasad Agrawal Mr. Sushilkumar Krishna Agrawal Mr. Anilkumar Indralal Gulati Mr. Venkiteswaran Venkitaswaran Parlikad	Chairman Managing Director Director Director Director
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Chief Financial Officer Mr. Shri Dass Maheshwari

Company Secretary Miss Jyotsna Jindal

Auditors M/s. AVK & Associates, Chartered Accountants

Bankers Karnataka Bank Limited
Canara Bank

Registered Office Office No. 3, Plot No. 266,
Village Alte, Kumbhoj Road,
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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DIRECTORS' REPORT

Dear Members,

Your Directors are pleased to present the 24th Annual Report of the Company together with the Audited Financial Statements and Auditors' Report for the year ended 31st March, 2015.

Financial Results :

The Company's financial performance, for the year ended 31st March, 2015 is summarized below :

Particulars	2014-2015 (Rs. In lacs)	2013-2014 (Rs. In lacs)
Total Income	28.01	28.33
Profit / (Loss) before depreciation	2.55	(56.72)
Less : depreciation	2.05	1.52
Profit / (Loss) before tax & extraordinary items	0.50	(58.24)
Add : exceptional items	—	2.82
Less : extraordinary items	—	—
Less : provision for taxation	1.00	3.71
Profit / (Loss) after tax	(0.50)	(59.13)
Add : profit brought forward from previous year	(1.82)	57.31
Less : depreciation of the earlier year	0.62	—
Less : transferred to Special Reserve	—	—
Balance carried to the Balance Sheet	(-)2.94	(-)1.82

Operations Review :

The Company has incurred a Net Loss of Rs. 49,956/- during the year under review against the Net loss of Rs. 5,913,019/- in the Previous Year. Company is looking for an opportunity to make a suitable expansion / diversification.

Dividend :

Your Directors have not recommended any dividend for the year under review.

Reserves :

During the financial year ended on 31st March, 2015 no such amounts being transferred to Reserve.

Subsidiary and Associate Companies :

The particulars of Associate Company as on 31st March, 2015 have been included in Form MGT-9 which is annexed to this report as Annexure C. However in accordance with Companies (Accounts) Amendment Rules, 2014 issued by the Ministry of Corporate affairs, Government of India, the consolidated financial statement of the Associate Company is not required to be annex for the financial year 2014-2015. Further the Company does not have any Subsidiary.

Risk Management :

The Company does not have any Risk Management Policy. However it has adopted risk mitigation measures in its business at present the Company has not identified any element of risk which may threaten the existence of the Company.

Internal Control Systems and their adequacy :

The Company has in place an elaborate internal control system to ensure proper authorization and accounting of transactions as also for safeguarding and protecting Companies assets against loss. The internal auditor



MARGO FINANCE LIMITED

reports are periodically reviewed by the management and the Audit Committee and necessary corrective actions are taken from time to time.

Directors and Key Managerial Personnel :

In accordance with the provisions of Section 152 of the Companies Act, 2013, Mr. Anil Kumar Jain, Director of the Company would retire by rotation and being eligible, offers himself for re-appointment. His appointment will be considered at the ensuing Annual General Meeting.

Pursuant to Section 149 of the Companies Act, 2013, your Directors seek the appointment of Mr. Anilkumar Indralal Gulati and Mr. Venkiteswaran Venkitaswaran Parlikad as Independent Directors of the Company for 5 (Five) consecutive years, for a term up to 29th Annual General Meeting of the Company, subject to the approval of shareholders in the forthcoming Annual General Meeting.

The Independent Directors of the Company would not be liable to retire by rotation.

The Company has received declarations from all the Independent Directors of the Company confirming that they meet the criteria of independence as prescribed both under the Companies Act, 2013 and Clause 49 of the Listing Agreement and there has been no change in the circumstances which may affect their status as Independent Director during the year.

During the year, the Non-Executive Independent Directors of the Company had no pecuniary relationship or transactions with the Company.

Further Pursuant to Section 196 of the Companies Act, 2013, your Director's seek the appointment of Ms. Rekha Tukaram Bolkar as the Managing Director of the Company for the tenure of 3 (Three) years, subject to the approval of the shareholders. The resolutions seeking approval of the shareholders for the appointment of Ms. Rekha Tukaram Bolkar have been incorporated in the notice of the forthcoming Annual General Meeting of the Company along with brief details about her.

Pursuant to the provisions of Section 203 of the Act, which came into effect from 1st April, 2014, the appointments of Ms. Rekha Tukaram Bolkar, Managing Director; Mr. Shree Dass Maheshwari, Chief Financial Officer and Ms. Jyotsna Jindal, Company Secretary as key managerial personnel of the Company were formalized.

Meetings of the Board :

During the year 4 (Four) meetings of the Board of Directors were held i.e. on 14th May, 2014; 13th August, 2014; 13th November, 2014 and 11th February, 2015. For further details, please refer report on Corporate Governance forming part of Annual Report.

Familiarisation of Independent Directors :

The details of programmes for familiarisation of Independent Directors with the Company, their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, business model of the Company and related matters are put up on the website of the Company at the www.margofinance.com.

Board Evaluation :

Clause 49 of the Listing Agreement mandates that the Board shall monitor and review the Board evaluation framework. The Companies Act, 2013 states the formal annual evaluation needs to be made by Board of its own performance and that of its committees and individual Directors. Schedule IV of the Companies Act, 2013 states that the performance evaluation of the Independent Directors shall be done by the entire Board of Directors, excluding the Directors being evaluated.

The evaluation of all the Directors and the Board as a whole was conducted based on the criteria and framework adopted by the Board. The evaluation process has been explained in the *Corporate Governance report* section in this Annual Report. The Board approved the evaluation results as collated by the Nomination and Remuneration Committee.



MARGO FINANCE LIMITED

Nomination and Remuneration Policy :

The policy of the Company on Directors appointment and remuneration, including the criteria for determining qualification positive attributes independence of a Director and other matters provided under Sub-section 178 of the Companies Act, 2013, adopted by the Board, is appended as Annexure –A to the Directors' Report. We affirm that the remuneration paid to the Directors is as per the term laid out in the Nomination and Remuneration Policy of the Company.

Auditors and Auditor's Report :

Statutory Auditors :

The Auditors, M/s AVK & Associates, Chartered Accountants, retire at the conclusion of the ensuing Annual General Meeting and being eligible have sought appointment. The Auditor has confirmed that, they satisfy the criteria provided under Section 141 of the Companies Act, 2013 and their appointment, if made would be in compliance with the conditions prescribed under the Act.

The Audit Committee and the Board of Directors recommended the appointment of M/s AVK & Associates, Chartered Accountant, as Auditor of the Company for a Period of two years to hold office from the conclusion of the ensuing Annual General Meeting to the conclusion of the 26th Annual General Meeting of the Company, Subject to ratification by the members at each Annual General Meeting.

The Auditors' Report to the Member together with Accounts for the year ended 31st March, 2015 and 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. The Auditors' Report does not contain any qualification, reservation or adverse remark.

Secretarial Auditor :

Pursuant to the requirement of the Section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rule, 2014, the Company has appointed Ashu Gupta & Co., Practising Company Secretary, to conduct Secretarial Audit for the financial year 2014-15. The Secretarial Audit Report for the financial year ended 31st March, 2015 is annexed herewith marked as Annexure B to this Report. The Secretarial Audit Report has contained the observation regarding the improper composition of the Board of Director and the Rotational Director.

During the year the Company has rectify the observation in the Secretarial Auditor Report and in compliance with the applicable provision of the Companies Act, 2013 and Clause 49 of the Listing Agreement proper composition of the Board of Director and Rotational Director has been complied with.

Audit Committee :

The Audit Committee comprises of four Independent Directors and one Executive Director viz., Mr. Sushilkumar Krishan Agrawal (Chairman), Mr. Govind Prasad Agrawal, Mr. Anilkumar Indralal Gulati, Mr. Venkiteswaran Venkiteswaran Parlikad and Ms. Rekha Tukaram Bolkar as other members.

All the recommendations made by the Audit Committee were accepted by the Board.

Vigil Mechanism / Whistle Blower Policy :

As per Companies Act, 2013 read with Clause 49 of the Listing Agreement, the Board of Directors of the Company have constituted Vigil Mechanism / Whistle Blower Policy and adopted a policy which aims to provide a channel to the Directors and employees to report genuine concerns about unethical behaviour, actual or suspected fraud or violation of the Codes of Conduct or policy. The Company is committed to adhere to the highest standards of ethical, moral and legal conduct of business operations and in order to maintain these standards, the Company encourages its employees who have genuine concerns about suspected misconduct to come forward and express those concerns in writing through an e-mail or a letter to the Chairman of the Company or to the compliance officer or to the Chairman of the Audit Committee. The Policy on vigil mechanism and whistle blower policy may be accessed on the Company's website at www.margofinance.com.



MARGO FINANCE LIMITED

Contracts and Arrangements with Related Parties :

There are no materially significant related party transactions made by the Company with Promoters, Key Managerial Personnel or other designated persons which may have potential conflict with interest of the Company at large, so there is no need to give disclosure of particulars of contracts/arrangements entered into by the Company with related parties referred in sub-section(1) of the Section 188 of the Companies Act, 2015 in FORM AOC-2 (Pursuant to clause (h) of sub section (3) of Section 134 of the Companies Act, 2015 and Rule 8(2) of the Companies (Accounts) Rules, 2014. Policy on dealing with related party transactions is available on the website of the Company www.margofinance.com.

Particulars of Loans given, Investments made, Guarantees given and Securities provided :

Particulars of loans given and investments made are mentioned respectively, in the schedule 2.10 and 2.09 in the notes to the accounts to the Balance Sheet for the financial year ended on 31st March, 2015. However the Company has not given any guarantee and security for any such loan.

Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo :

Being a Non-Banking Financial Company, inclusion of particulars with respect to conservation of energy, technology absorption as required under Companies (Disclosure of particulars in the report of Directors) Rules, 1975 is not required.

Further the provisions of Section 134(m) of the Companies Act, 2013 do not apply to our Company. There was no foreign exchange inflow or Outflow during the year under review.

Extract of Annual Return :

As required pursuant to Section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014, an extract of annual return in Form No. MGT-9 forming part of this Annual Report as Annexure C.

Particulars of Employees :

The information required pursuant to Section 197 read with rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of employees of the Company, will be provided upon request. In terms of Section 136 of the Act, the reports and accounts are being sent to the members and others entitled thereto, excluding the information on employees particulars which is available for inspection by the members at the Registered office of the Company during business hours on working days of the Company up to the date of ensuing Annual General Meeting. If any member is interested in inspecting the same, such member may write to the Company Secretary in advance.

Directors' Responsibility Statement :

The Directors' Responsibility Statement referred to in clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013, shall state that :

- (a) In the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- (b) the Directors had selected such accounting policies and applied them consistently and 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 at the end of the financial year and of the profit and loss of the Company for that period;
- (c) The Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (d) The Directors had prepared the annual accounts on a going concern basis; and
- (e) The Directors, in the case of a listed Company, had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively.



MARGO FINANCE LIMITED

- (f) The Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

Management Discussion & Analysis Report :

Management Discussion and Analysis Report for the year under review, as stipulated under Clause 49 of the Listing Agreement with the Stock Exchange in India, is presented in a separate section forming part of the Annual Report.

Corporate Governance :

The Company is committed to maintain the highest standards of Corporate Governance and adhere to the Corporate Governance requirements set out by SEBI. The Company has also implemented several best Corporate Governance practices as prevalent in the industry. The report on Corporate Governance as stipulated under the Listing Agreement forms an integral part of this Report. The requisite certificate from the Practising Company Secretary confirming compliance with the conditions of Corporate Governance is attached to the report on Corporate Governance.

Corporate Social Responsibility :

No disclosures on Corporate Social Responsibility are required as provision under Section 135 of the Companies Act, 2013 and Rules made thereunder are not applicable to the Company.

General :

Your Directors state that no disclosure or reporting is required in respect of the following items as there were no transactions on these items during the year under review :

1. Details relating to deposits covered under Chapter V of the Companies Act, 2013.
2. Issue of equity shares with differential rights as to dividend, voting or otherwise.
3. Issue of shares (including sweat equity shares) to employees of the Company under any scheme ESOS.
4. Provision of money by Company for purchase of its own shares by employees or by trustees for the benefit of employees.
5. Bonus Shares.
6. Significant or material orders were passed by the Regulators or Courts or Tribunals which impact the going concern status and Company operations in future.
7. Material changes and commitments, affecting the financial position of the Company occurred between the end of the financial year of the Company to which the financial statements relate and the date of the report.

Acknowledgement :

Your Directors would like to express their sincere appreciation for the assistance and co-operation received from the Banks, Government authorities, customers and members during the year under review. Your Directors also wish to place on record their deep sense of appreciation for the committed services by the Company's executives, staff and workers.

For and on behalf of the Board of Directors
By Order of the Board
For **MARGO FINANCE LIMITED**

ANIL KUMAR JAIN

Chairman

DIN : 00086106

Place : Mumbai
Date : 13th May, 2015



NOMINATION AND REMUNERATION POLICY

The Nomination and Remuneration Policy (“the Policy”) applies to the core management team of the Company, that is :

- i. The Board of Directors (“Board”);
- ii. The Key Managerial Personnel (“KMP”); and
- iii. The Senior Management personnel - employees of grade Vice President & above, which are otherwise not covered at ‘i’ and ‘ii’, above.

(I) Criteria for Determining Qualifications, Positive Attributes & Independence of Director :

1. Qualifications :

An Independent Director shall possess appropriate skills, experience and knowledge in one or more fields of finance, law, management, sales, marketing, administration, research, corporate governance, operations or other disciplines related to the Company’s business.

2. Positive attributes :

An Independent Director shall be a person of integrity, who possesses relevant expertise and experience and who shall uphold ethical standards of integrity and probity; act objectively and constructively; exercise his responsibilities in a bona-fide manner in the interest of the Company; devote sufficient time and attention to his professional obligations for informed and balanced decision making; and assist the Company in implementing the best Corporate Governance practices.

3. Criteria of Independence :

An Independent Director should meet the requirements of the Companies Act, 2013 and Clause 49 of the Listing Agreement concerning the independence criteria.

(II) Remuneration Policy for Directors, Key Managerial Personnel and other employees

A. NON-EXECUTIVE DIRECTORS (NEDs)

NEDs be paid a sitting fee of Rs. 2,000/- for every meeting of the Board and Rs. 1000/- for every Board Committees attended by them. The NEDs would be entitled to Conveyance and out-of-pocket expenses, as may be decided by the Board from time to time.

NEDs shall be paid sitting fee, as may be approved by the Board and the Shareholders” of the Company, as applicable, within the overall limits provided in this Policy.

The Company has no stock options plans and no payment by way of bonus, pension, incentives etc. be paid to NEDs.

B. MANAGING DIRECTOR AND KEY MANAGERIAL PERSONNEL & OTHER EMPLOYEES

The objective of the policy is directed towards having a compensation philosophy and structure that will reward and retain talent.

The remuneration to Managing Director shall take into account the Company’s overall performance, MD’s contribution for the same and trends in the industry in general, in a manner which will ensure and support a high performance culture.

The Company has no stock options, plans and hence, such instruments do not form part of his remuneration package.

The Remuneration to others will be such as to ensure that the relationship of remuneration to performance is clear and meets appropriate operational performance benchmarks.



MARGO FINANCE LIMITED

Remuneration to Directors, Key Managerial Personnel and Senior Management will involve a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the Company and its goals.

(III) Evaluation of Board Structure and Performance :

The Nomination and Remuneration Committee shall review the structure, size and composition (including the skills, knowledge and experience) of the Board annually and make recommendations on any proposed changes to the Board to complement the Company's corporate strategy, with the objective to Board diversification and succession planning.

The Nomination and Remuneration Committee carry out evaluation of Directors performance and recommend to the Board on matters concerning appointment/ continuation in office of Director/termination of services of an Executive Director as an employee of the Company subject to the provision of the law and their service contract.

The above criteria and policy are subject to review by the Nomination & Remuneration committee & the Board of Directors of the Company.



Form No. MR-3
SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED ON 31st March, 2015
(Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies
(Appointment and Remuneration of Personnel) Rules, 2014)

To,

The Members,

Margo Finance Limited

Office No. 3, Plot No. 266, Village Alte,
Kumbhoj Road, Taluka Hatkanangale,
Kolhapur, Maharashtra - 416109

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Margo Finance Limited** (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on **31st March, 2015** ('Audit Period') 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 :

I 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, 2015 according to the provisions of :

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye laws framed there under;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The 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, 1992;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
(Not Applicable to the Company during the Audit Period);
 - (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);



MARGO FINANCE LIMITED

- (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) and**
 - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; **(Not Applicable to the Company during the Audit Period).**
- (vi) Other applicable Law : Reserve Bank of India, Act 1934
I have also examined compliance with the applicable clauses of the following :
- (i) Secretarial Standards issued by The Institute of Company Secretaries of India. **(Not notified hence not applicable to the Company during the Audit Period)**
and
 - (ii) The Listing Agreement(s) entered into by the Company with Bombay Stock Exchange.

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

I further report that the Board of Directors of the Company did not have proper balance of Executive Directors, Non-Executive Directors and Independent Directors during the audit period from 01.04.2014 to 22.08.2014. Further as required under section 152 (6) of the Companies Act, 2013 the Board does not have two-thirds of the total number of directors liable to retire by rotation during the audit period. 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 notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, 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.

Majority Decision is carried through while the dissenting member's views are captured and recorded as part of the Minutes of the Meetings.

Based on the compliance mechanism established by the Company and on the basis of Compliance Certificate(s) issued by the Company Secretary and taken on record by the Board of Directors at the Meeting(s), we are of the opinion that the Management has 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.

I further report that during the audit period, there were no instances of :

- (i) Public / Right / Preferential issue of shares / debentures/sweat equity, etc.
- (ii) Redemption / buy-back of securities
- (iii) Major decisions taken by the members in pursuance to Section 180 of the Companies Act, 2013
- (iv) Merger / amalgamation / reconstruction, etc.
- (v) Foreign technical collaborations

For **ASHU GUPTA & CO.,**
Company Secretary in Practice

ASHU GUPTA
Proprietor

Place : New Delhi
Dated : 13th May, 2015

FCS No. 4123
C.P. No. 6646



Form No. MGT-9
EXTRACT OF ANNUAL RETURN
as on the financial year ended 31st March, 2015

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

I. REGISTRATION AND OTHER DETAILS

i)	CIN	:	L65910MH1991PLC080534
ii)	Registration Date	:	08.10.1991
iii)	Name of the Company	:	Margo Finance Limited
iv)	Category / Sub-Category of the Company	:	Company limited by shares / Indian Non-Government Company
v)	Address of the Registered Office and Contact Details	:	Office No.3, Plot No. 266, Village Alte, Kumbhoj Road, Taluka Hatkanangale, Kolhapur – 416 109, Maharashtra Telephone No. 011-41539444 & 011-25767330 E-mail : info@margofinance.com
vi)	Whether Listed Company	:	Yes
vii)	Name, Address and Contact details of Registrar and Transfer Agent	:	Link Intime India Pvt. Ltd. 44, Community Centre, 2nd Floor, Naraina Industrial Area, Phase-I, Near PVR Cinema, New Delhi – 110 028 Telephone No. 011-41410592 to 594 Fax No. 01141410591 E-mail : delhi@linkintime.co.in

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 :

Sl. No.	Name and Description of main products / services	NIC Code of the Product / Service	% to total turnover of the Company
1.	Financing Activity	649 - Other financial service activities, except insurance and pension funding activities	100%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sl. No.	Name and Address of the Company	CIN / GLN	Holding / Subsidiary / Associate	% of Shares held	Applicable Section
1.	Indocount Securities Limited 506, Pragati Tower, 26, Rajendra Place, New Delhi - 110 008.	U74899DL1995PLC065033	Associate	24.94%	2(6)



IV. SHAREHOLDING PATTERN (Equity Share Capital Break-up as percentage of Total Equity)

i) Category-wise Shareholding

Category of Shareholder	No. of shares held at the beginning of the year (01-04-2014)				No. of shares held at the end of the year (31-03-2015)				% Change during the Year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individuals / HUF	860772	0	860772	18.84	871215	0	871215	19.06	0.23
b) Central Govt.	0	0	0	0.00	0	0	0	0.00	0.00
c) State Govt.	0	0	0	0.00	0	0	0	0.00	0.00
d) Bodies Corporate	1561055	0	1561055	34.16	1569416	0	1569416	34.34	0.19
e) Banks / FI	0	0	0	0.00	0	0	0	0.00	0.00
f) Others	0	0	0	0.00	0	0	0	0.00	0.00
Sub Total (A) (1)	2421827	0	2421827	52.99	2440631	0	2440631	53.41	0.42
(2) Foreign									
a) NRIs - Individuals	0	0	0	0.00	0	0	0	0.00	0.00
b) Other Individuals	0	0	0	0.00	0	0	0	0.00	0.00
c) Bodies Corporate	0	0	0	0.00	0	0	0	0.00	0.00
d) Banks / FI	0	0	0	0.00	0	0	0	0.00	0.00
e) Others	0	0	0	0.00	0	0	0	0.00	0.00
Sub Total (A) (2)	0	0	0	0.00	0	0	0	0.00	0.00
Total Shareholding of Promoter (A) = (A) (1) + (A) (2)	2421827	0	2421827	52.99	2440631	0	2440631	53.41	0.42
(B) Public Shareholding									
1. Institutions									
a) Mutual Funds	0	0	0	0.00	0	0	0	0.00	0.00
b) Banks / FI	100	0	100	0.00	100	0	100	0.00	0.00
c) Central Govt.	0	0	0	0.00	0	0	0	0.00	0.00
d) State Govt.	0	0	0	0.00	0	0	0	0.00	0.00
e) Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
f) Insurance Companies	0	0	0	0.00	0	0	0	0.00	0.00
g) FIs	0	0	0	0.00	0	0	0	0.00	0.00
h) Foreign Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
i) Others	0	0	0	0.00	0	0	0	0.00	0.00
Sub-Total (B) (1)	100	0	100	0.00	100	0	100	0.00	0.00
2. Non-Institutions									
(a) Bodies Corporate									
(i) Indian	108424	30250	138674	3.03	128293	30250	158543	3.47	0.44
(ii) Overseas	0	0	0	0.00	0	0	0	0.00	0.00
(b) Individuals									
(i) Individual share holders holding nominal share capital up to Rs. 1 Lakh	824786	1105960	1930746	42.25	787501	1091460	1878961	41.12	(-) 1.17
(ii) Individual share holders holding nominal share capital in excess of Rs. 1 Lakh	72389	0	72389	1.58	84369	0	84369	1.85	0.27



Category of Shareholder	No. of shares held at the beginning of the year (01-04-2014)				No. of shares held at the end of the year (31-03-2015)				% Change during the Year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
(c) Other									
i) Director & their Relatives	2000	10	2010	0.04	2000	10	2010	0.04	0.00
ii) Non Resident Indians	1932	100	2032	0.04	1686	0	1686	0.04	0.00
iii) Clearing Member	2222	0	2222	0.05	3700	0	3700	0.08	0.03
Sub-Total (B) (2)	1011753	1136320	2148073	47.00	1007549	1121720	2129269	46.60	(-) 0.43
Total Public Shareholding (B) = (B) (1) + (B) (2)	1011853	1136320	2148173	47.01	1007649	1121720	2129369	46.60	(-) 0.43
(C) Shares held by Custodians for GDRs & ADRs	0	0	0	0.00	0	0	0	0.00	0.00
Grand Total (A+B+C)	3433680	1136320	4570000	100.00	3448280	1121720	4750000	100.00	0.01

(ii) Shareholding of Promoters

Sl. No.	Shareholder 's Name	Shareholding at the beginning of the year (01-04-2014)			Share holding at the end of the year (31-03-2015)			% change in share holding 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 to total Shares	
1.	Anil Kumar Jain (HUF)	394902	8.64	0.00	405245	8.87	0.00	0.23
2.	Rini Investment & Finance Private Limited	446685	9.77	0.00	455046	9.96	0.00	0.19
3.	Mrs. Gayatri Devi Jain	324870	7.11	0.00	324870	7.11	0.00	0.00
4.	Skyrise Properties Private Limited	313300	6.86	0.00	313300	6.86	0.00	0.00
5.	Yartex Exports Limited	265370	5.81	0.00	265370	5.81	0.00	0.00
6.	R.H. Finvest Private Limited	204000	4.46	0.00	204000	4.46	0.00	0.00
7.	Slab Properties Private Limited	162700	3.56	0.00	162700	3.56	0.00	0.00
8.	Mrs. Shikha Mohit Jain	100000	2.19	0.00	100000	2.19	0.00	0.00
9.	Commnet Impex Private Limited	93000	2.04	0.00	93000	2.04	0.00	0.00
10.	Indocount Securities Limited	76000	1.66	0.00	76000	1.66	0.00	0.00
11.	Mr. Mohit Jain	15000	0.33	0.00	15100	0.33	0.00	0.00
12.	MRs. Neha Singhvi	13000	0.28	0.00	13000	0.28	0.00	0.00
13.	Mrs. Shivani Patodia	13000	0.28	0.00	13000	0.28	0.00	0.00
	Total	2421827	52.99	0.00	2440631	53.41	0.00	0.42



iii) Change in Promoter's Shareholding

Sl. No.	Name	Shareholding		Date	Increase / Decrease in share holding	Reason	Cumulative Shareholding during the year (01-04-2014 to 31-03-2015)	
		No. of Shares at the beginning (01-04-2014) / end of the year (31-03-2015)	% of total shares of the Company				No. of Shares	% of total shares of the Company
1.	Anil Kumar Jain (HUF)	394902	8.64	01-04-2014				
				08-07-2014	+ 5160	Transfer	400062	8.75
				09-07-2014	+ 1300	Transfer	401362	8.78
				10-07-2014	+ 2025	Transfer	403387	8.82
				18-07-2014	+ 101	Transfer	403488	8.83
				18-08-2014	+ 401	Transfer	403889	8.84
				19-08-2014	+ 356	Transfer	404245	8.85
				20-08-2014	+ 500	Transfer	404745	8.86
				22-08-2014	+ 500	Transfer	405245	8.87
				405245	8.87	31-03-2015		
2.	Rini Investment & Finance Private Limited	446685	9.77	01-04-2014				
				22-07-2014	+ 1499	Transfer	448184	9.80
				23-07-2014	+ 200	Transfer	448384	9.81
				24-07-2014	+ 260	Transfer	448644	9.82
				30-07-2014	+ 400	Transfer	449044	9.83
				31-07-2014	+ 718	Transfer	449762	9.84
				01-08-2014	+ 500	Transfer	450262	9.85
				19-08-2014	+ 350	Transfer	450612	9.86
				27-08-2014	+ 100	Transfer	450712	9.86
				28-08-2014	+ 500	Transfer	451212	9.87
				01-09-2014	+ 323	Transfer	451535	9.88
				02-09-2014	+ 11	Transfer	451546	9.88
				04-09-2014	+ 2500	Transfer	454046	9.94
				09-09-2014	+ 1000	Transfer	455046	9.96
				455046	9.96	31-03-2015		



(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs)

Sl. No.	Name	Shareholding		Date	Increase / Decrease in share holding	Reason	Cumulative Shareholding during the year (01-04-2014 to 31-03-2015)	
		No. of Shares at the beginning (01-04-2014) / end of the year (31-03-2015)	% of total shares of the Company				No. of Shares	% of total shares of the Company
1.	Upsurge Investment & Finance Ltd *	46473	1.02	01-04-2014				
				15-08-2014	+ 382	Transfer	46855	1.03
				22-08-2014	+ 499	Transfer	47354	1.04
		47354	1.04	31-03-2015				
2.	Yash Management and Satellite Ltd.*	31335	0.69	01-04-2014		Nil transaction during the year		
		31335	0.69	31-03-2015				
3.	Mr. Nikhil Sarda *	28450	0.62	01-04-2014		Nil transaction during the year		
		28450	0.62	31-03-2015				
4.	Mr. Balakrishnan Ramaswamy Iyer *	22200	0.49	01-04-2014				
				29-08-2014	+ 275	Transfer	22475	0.49
				10-10-2014	+ 1025	Transfer	23500	0.51
				14-11-2014	+ 500	Transfer	24000	0.53
				21-11-2014	+ 790	Transfer	24790	0.54
		24790	0.54	31-03-2015				
5.	Mr. Ramswoop Harsahaimal Gupta *	11105	0.24	01-04-2014		Nil transaction during the year		
		11105	0.24	31-03-2015				
6.	Mr. Om Prakash Mishra (*)	10634	0.23	01-04-2014				
				01-04-2014	- 790	Transfer	11424	0.25
				30-09-2014	+ 486	Transfer	11910	0.26
				23-01-2015	- 8000	Transfer	3910	0.09
				30-01-2015	- 3910	Transfer	0	0
		0	0	31-03-2015				



Sl. No.	Name	Shareholding		Date	Increase / Decrease in share holding	Reason	Cumulative Shareholding during the year (01-04-2014 to 31-03-2015)		
		No. of Shares at the beginning (01-04-2014) / end of the year (31-03-2015)	% of total shares of the Company				No. of Shares	% of total shares of the Company	
7.	Mr. Pratik Rajendra Gandhi *	10000	0.22	01-04-2014		Nil transaction during the year			
		10000	0.22	31-03-2015					
8.	Mr. N K Malliga *	8904	0.19	01-04-2014					
9.	Mr. D Nirmal Kumar *			30-06-2014	- 20	Transfer	8884	0.19	
				30-09-2014	- 880	Transfer	8004	0.17	
				31-12-2014	+190	Transfer	8194	0.18	
			8194	0.18	31-03-2015				
			8166	0.18	01-04-2014				
					22-08-2014	+ 300	Transfer	8466	0.19
					30-09-2014	- 100	Transfer	8366	0.18
			05-12-2014	+ 100	Transfer	8466	0.19		
10.	Ms. Sunita Lakhotia *			02-01-2015	+ 1100	Transfer	9566	0.21	
				16-01-2015	+ 5	Transfer	9571	0.21	
				20-03-2015	+ 200	Transfer	9771	0.21	
			9771	0.21	31-03-2015				
			8002	0.18	01-04-2014				
					04-04-2014	- 5	Transfer	7997	0.18
			09-05-2014	- 20	Transfer	7977	0.17		
			05-09-2014	- 2000	Transfer	5977	0.13		
11.	SMC Global Securities Limited #			12-09-2014	- 1000	Transfer	4977	0.11	
				23-01-2015	- 2000	Transfer	2977	0.07	
				30-01-2015	- 977	Transfer	2000	0.04	
			2000	0.04	31-03-2015				
			34	0.00	01-04-2014				
					29-08-2014	+ 881	Transfer	915	0.02
					05-09-2014	+ 6171	Transfer	7086	0.15
					12-09-2014	+ 344	Transfer	7430	0.16
					19-09-2014	+ 3704	Transfer	11134	0.24
			30-09-2014	+ 100	Transfer	11234	0.25		



Sl. No.	Name	Shareholding		Date	Increase / Decrease in share holding	Reason	Cumulative Shareholding during the year (01-04-2014 to 31-03-2015)	
		No. of Shares at the beginning (01-04-2014) / end of the year (31-03-2015)	% of total shares of the Company				No. of Shares	% of total shares of the Company
	M/s. SMC Global Securities Limited* (Continued)			17-10-2014	+ 581	Transfer	11815	0.26
				24-10-2014	+ 75	Transfer	11890	0.26
				31-10-2014	+ 530	Transfer	12420	0.27
				07-11-2014	+ 2476	Transfer	14896	0.33
				14-11-2014	+ 100	Transfer	14996	0.33
				28-11-2014	+ 2593	Transfer	17589	0.38
				05-12-2014	+ 210	Transfer	17799	0.39
				12-12-2014	+ 623	Transfer	18422	0.40
				19-12-2014	+ 371	Transfer	18793	0.41
				31-12-2014	+ 4868	Transfer	23661	0.51
				02-01-2015	+ 260	Transfer	23921	0.52
				09-01-2015	+ 33	Transfer	23888	0.52
				16-01-2015	+ 363	Transfer	24251	0.53
				23-01-2015	+ 606	Transfer	24857	0.54
				06-03-2015	- 500	Transfer	24357	0.53
				13-03-2015	+ 300	Transfer	24657	0.53
				20-03-2015	+ 200	Transfer	24857	0.54
				27-03-2015	- 89	Transfer	24768	0.54
		24773	0.54	31-03-2015	+ 5	Transfer	24773	0.54

Note :

- * Common top 10 shareholders as on April 1, 2014 and March 31, 2015
- # Top 10 shareholders only as on March 31, 2015.
- (*) Ceased to be in the list of Top 10 shareholders as on 31-03-2015. The same is reflected above since the shareholder was one of the Top 10 Shareholders as on 01-04-2014.



(v) Shareholding of Directors and Key Managerial Personnel :

Sl. No.	Name	Shareholding		Date	Increase / Decrease in share holding	Reason	Cumulative Shareholding during the year (01-04-2014 to 31-03-2015)	
		No. of Shares at the beginning (01-04-2014) / end of the year (31-03-2015)	% of total shares of the Company				No. of Shares	% of total shares of the Company
1.	Mr. Govind Prasad Agrawal (Director)	2010	0.04	01-04-2014		Nil transaction during the year	0	0.00
		2010	0.04	31-03-2015				

* Non of the other Directors and Key Managerial Personnel having shareholding in the Company.

V. INDEBTEDNESS

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

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	0	0	0	0
ii) Interest due but not paid	0	0	0	0
iii) Interest accrued but not due	0	0	0	0
Total (i+ii+iii)	0	0	0	0
Change in Indebtedness during the financial year				
Addition	0	0	0	0
Reduction	0	0	0	0
Net Change	0	0	0	0
Indebtedness at the end of the financial year				
i) Principal Amount	0	0	0	0
ii) Interest due but not paid	0	0	0	0
iii) Interest accrued but not due	0	0	0	0
Total (i+ii+iii)	0	0	0	0



VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A Remuneration to Managing Director, Whole-time Directors and / or Manager :

Amount (in Rs.)

Sl. No.	Particulars of Remuneration	Name of MD / WTD / Manager	Total Amount
		Ms. Rekha Tukaram Bolkar (Managing Director (w.e.f. 11.02.2015)	
1	Gross Salary	35,374	35,374
	(a) Salary as per provisions contained in Section 17(1) of the Income-tax Act, 1961	34,060	34,060
	(b) Value of perquisites under Section 17(2) Income-tax Act, 1961	0	0
	(c) Profits in lieu of salary under Section 17(3) Income-tax Act, 1961	0	0
2	Stock Option	0	0
3	Sweat Equity	0	0
4	Commission		
	- as % of profit	0	0
	- others	0	0
5	Other allowances	1,314	1,314
	Total (A)	35,374	35,374
	Ceiling as per the Act		Rs. 30 lacs P.A. *

* Due to inadequate profit the above ceiling of remuneration is being calculated as per the limit prescribed under Part -II of Schedule V of Companies Act, 2013.

B. Remuneration to other Directors :

Amount (in Rs.)

Sl. No.	Particulars of Remuneration	Name of Directors						Total Amount
		Mr. Anil Kumar Jain	Ms. Rekha Tukaram Bolkar *	Mr. Govind Prasad Agrawal	Mr. Sushilkumar Krishna Agrawal	Mr. Anilkumar Indralal Gulati	Mr. Venkiteswaran Venkiteswaran Parlikad	
1.	Independent Directors							
	Fee for attending Board / Committee Meetings	—	—	4000	6000	5000	4000	19000
	Commission	—	—	0	0	0	0	0
	Others, please specify	—	—	0	0	0	0	0
	Total (1)	—	—	4000	6000	5000	4000	19000
2.	Other Non-Executive Directors							
	Fee for attending Board / Committee Meetings	7000	1000	—	—	—	—	8000
	Commission	0	0	0	0	0	0	0
	Others, please specify	0	0	0	0	0	0	0
	Total (2)	7000	1000	0	0	0	0	8000
	Total (B)=(1+2)	7000	1000	4000	6000	5000	4000	27000
	Total Managerial Remuneration							61060
	Overall Ceiling as per the Act	Total remuneration to Managing Director and other Directors (being the total of A and B)						
		Upto Rs. One Lac per Director for each meeting of Board / Committee						

* Ms. Rekha Tukaram Bolkar ceased to be Non Executive Director w.e.f. 11.02.2015; during her tenure as Non Executive Director, she has attended one Meeting.



C. Remuneration to Key Managerial Personnel other than MD / MANAGER / WTD

(Amount in Rs.)

Sl. No.	Particulars of Remuneration	CEO	* Company Secretary Ms. Kiran Kalanta	# Company Secretary Ms. Jyotsna Jindal	CFO Mr. Shree Dass Maheshwari	Total
1.	Gross salary	Not Applicable	123822	95806	301495	521123
	(a) Salary as per provisions contained in Section 17(1) of the Income-tax Act, 1961		123822	95806	301495	521123
	(b) Value of perquisites under Section 17(2) Income-tax Act, 1961		0	0	0	0
	(c) Profits in lieu of salary under Section 17(3) Income-tax Act, 1961		0	0	0	0
2.	Stock Option		0	0	0	0
3.	Sweat Equity		0	0	0	0
4.	Commission					
	- as % of profit		0	0	0	0
	- others		0	0	0	0
5.	Others		0	0	0	0
	Total		123822	95806	288420	521123

* Ms. Kiran Kalanta ceased to be Company Secretary of the Company w.e.f. 09.10.2014.

Ms. Jyotsna Jindal appointed as Company Secretary of the Company w.e.f 13.11.2014.

VII. PENALTIES / PUNISHMENT / COMPOUNDING OF OFFENCES :

There were no penalties, punishment or compounding of offences during the year ended March 31, 2015.



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 Nationalized 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 hopes 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 risk is 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 follows provisioning norms of RBI.

OPPORTUNITIES AND THREATS

Business Opportunities for NBFCs 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 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 systems 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, and 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 and economic development within India.



CORPORATE GOVERNANCE REPORT

1. Margo Finance Limited Philosophy on Corporate Governance

Your Company is committed to excellence in Corporate Governance practices and recognizes that good Corporate Governance is a continuous exercise. Corporate Governance encompasses a set of systems and practices to ensure that the Company's affairs are being managed in a manner which ensures accountability, transparency and fairness in all transactions in the widest sense. The objective is to meet stakeholders' aspirations and societal expectations. Good governance practices stem from the dynamic culture and positive mindset of the organization. We are committed to meet the aspirations of all our stakeholders.

The Governance framework gives due importance towards regulatory compliance under the guardianship of a strong Board of Directors and executed by a committed management.

Given below is a brief report by the Director(s) on the practices followed at Margo Finance Limited to strive towards achievement of goal of Good 'Corporate Governance'.

Appropriate Governance Structure with defined roles and responsibilities

The Company has put in place internal governance structure with defined roles and responsibilities of every constituent of the system. The Company's Shareholders appoint the Board of Directors, which in turn governs the Company. The Board has established various Committees to discharge its responsibilities in an effective manner. The Company Secretary acts as the Secretary to all the Committees of the Board constituted under the Companies Act, 2013. The Chairman provides overall direction and guidance to the Board.

Ethics / Governance Policies

At Margo Finance Ltd., we strive to conduct our business and strengthen our relationships in a manner that is dignified, distinctive and responsible. We adhere to ethical standards to ensure integrity, transparency, independence and accountability in dealing with all stakeholders.

Therefore, we have adopted various codes and policies to carry out our duties in an ethical manner. Some of these codes and policies are :

- Code of Conduct for all the Directors and Senior Management.
- Code of Conduct for Prohibition of Insider Trading.
- Vigil Mechanism and Whistle Blower Policy.
- Policy on Materiality of Related Party Transactions and on dealing with Related Party Transactions.
- Policy for Selection of Directors and determining Directors Independence.
- Remuneration Policy for Directors, Key Managerial Personnel and other Employees.

Code of Conduct

The Company has in place a comprehensive Code of Conduct (the Code) applicable to all the Directors including Independent Directors and all the Members of Executive Management. The Code is applicable to Non-executive Directors including Independent Directors to such extent as may be applicable to them depending on their roles and responsibilities. The Code gives guidance and support needed for ethical conduct of business and compliance of law. The Code reflects the values of the Company viz. - Customer Value, Ownership Mind-set, Respect, Integrity, One Team and Excellence.

A copy of the Code has been put on the Company's website (www.margofinance.com). The Code has been circulated to Directors and Management Personnel and its compliance is affirmed by them annually.

A declaration signed by the Company's Managing Director is published in this Report.

2. Board of Directors

Board composition and category of Directors

The Board of Directors of the Company comprises of 6 Directors drawn from various field of expertise. The Company has combination of Executive and Non-Executive Directors which is in conformity with the



requirement of Clause 49 of the Listing Agreement with the stock exchange (the 'Listing Agreement') and Section 152 of the Companies Act, 2013. The composition of the Board and category of Directors are as follows :

Category	Name of Directors
Promoter Director	Mr. Anil Kumar Jain (Chairman)
Executive Director	Ms. Rekha Tukaram Bolkar (Managing Director)
Independent Directors	Mr. Govind Prasad Agrawal
	Mr. Sushilkumar Krishna Agrawal
	Mr. Anilkumar Indralal Gulati
	Mr. Venkiteswaran Venkitaswaran Parlikad

The necessary disclosures regarding committee positions have been made by all the Directors. None of the Directors are related to any other Director on the Board.

Number of Board Meetings held with dates

During the year 2014-2015, the Board of Directors met on 4 occasions i.e. on 14th May 2014, 13th August 2014, 13th November 2014 and 11th February 2015 and the gap between two Board meetings did not exceed 120 days.

Attendance of Directors at Board Meetings, last Annual General Meeting (AGM) and number of other Directorships and Chairmanships/ Memberships of committees of each Director in various Companies are given below :

Name and Designation	Attendance at Meetings During 2014-15		No. of Directorship in other Public Ltd. Companies	No. of Chairmanship / Membership in other Committees
	Board Meeting	Last AGM		
Mr. Anil Kumar Jain Chairman	4	Yes	2	2 (Including 1 as Chairman)
Ms. Rekha Tukaram Bolkar Managing Director	2	No	Nil	Nil
Mr. Govind Prasad Agrawal Non - Executive Independent Director	3	No	6	3 (Including 1 as Chairman)
Mr. Sushilkumar Krishna Agrawal Non - Executive Independent Director	3	Yes	5	6 (Including 1 as Chairman)
Mr. Anilkumar Indralal Gulati Non - Executive Independent Director	2	No	Nil	Nil
Mr. Venkiteswaran Venkitaswaran Parlikad Non - Executive Independent Director	2	No	Nil	Nil

Notes :

- The Directorships, held by the Directors as mentioned above, do not include alternate Directorship, and Directorship in foreign Companies, Companies Registered under Section 8 of the Companies Act, 2013 and Private Limited Companies.
- In accordance with clause 49 of the listing agreement Membership/Chairmanship of Audit Committees and Stakeholders' Relationship Committees in other public Limited Companies (excluding Margo Finance Limited) have been considered.
- None of the Directors is a Member of more than 10 Board-level Committee or a Chairman of more than 5 such committees, across all Companies in which he/she is a Director.



Meetings of Independent Directors

The Independent Directors of the Company had met during the year on 26th March, 2015 to review the performance of non-Independent Directors, Chairman of the Company and the Board as a whole. They had assessed the quality, quantity and timeliness of flow of information between the company Management and the Board

Familiarisation Programme / Training to Independent Directors

To familiarize the new Independent Directors with the strategy, operations and functions of our Company, the Executive Directors / Senior Managerial Personnel make presentations to the Directors about the Company's strategy, operations, service offerings, markets, organization structure, finance and risk management.

Further at the time of appointment of an Independent Director, the Company issues a formal letter of appointment outlining his/her role, function, duties and responsibilities as a Director.

Re-appointment of Directors

In accordance to the provision of section 152 of the Companies Act, 2013, Mr. Anil Kumar Jain retire by rotation and being eligible, offer himself for re-appointment. His re- appointment will be considered in the forthcoming Annual General Meeting.

In terms of provisions of Companies Act, 2013, your Directors seek the appointment of Mr. Anilkumar Indralal Gulati and Mr. Venkiteswaran Venkitaswaran Parlikad as Independent Directors for 5 consecutive years, for a term up to 29th Annual General Meeting.

Further pursuant to provision of Section 196 read with Section 197 and Schedule V of the Companies Act, 2013, your Directors seek the appointment of Ms. Rekha Tukaram Bolkar as Managing Director of the Company for a term of 3 (Three) years.

3. Audit Committee

Composition of the Committee as on 31st March, 2015.

Name	Designation
Mr. Sushilkumar Krishna Agrawal (Chairman of the Committee)	Independent Director
Mr. Govind Prasad Agrawal	Independent Director
Mr. Anilkumar Indralal Gulati *	Independent Director
Mr. Venkiteswaran Venkitaswaran Parlikad *	Independent Director
Ms. Rekha Tukaram Bolkar *	Executive Director

* They became member of the Committee w.e.f 13.11.2014

The Committee's composition meets with requirements of Section 177 of the Companies Act, 2013 and Clause 49 of the Listing Agreement. Members of the Audit Committee possess financial /accounting expertise / exposure.

The Audit Committee of the Board, inter alia, provides reassurance to the Board on the existence of an effective internal financial control environment that ensures :

- Efficiency and effectiveness of operation.
- Safeguarding of assets and adequacy of operation.
- Reliability of financial and other management information and adequacy of disclosure.
- Compliance with all relevant statutes.



The role of the Committee included the following :

- a) Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- b) Recommendation for appointment, remuneration and terms of appointment of auditors of the Company;
- c) Reviewing the internal financial controls and risk management systems;
- d) Reviewing, with the management and internal auditor :
 - The adequacy of internal control systems;
 - Internal audit function;
 - Internal audit scope, coverage and frequency;
 - Report of internal audit for any significant findings, including matters where there is suspected fraud or irregularity or failure of internal control system of a material nature and follow-up thereon.
- e) Reviewing with the management and external auditor :
 - Nature and scope of audit;
 - Any area of concern and comments contained in their management letter;
 - And the financial statement prior to endorsement by the Board;
 - Compliance with Stock Exchange and legal requirements concerning financial statements;
 - Related party transaction.
- f) Review and monitor the auditor's independence and performance, and effectiveness of audit process;
- g) Reviewing, with the management, the quarterly financial statements before submission to the Board for approval;
- h) Scrutiny of inter-corporate loans and investments;
- i) Valuation of undertakings or assets of the Company, wherever it is necessary;
- j) Looking into the reasons for substantial defaults, if any, in the payment to the shareholders (in case of non-payment of declared dividends) and creditors;
- k) To review the functioning of the Whistle Blower mechanism;
- l) Considering such other matters as may be required by the Board;
- m) Reviewing and other areas which may be specified as role of the Audit Committee under the Listing Agreement, Companies Act and other statutes, as amended from time to time.

Explanation (i) : The term "related party transactions" shall have the same meaning as provided in Clause 49(VII) of the Listing Agreement.

The internal auditor reports directly to the Audit Committee.

Meeting Details :

During the year 2014-15, the Audit Committee met on 4 (Four) occasions i.e. 14th May, 2014, 13th August, 2014, 13th November, 2014 and 10th February, 2015. The attendance of the Members of Audit Committee for the year 2014-15 was as under :

Name of the Chairman / Member	Position	No. of Meeting Attended
Mr. Sushilkumar Krishna Agrawal	Chairman	4
Mr. Anil Kumar Jain *	Member	3
Mr. Govind Prasad Agrawal	Member	3
Mr. Anilkumar Indralal Gulati	Member	1
Mr. Venkiteswaran Venkitaswaran Parlikad	Member	1
Ms. Rekha Tukaram Bolkar	Member	—

* ceased to be a member of the Audit Committee w.e.f. 13.11.2014, 3 meetings were held during his tenure.



MARGO FINANCE LIMITED

The Minutes of the Audit Committee are placed before the Board of Directors in the subsequent Board Meeting.

Mr. Sushilkumar Krishna Agrawal, Chairman of the Audit Committee, was present at the Annual General Meeting of the Company to answer the shareholders queries and the Company Secretary acts as the Secretary of the Committee.

4. Nomination and Remuneration Committee

Composition of the Committee as on 31st March, 2015 :

Name	Designation
Mr. Anilkumar Indralal Gulati * (Chairman of the Committee)	Independent Director
Mr. Anil Kumar Jain	Non - Executive Director
Mr. Govind Prasad Agrawal	Independent Director
Mr. Sushilkumar Krishna Agrawal	Independent Director

* Chairman of the Committee w.e.f. 13.11.2014

The Committee's constitution and terms of reference are in compliance with provisions of the Companies Act, 2013 and Clause 49 of the Listing Agreement.

Terms of Reference of the Committee, *inter alia*, includes the following :

- Identifying persons who are qualified to become Directors and who may be appointed in Senior Management in accordance with the criteria laid down and recommend to the Board for their appointment and removal;
- To carry out evaluation of every Director's performance;
- To Formulate the criteria for determining qualifications, positive attributes and independence of a Director and recommend to the Board a policy, relating to the remuneration of the Directors, Key Managerial Personnel and other employees;
- To formulate the criteria for evaluation of Independent Directors and the Board;
- Devising a policy on Board diversity;
- To recommend / review remuneration of the Managing Director(s) based on their performance and defined assessment criteria;
- To carry out any other function as is mandated by the Board from time to time and / or enforced by any statutory notification, amendment or modification, as may be applicable;
- To perform such other functions as may be necessary or appropriate for the performance of its duties.

Meeting Details :

During the year 2014-15, the Nomination and Remuneration Committee met on 3 occasions i.e. 14th May, 2014, 13th November, 2014 and 10th February, 2015. The attendance of the Members of the Nomination and Remuneration Committee for the year 2014-15 was as under :

Name of the Director	Position	No. of Meetings Attended
Mr. Anilkumar Indralal Gulati *	Chairman	1
Mr. Sushilkumar Krishna Agrawal	Member	3
Mr. Anil Kumar Jain	Member	3
Mr. Govind Prasad Agrawal	Member	2

* Chairman of the committee w.e.f 13.11.2014, during his tenure one meeting was held.



MARGO FINANCE LIMITED

Remuneration policy

The Company's Remuneration Policy for Directors, Key Managerial Personnel and other employees, is appended as Annexure A to the Directors' Report. Further, the Company has devised a Policy for performance evaluation of Independent Directors, Board, Committees and other individual Directors. The Company's remuneration policy is directed towards rewarding performance based on review of achievements periodically. The remuneration policy is in consonance with the existing industry practice.

Remuneration paid to Managing Director during 2014-15

Ms. Rekha Tukaram Bolkar appointed as Managing Director of the Company w.e.f. 11.02.2015 with the following remuneration :

	Remuneration	Amount (in Rs.)
1.	Basic Salary :	18039
2.	Housing Rent Allowance :	7787
3.	Special Allowances :	6180
4.	Conveyance Allowance :	1314
5.	Medical Allowance :	2054
6.	Commission Payable :	Nil
7.	Stock option granted :	Nil
Gross Salary		35374
Contribution to provident Fund as per the rule of the Company		(-) 2165
Total		33209

The tenure of office of the Managing Director is three years from her respective date of appointment, and can be terminated by either party by giving three months prior notice in writing. The aforesaid remuneration was paid within the overall limits prescribed under the Companies Act, 2013.

During the year 2014-15 following sitting fee was paid to the Non-Executive Directors :

Name of the Director	Sitting Fees (Rs.)
Mr. Anil Kumar Jain	7000
Mr. Govind Prasad Agrawal	4000
Mr. Sushilkumar Krishna Agrawal	6000
Ms. Rekha Tukaram Bolkar *	1000
Mr. Anilkumar Indralal Gulati	5000
Mr. Venkiteswaran Venkitaswaran Parlikad	4000

* Ms. Rekha Tukaram Bolkar has attended one meeting as non-Executive Director and she ceased to become Non-Executive Director w.e.f. 11.02.2015.

There were no other pecuniary relationships or transactions of Non-Executive Directors vis-à-vis the Company. The Company has not granted any commission and stock option to any of its Non-Executive Directors. The aforesaid sitting fee was paid within the overall limits prescribed under the Companies Act, 2013.



5. Stakeholders' Relationship Committee

Composition of the Committee as on 31st March, 2015

Name	Designation
Mr. Anilkumar Indralal Gulati * (Chairman of the Committee)	Independent Director
Mr. Sushilkumar Krishna Agrawal	Independent Director
Mr. Govind Prasad Agrawal	Independent Director

* Became Chairman of the Committee w.e.f. 13.11.2014.

The 'Stakeholders' Relationship Committee'(SR Committee) constitution and terms of reference are in compliance with provisions of the Companies Act, 2013 and Clause 49 of the Listing Agreement.

Terms of Reference of the Committee, *inter alia*, includes the following :

- Approve issue of the Company's duplicate share certificates;
- Consider, resolve and monitor redressal of investor's /shareholder's /security holder's grievances related to transfer of securities, non-receipt of Annual Report etc;
- Oversee the performance of the Company's Registrars and Transfer Agents;
- Recommend methods to upgrade the standard of services to investors;
- Carry out any other function as is referred by the Board from time to time and /or enforced by any statutory notification /amendment or modification as may be applicable;
- Perform such other functions as may be necessary or appropriate for the performance of its duties.

Meeting Details :

The Committee meets on regular basis to expedite and to take note of all matters relating to the transfer / transmission in excess of the authorized limit, to authorize issue of shares upon split, consolidation, duplicate share certificates, dematerialization of shares and redressal of Investor's Grievance etc., if any.

During the year 2014-2015, 3 meetings of Share Transfer and Shareholders' Grievance Committee were held and in the Board Meeting held on 14.05.2014 the above committee was re-named as Share Transfer and Stakeholders Relationship Committee and met on 8 occasions.

Further on 13.11.2014 in Board Meeting the Share Transfer and Stakeholders Relationship Committee were split separately as Share Transfer Committee and Stakeholders Relationship Committee. One meeting was held as Stakeholders Relationship Committee.

Name and Designation of Compliance Officer :

Ms. Jyotsna Jindal was appointed as Company Secretary and Compliance Officer w.e.f. 13.11.2014 for complying with requirements of Companies Act, 2013, Securities Laws and Listing Agreements with Stock Exchanges.

Prohibition of Insider Trading

With a view to regulate trading in securities by the Directors and designated employees, the Company has adopted a Code of Conduct for Prohibition of Insider Trading.

Investor Grievance Redressal

During the year 2014-15, a total of 2 complaints were received and attended to the satisfaction of shareholders. There was no pending complaint as on 31st March, 2015.

6. Performance Evaluation of Board of Directors

Pursuant to the provisions of the Companies Act, 2013 and Clause 49 of the Listing Agreement, the Board has carried out the annual performance evaluation of its own performance, the Directors individually as well as the evaluation of the working of its Audit, Nomination and Remuneration Committees.



A structured questionnaire was prepared after taking into consideration inputs received from the Directors, covering various aspects of the Board functioning such as adequacy of the composition of the Board and its Committees, Board culture, execution and performance of specific duties, obligations and governance.

A separate exercise was carried out to evaluate the performance of individual Directors including the Chairman of the Board, who were evaluated on parameters such as level of engagement and contribution, independence of judgment, accessible to built effective working relationships with the senior management etc. The performance evaluation of the Independent Directors was carried out by the entire Board. The performance evaluation of the Chairman and the Non Independent Directors was carried out by the Independent Directors who also reviewed the performance of the Secretarial Department.

The Directors expressed their satisfaction with the evaluation process.

7. General Body Meeting :

During the preceding three years, the Annual General Meetings of the Company were held on the following dates, time and venue.

Financial Year ended	Date	Time	Venue of the Last Three AGMs
31.03.2014	23.08.2014	03:00 P.M.	Village Alte, Taluka Hatkanangale, Dist. Kolhapur 416109
31.03.2013	20.07.2013	12:00 Noon	Village Alte, Taluka Hatkanangale, Dist. Kolhapur 416109
31.03.2012	25.08.2012	11:00 A.M	Village Alte, Taluka Hatkanangale, Dist. Kolhapur 416109

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

8. Disclosures :

Disclosures on materially significant related party transactions, i.e. the Company's transactions that are of material nature, with its Promoters, Directors and the management, their relatives among others that may have potential conflict with the Company's interests at large

During the period under review, the Company had not entered into any material transaction with any of its related parties.

None of the transactions with any of related parties were in conflict with the Company's interest. Attention of members is drawn to the disclosure of transactions with related parties set out in Note No. 2.23 of Financial Statements, forming part of the Annual Report.

Disclosure of Accounting Treatment

There is no deviation in following the treatment prescribed in any Accounting Standards in preparation of financial statement for the year 2014-2015.

Board Disclosure-Risk Management

The risk assessment and minimization is place before the Board and the Board is regularly informed about the business risks and the steps taken to mitigate the same.

The Management Discussion and Analysis report is included elsewhere in the Annual Report.

Compliance Certificate of the Practising Company Secretary

Certificate from the Practising Company Secretary, M/s. Ashu Gupta & Co., confirming compliance with conditions of Corporate Governance as stipulated under Clause 49 of the Listing Agreement, is attached to this Report.



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

During the last three years the Company complied with all the requirement of the Stock Exchanges / SEBI / and other statutory authorities on all matters related to the capital market or strictures imposed on the Company by the Stock Exchange, the SEBI or any statutory authority on matters relating to capital market.

Whistle Blower policy

The Company promotes ethical behaviour in all its business activities and has put in place a mechanism for reporting illegal or unethical behaviour. The Company has a Vigil mechanism and Whistle blower policy under which the employees are free to report violations of applicable laws and regulations and the Code of Conduct, breaches of accounting policies or any act resulting in financial or reputation loss and misuse of office or suspected or actual fraud.

Complaint by or against Senior Management should be made to the Chairman of the Company with a copy to the Chairman of the Audit Committee. The Policy provides for a mechanism to report such concerns to the Audit Committee through specified channels.

The details of establishment of the Whistle Blower Policy/Vigil mechanism have been disclosed on the website of the Company.

Adoption of Mandatory Requirements of Clause 49

The Company has complied with all mandatory requirements of Clause 49 of the Listing Agreement.

The Company has adopted following non-mandatory requirements of Clause 49 of the Listing Agreement :

Reporting of Internal Auditor

The Internal Auditor directly reports to the Audit Committee.

Managing Director and CFO Certification

The Managing Director and the Chief Financial Officer of the Company give annual certification on financial reporting and internal controls to the Board in terms of Clause 49 of the Listing Agreement. The annual certificate given by the Managing Director and the Chief Financial Officer is published in this Report.

9. Means of Communication

- a) The relevant information relating to the Directors to be appointed/re-appointed at the ensuing Annual General Meeting is given in the Notice convening the Annual General Meeting.
- b) The Quarterly Un-Audited (Provisional) Results and the Annual Audited Financial results of the Company are sent to the stock exchanges immediately after they are approved by the Board and are also published in one vernacular news paper viz. "Nava Shakti" and one English news paper viz. "Free Press Journal". Also they are uploaded on the Company's website www.margofinance.com. The results are published in accordance with the guidelines of the Stock Exchanges.
- c) The Company has designated "mfinvestors@margofinance.com" as the designated exclusive email-id, for redressal of investor grievances.

Reconciliation of Share Capital Audit

M/s. Kapahi and Associates, Company Secretary in Practice, carries out quarterly reconciliation of Share Capital Audit to reconcile the total admitted capital with National Securities and Depositories Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and total Issued and Listed Capital. The audit Confirms that the total / paid up Capital is in agreement with the aggregate of the total number of shares in physical form and total number of shares in dematerialized shares held with NSDL and CDSL.



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Compliance Officer

The name and designation of the Compliance Officer of the Company is :

Ms. Jyotsna Jindal — Company Secretary
Contact Details are : Tel : +011-41539444;
e-mail-id : info@margofinance.com

10. General Shareholder's Information

Margo Finance Limited was incorporated at Delhi on 18-10-1991. The Corporate Identity Number (CIN) allotted to the Company by the Ministry of Corporate Affairs (MCA) is L65910MH1991PLC080534.

The address of our Registered Office is Office No.3, Plot No. 266, Village Alte, Kumbhoj Road, Taluka - Hatkanangale, District Kolhapur, Maharashtra - 416109.

Listing Information

Listing on the Stock Exchange / (s)	BSE Limited Phiroze Jeejeebhoy Towers Dalal Street, Mumbai – 400001 Stock Exchange Code – 500206
Listing Fee	Paid for 2015 - 2016 for the above Stock Exchange
Demat ISIN	INE680B01019

Investor Information

Annual General Meeting	At the Registered Office of the Company	
Date of AGM	As specified in the Notice convening the AGM	
Financial Year	1st April to 31st March	
Financial Calendar	Board Meeting for approval of	
	Financial Results for the 1st Quarter 2015-16	On or before 14-08-2015
	Financial Results for the 2nd Quarter 2015-16	On or before 14-11-2015
	Financial Results for the 3rd Quarter 2015-16	On or before 14-02-2016
	Annual Accounts for 2015-16	On or before 30-05-2016
Date of Book Closure	As specified in the Notice convening the AGM	

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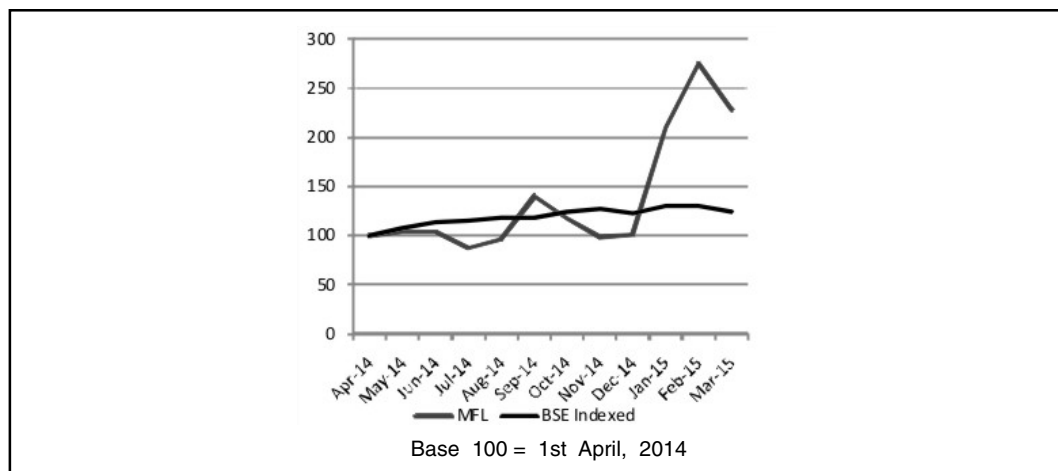
MARGO FINANCE LIMITED

Market Price Data :

The monthly high and low of the closing price and volume of shares traded at BSE Limited during the financial year 2014-15 was as follows :

BSE Limited			
Month	High (Rs.)	Low (Rs.)	Volume (Nos.)
April 2014	4.91	4.46	170
May 2014	5.38	4.88	160
June 2014	—	—	—
July 2014	4.64	3.21	18629
August 2014	4.51	3.95	8970
September 2014	7.51	4.29	26280
October 2014	6.56	5	5578
November 2014	5.55	4.61	5148
December 2014	5.5	4.62	8736
January 2015	9.81	4.7	31705
February 2015	13.38	10	42182
March 2015	13.11	10.49	16666

Share Price Performance of Margo Finance Limited in comparison to broad based indices – BSE Sensex :



Registrar and Share Transfer Agent :

Share transfer and other communication regarding shares certificate, change in address etc., may be addressed to :

Link Intime India Pvt. Ltd.

Address for Correspondence : 44, Community Centre, 2nd Floor, Naraina Industrial Area, Phase-I, Near PVR Cinema, New Delhi - 110 028
Telephone No. 011-41410592 to 594,
Fax No. 011- 41410591,
E-mail: delhi@linkintime.co.in



Share Transfer System :

All physical share transfers are effected within 15 days of lodgment, subject to the documents being in order. The Board has delegated the authority for approval of transfer, transmission etc. to Share Transfer Committee comprising of two Non Executive Directors and one Executive Director. A summary of transfer/transmission of shares so approved by the committee is placed before the Board.

Distribution of Shareholding as on 31st March, 2015 :

No. of equity Shares	No. of share holders	% of share holders	No. of sharesheld	% of share holding
1 - 500	9036	95.51	1419604	31.06
501 - 1000	293	3.09	242163	5.30
1001 - 2000	79	0.84	116119	2.54
2001 - 3000	10	0.11	25209	0.55
3001 - 4000	5	0.05	17833	0.39
4001 - 5000	5	0.05	23742	0.52
5001 - 10000	10	0.11	71868	1.57
Above 10001	23	0.24	2653462	58.07
Total	9461	100.00	4570000	100.00

Shareholding pattern as on 31st March, 2015

Category	No. of equity shares held	% of share holding
Promoters & Associates	2440631	53.405
Financial Institutions / Banks / Insurance Companies including Central / State Government Institutions	100	0.002
Mutual Funds and UTI	—	—
FII's	—	—
NRIs	1686	0.037
Domestic Corporate Bodies	158543	3.470
Indian Public	1969040	43.086
Total	4570000	100.000

Dematerialization of shares and liquidity :

The equity shares of the Company are available for dematerialisation with Central Depository Services (India) Limited (CDSL) and National Securities Depository Limited (NSDL). As per directive of SEBI the Equity Shares of the Company are compulsorily traded in dematerialized form with effect from 26.03.2001. As on 31st March, 2015, 75.45% of the Company's Shares Capital is dematerialized and rest is in physical form. The Company's Shares were regularly traded on the BSE. Requests for dematerialization of shares are processed and confirmed within 15-20 days of receipt from NSDL and CDSL.

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Shares held in demat and physical mode as in 31st March, 2015

Category	Numbers of		% of total equity
	Shareholders	Shares	
Demat Mode			
NSDL	2184	2819885	13.75
CDSL	760	628395	61.70
Total	2944	3448280	75.45
Physical Mode	6571	1121720	24.55
Grand Total	9461	4570000	100.00

Service of documents through electronic mode

As a part of Green initiative, the Members who wish to receive documents like the Notice convening the General Meetings, Financial Statements, Director's Report, Auditors Report etc., through e-mail, may kindly intimate their e-mail address to Company/ Registrars (for shares held in physical form) and Depository Participants (for shares held in dematerialized form).

Outstanding GDRs/ADRs/Warrants or any convertible instrument, conversion date and likely impact on Equity :

The Company has not issued any GDRs/ADRs/Warrants or any convertible instrument in the past and hence as on 31 March, 2015, the Company does not have any outstanding GDRs/ADRs/Warrants or any convertible instruments.

Address for correspondence

The Company has offices at the following places :

Registered Office : Office No. 3, Plot No. 266 Village Alte, Kumbhoj Road, Taluka: Hatkanangale
Dist. Kolhapur- 416 109, Maharashtra

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

Head Office : 301, Arcadia, Nariman Point, Mumbai – 400 021, Maharashtra

Declaration

As provided under Clause 49 of the Listing Agreement, all Board members and Senior Management Personnel have affirmed compliance with Margo Finance Limited code of Business conduct and Ethics for the year ended on 31st March, 2015.

Place : Mumbai

Dated : 13th May, 2015

Anil Kumar Jain

Chairman



MARGO FINANCE LIMITED

DECLARATION REGARDING COMPLIANCE BY BOARD MEMBERS AND SENIOR MANAGEMENT PERSONNEL WITH THE COMPANY'S CODE OF CONDUCT

(Pursuant to Clause 49 of the Listing Agreement entered into by the Company with the stock exchanges)

This is to confirm that the Company has adopted the Code of Conduct for its employees including the Managing Director and Executive Directors. In addition, the Company has adopted a Code of Conduct for its Non-Executive Directors and Independent Directors. These Codes are available on the Company's website.

I confirm that the Company has in respect of the year ended 31 March, 2015, received from the Senior Management Team of the Company and the Members of the Board a declaration of compliance with the Code of Conduct as applicable to them.

Place : Mumbai
Dated : 13th May, 2015

Rekha Tukaram Bolkar
Managing Director

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, 2015 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 are the responsibility of the management. Our examination was limited to procedure 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 explanation 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 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 Secretary in Practice

ASHU GUPTA
Proprietor

Place : New Delhi
Dated : 13th May, 2015

FCS No. 4123
C.P. No. 6646



CERTIFICATE BY MANAGING DIRECTOR AND CHIEF FINANCIAL OFFICER

We hereby certify that for the financial year ended 31st March, 2015, on the basis of the review of the financial statements and the cash flow statement and to the best of our knowledge and belief :

1. These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading.
2. These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
3. To the best of their knowledge and belief, no transactions entered into by the Company during the financial year ended 31st March, 2015 are fraudulent, illegal or violative of the Company's code of conduct.
4. We accept responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of internal control systems of the Company 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, of which they are aware and the steps they have taken or propose to take to rectify these deficiencies.
5. We further certify that :
 - a) There have been no significant changes in internal control over financial reporting during the year;
 - b) There have been no significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
 - c) There have been no instances of significant fraud of which they have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

For MARGO FINANCE LIMITED

Place : Mumbai
Date : 13th May, 2015

S.D. MAHESHWARI
Chief Financial Officer

REKHA TUKARAM BOLKAR
Managing Director



INDEPENDENT AUDITORS` REPORT

To
The Members,
Margo Finance Limited,

Report on Financial Statements

We have audited the accompanying financial statements of the Company Margo Finance Limited ("the Company"), which comprises the Balance Sheet as at 31st March, 2015, Statement of Profit and Loss and the Cash Flow Statement for the year then ended and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

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 financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. These responsibilities also include 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 financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We have taken into account the provision of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provision of the Act and Rules made there under.

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 financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. 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. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statement that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. 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 financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on financial statements.



Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2015 and its loss and its cash flows for the year ended on that date.

Report on other Legal and Regulatory Matters

1. As required by the Companies (Auditors' Report) Order, 2015 issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in the Annexure a statement on the matters specified in the paragraph 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143 (3) of the Act, We report that :
 - (a) we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - (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, and the Cash Flows Statement dealt with by this Report are in agreement with the books of account;
 - (d) in our opinion, the aforesaid financial statement comply with the Accounting Standards specified under Section 133 of the Act, read with the Rule 7 of the Companies (Accounts) Rules, 2014;
 - (e) on the basis of written representations received from the directors as on March 31, 2015 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2015, from being appointed as a director in terms of Section 164(2) of the Act.
 - (f) With respect to the other matters to be included in 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 explanation given to us :
 - (i) There are no pending litigation affecting financial position hence no disclosure is required to be made.
 - (ii) There are no long term contracts including derivatives contracts hence no provision is required to be made.
 - (iii) The clause is not applicable as there is no amount required to be transferred to the Investor Education and Protection Fund by the Company.

For AVK & ASSOCIATES
Chartered Accountants
Firm Registration No. 002638N

Place : Delhi
Dated : 14th May, 2015

Parul Gupta
Partner
FCA - 095539



Annexure to the Independent Auditors' Report

- (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, therefore the clause no. (ii) (a), (b) and (c) of the order are not applicable to the Company.
 - (iii) The Company has granted loans to parties covered in the register maintained under Section 189 of the Companies Act, 2013. The total amount outstanding on 31-03-2015 was nil. The maximum amount outstanding during the year was Rs. 1,800,000/-.
 - (a) According to the information and explanations given to us, parties to whom loans have been granted have repaid the principal amount as per stipulation, wherever applicable.
 - (b) According to the information and explanations given to us and on the basis of examination of records of the Company, Company has taken reasonable steps for recovery of principal and interest where overdue amount is more than rupees one lakh.
 - (iv) 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 and for rendering of services. During the course of our audit, no major weakness has been noticed in the internal controls.
 - (v) According to the information given to us, the Company has not accepted any deposits from the public.
 - (vi) The provisions of Section 148(1) of the Companies Act, 2013 regarding maintenance of cost records are not applicable to the Company.
 - (vii) (a) According to the information and explanations given to us and on the basis of our examination of records of the Company, amounts deducted/accrued in the books of account in respect of undisputed statutory dues including Provident Fund, Employees State Insurance, Income Tax, Sales Tax, Wealth Tax, Service Tax, Duty of Customs, Duty of Excise, Value Added Tax, Cess and any other statutory dues to the extent applicable, have generally been regularly deposited.
 - (b) According to the information and explanations given to us, the Company does not have any Provident Fund, Employees State Insurance, Income Tax, Sales Tax, Wealth Tax, Service Tax, Duty of Customs, Duty of Excise, Value Added Tax, Cess which have not been deposited with the appropriate authority on account of any dispute.
 - (c) According to the information and explanations given to us and based on our examination of records of the Company, there is no amount which required to be transferred to Investor Education and Protection Fund.
 - (viii) The Company does not have any accumulated losses at the end of the financial year. The Company has not incurred any cash losses during the current financial year whereas the Company had incurred cash losses in the immediate preceding financial year.
 - (ix) According to information and explanations given to us, the Company has not defaulted in repayment of dues to bank and financial institutions.
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MARGO FINANCE LIMITED

- (x) According to the information and explanations given to us, the Company has not given guarantee for loans taken by others from banks or financial institutions.
- (xi) According to the information and explanations given to us and on an overall examination of records of the Company, we report that Company has not raised any term loan during the year.
- (xii) Based on the audit procedures performed and according to the information and explanations given to us, no fraud on or by the Company has been noticed or reported during the course of our audit.

For **AVK & ASSOCIATES**
Chartered Accountants
Firm Registration No. 002638N

Place : Delhi
Dated : 14th May, 2015

Parul Gupta
Partner
FCA - 095539



BALANCE SHEET

as at 31 March, 2015

(Amount in Indian Rupees)

Particulars	Notes	As at 31 March 2015	As at 31 March 2014
I. EQUITY AND LIABILITIES			
1) Shareholders' funds			
a) Share capital	2.01	45,700,000	45,700,000
b) Reserves and surplus	2.02	6,919,762	7,032,442
2) Current liabilities			
a) Short Term Borrowings	2.03	192,248	—
b) Trade Payables	2.04	105,623	67,561
c) Other Current Liabilities	2.05	142,879	49,454
d) Short Term Provisions	2.06	—	353,611
TOTAL		53,060,512	53,203,068
II. ASSETS			
1) Non-current assets			
a) Fixed assets			
(i) Tangible Assets	2.07	462,232	707,279
(ii) Intangible Assets	2.08	13,302	16,702
b) Non Current Investments	2.09	28,687,063	30,315,937
c) Long-term loans and advances	2.10	310,800	771,796
2) Current assets			
a) Trade receivables	2.11	123,189	133,847
b) Cash and bank balances	2.12	18,705,451	18,003,827
c) Short-term loans and advances	2.13	1,789,763	1,108,916
d) Other current assets	2.14	2,968,712	2,144,764
TOTAL		53,060,512	53,203,068

Significant accounting policies

1

Notes to Financial Statements

2

The notes referred to above form an integral part of the financial statements

As per our report attached

For **AVK & ASSOCIATES**
Chartered Accountants
Firm Registration No. : 002638N

Place : Delhi
Dated : 14th May 2015

PARUL GUPTA
Partner
Membership No. : 095539

For and on behalf of the Board of **Margo Finance Limited**

REKHA TUKARAM BOLKAR
Managing Director
DIN : 06446020

Place : Mumbai
Dated : 13th May 2015

SHRI DASS MAHESHWARI
Chief Financial Officer
PAN : AAAPM1904D

Place : Mumbai
Dated : 13th May 2015

ANIL KUMAR JAIN
Chairman
DIN : 00086106

Place : Mumbai
Dated : 13th May 2015

JYOTSNA JINDAL
Company Secretary
ACS : 37276

Place : Mumbai
Dated : 13th May 2015



STATEMENT OF PROFIT AND LOSS

for the year ended on 31 March, 2015

(Amount in Indian Rupees)

Particulars	Notes	Year ended 31 March 2015	Year ended 31 March 2014
I. Income			
i) Revenue from Operations	2.15	2,321,362	2,201,052
ii) Other income	2.16	479,315	631,705
Total Revenue		2,800,677	2,832,757
II. Expenses			
i) Employee benefit expense	2.17	1,053,995	740,491
ii) Finance Cost	2.18	48,007	12,663
iii) Depreciation and amortization expense	2.19	204,923	151,780
iv) Other expenses	2.20	1,443,842	7,751,661
Total expenses		2,750,767	8,656,595
III. Profit/(Loss) before exceptional items, extraordinary items and tax (I-II)		49,910	(5,823,838)
IV. Exceptional items			
Add : Bad Debts Recovered		—	282,250
V. Profit/(Loss) before extraordinary items and tax (III-IV)		49,910	(5,541,588)
VI. Extraordinary items		—	—
VII. Profit/(Loss) before tax (V-VI)		49,910	(5,541,588)
VIII. Tax expense			
(i) Current Tax		9,530	353,611
(ii) Current Tax for previous year		90,336	17,820
(iii) Deferred tax		—	—
IX. Profit/(Loss) for the year		(49,956)	(5,913,019)
X. Earning per equity share :	2.21		
(1) Basic		(0.01)	(1.29)
(2) Diluted		(0.01)	(1.29)

Significant accounting policies

1

Notes to Financial Statements

2

The notes referred to above form an integral part of the financial statements

As per our report attached

For **AVK & ASSOCIATES**
Chartered Accountants
Firm Registration No. : 002638N

Place : Delhi
Dated : 14th May 2015

PARUL GUPTA
Partner
Membership No. : 095539

For and on behalf of the Board of **Margo Finance Limited**

REKHA TUKARAM BOLKAR
Managing Director
DIN : 06446020

Place : Mumbai
Dated : 13th May 2015

SHRI DASS MAHESHWARI
Chief Financial Officer
PAN : AAAPM1904D

Place : Mumbai
Dated : 13th May 2015

ANIL KUMAR JAIN
Chairman
DIN : 00086106

Place : Mumbai
Dated : 13th May 2015

JYOTSNA JINDAL
Company Secretary
ACS : 37276

Place : Mumbai
Dated : 13th May 2015



CASH FLOW STATEMENT

for the year ended on 31 March, 2015

(Amount in Indian Rupees)

Particulars	Year ended 31 March 2015	Year ended 31 March 2014
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit / (Loss) before taxes	49,910	(5,541,588)
Adjustments for :		
Depreciation, amortization and impairment (Excess) / Provision for NPA	204,923	151,780
(Excess) / Provision for Doubtful Advances (Excess) / Provision for Doubtful Debts	(98,183)	44,478
Contingent provisions on Standard Assets	(26,957)	6,881,936
Loss / (Profit) on sale of Investments	(19,002)	26,161
Dividend Received	(35,426)	—
Interest Paid	(46,953)	—
	102,352	(102,203)
	48,007	4,393
	(75,943)	7,006,545
Operating gain before working capital changes	(26,033)	1,464,957
Adjustments for :		
(Increase) / decrease in inventories	—	17,044
Decrease / (increase) in sundry debtors	108,841	100,077
Decrease / (increase) in loans and advances	(200,849)	10,557,767
(Increase) / decrease in other current assets	(796,991)	(843,435)
(Increase) / decrease in other Deposits	(967,346)	(5,935,458)
Increase / (decrease) in current liabilities and provisions	(186,698)	330,877
	(2,043,043)	4,226,872
Cash generated from operating activities before taxes	(2,069,076)	5,691,829
Direct taxes paid (net of refunds)	(99,866)	(371,431)
Net cash generated from / (used in) operating activities	(2,168,942)	5,320,398
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of fixed assets	(19,200)	(82,500)
Dividend received	102,352	102,203
Sales / (Purchase) of Investments	1,675,827	(3,479,359)
Net cash generated from / (used in) investing activities	1,758,979	(3,459,656)
C. CASH FLOW FROM FINANCING ACTIVITIES		
Increase in short term bank borrowings (net)	192,248	(1,644,753)
Interest paid	(48,007)	(4,393)
Net cash generated from / (used in) financing activities	144,241	(1,649,146)
INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS	(265,722)	211,596
Cash and cash equivalents at the beginning of the year	594,789	383,193
Cash and cash equivalents at the end of the year	329,067	594,789
Notes :		
Cash and cash equivalents include :		
Cash, cheques in hand and remittances in transit	180,845	31,280
With banks in :		
Current accounts	148,222	47,133
Overdraft account	—	516,376
Cash and cash equivalents at the end of the year	329,067	594,789
Fixed Deposits with maturity of more than 90 days	18,376,384	17,409,038
Cash & Bank balances at the end of the year	18,705,451	18,003,827

Note : The Cash Flow Statement has been prepared in accordance with the 'Indirect Method' specified in Accounting Standard 3, Cash Flow Statement, notified by Central Government in the Companies (Accounting Standard) Rules, 2006.

The notes referred to above form an integral part of the financial statements

As per our report attached

For **AVK & ASSOCIATES**
Chartered Accountants
Firm Registration No.: 002638N

For and on behalf of the Board of **Margo Finance Limited**
REKHA TUKARAM BOLKAR
Managing Director
DIN : 06446020
Place : Mumbai
Dated : 13th May 2015

ANIL KUMAR JAIN
Chairman
DIN : 00086106
Place : Mumbai
Dated : 13th May 2015

Place : Delhi
Dated : 14th May 2015

PARUL GUPTA
Partner
Membership No. : 095539

SHRI DASS MAHESHWARI
Chief Financial Officer
PAN : AAAPM1904D
Place : Mumbai
Dated : 13th May 2015

JYOTSNA JINDAL
Company Secretary
ACS : 37276
Place : Mumbai
Dated : 13th May 2015



1. SIGNIFICANT ACCOUNTING POLICIES

1.01 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.
- c. The accounting policies are consistently applied by the Company with those applied in the previous year except otherwise stated. All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle. Based on the nature of services and the time between the acquisition of assets for processing and their realization in cash and cash equivalents, the Company has ascertained its operating cycle as twelve months for the purpose of current / non-current classification of its assets and liabilities.

1.02 Use of Estimates :

The preparation of Financial Statements in generally accepted accounting principles requires management to make estimates and assumptions that affects the reported amounts of assets and liabilities at the date of the financials and the results of operations during the reported period end. Although these estimates are based upon the management's best knowledge of current events and actions, actual results could differ from these estimates. Adjustments as a result of differences between actual and estimates are made prospectively.

1.03 Fixed Assets :

Tangible Assets : Tangible assets are stated at acquisition cost plus directly attributable costs of bringing the asset to its working condition for its intended use, less accumulated depreciation and impairment losses, if any.

Intangible Assets : Intangible assets are stated at cost and amortized over the period the Company expects to derive economic benefits from their use.

Advances paid towards acquisition of fixed assets and cost of assets not ready for use before the year end, are disclosed as capital work in progress.

1.04 Impairment :

The carrying amounts of assets are reviewed at each balance sheet date to determine whether there is any indication of impairment. If any such indication exists, the recoverable amount of the asset is estimated. For assets that are not yet available for use, the recoverable is estimated at each balance sheet date. An impairment loss is recognized whenever the carrying amount of an asset or cash generating unit exceeds its recoverable amount. Impairment losses are recognized in the statement of profit and loss. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined net of depreciation or amortization loss had been recognized.

1.05 Investments :

Investments are classified into long-term investments and current investments based on intent of the management at the time of making the investment. Investments intended to be held for more than one year are classified as long-term investments.

Long-term investments, including investments in subsidiaries, if any, are stated at cost price. Any diminution of permanent nature in the value of the long-term investments is suitably provided for by charging off to revenue. Diminution is considered to be permanent based on the criteria that



include the extent to which cost exceeds the market value, the duration of the market value, decline and the financial health of and specific prospects of the issuer.

The investments intended to be held for less than one year are classified as current investments are stated at lower of cost or fair value, computed category-wise.

1.06 Revenue Recognition :

Income / revenue is generally accounted on accrual as they are earned except 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 which are accounted for on cash basis.

The income is deemed as earned :

- a. Interest is recognized as earned on day to day basis.
- b. Dividend income is recognized when the right to receive the income is established.
- c. In respect of other heads of income, the Company follows the practice of recognising income on accrual basis.

In case of uncertainties as to the risks & rewards, the conservative accounting policy is adopted by way of making suitable provisions for expenses and deferring the recognition of revenues.

1.07 Expenditure :

Expenses are recognized on accrual basis and provisions are made for all known losses and liabilities.

1.08 Borrowing Cost :

Borrowing cost that are directly attributable to the acquisition, construction or production of qualifying assets is capitalized as part of the cost of such assets. A qualifying asset is an asset that necessarily requires a substantial period of time to get ready for intended use or sale.

All other borrowing costs are recognized as expense for the period in which they are incurred calculated taking into account the amount outstanding and the rate applicable on the borrowing.

1.09 Depreciation :

- i) In respect of tangible assets acquired during the year, depreciation is charged on straight line basis so as to right off the cost of assets over the useful lives and for the assets acquired prior to April 1, 2014 the carrying amount as on April 1, 2014 is depreciated over remaining useful lives. The useful life of assets is taken as prescribed in Schedule II to the Companies Act, 2013.
- ii) Intangible Assets are amortized over the period, the Company expects to derive economic benefits from their use.
- iii) Leasehold improvements are amortized over the lease period as stated in the lease agreement or over the estimated useful life of the assets, whichever is shorter.

1.10 Earnings per share :

Basic earning per share is computed using the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed using the weighted average number of equity and dilutive potential shares outstanding during the year, except where the results would be anti-dilutive.

1.11 Taxation :

Tax expense comprises current tax and deferred tax. Current tax is the amount of tax for the year determined in accordance with the provisions of income tax laws based on the estimated taxable income, as the case may be, after taking into consideration, estimates of benefits / deductions admissible under the provisions of Income Tax Act, 1961. Deferred Tax charge or credit reflects the tax effects or impact of timing differences between taxable income and accounting income for the



year and reversal of timing difference of earlier years. Any major deficiency or reversal in relation to the estimate of preceding year(s) is shown separately as relating to earlier years.

The deferred tax charge or credit and the corresponding deferred tax liabilities or assets are recognized based on the tax rates and the tax laws enacted or substantively enacted at the balance sheet date.

Deferred tax assets are recognized only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. If the Company has carry forward of unabsorbed depreciation and tax losses deferred tax are recognized only if there is virtual certainty that such deferred tax assets can be realized against future taxable profits.

At each balance sheet date the Company reassesses unrecognized deferred tax assets. It recognizes deferred tax assets to the extent it has become reasonably certain or virtually certain, as the case may be that sufficient future taxable income will be available against which such deferred tax assets can be realized.

The carrying amount of deferred tax assets are reviewed at each balance sheet date. The Company writes down the carrying amount of a deferred tax asset to the extent that it is no longer reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which deferred tax asset can be realized. Any such write down is reversed to the extent that it becomes reasonably certain or virtually certain, as the case may be. That sufficient future taxable income will be available.

1.12 Retirement Benefits :

The Company's obligations towards various employees' benefits have been recognized as follows :

- a) Short term benefits : All employee benefits payable / available within twelve months of rendering the service are classified as short-term employee benefits. Benefits such as salaries, wages and bonus etc., are recognized in the statement of profit and loss in the period in which the employee renders the related services.
- b) Provident Fund (Defined contribution plan) : Provident fund is a defined contribution plan. The contribution towards provident fund which are being deposited with the Regional Provident Fund, Commissioner and are charged to the statement of profit and loss.
- c) Gratuity (Defined benefit plan) : The Company pays gratuity to employees who retire or resign after a minimum period of five years of continuous service. The Company has taken a policy from LIC to meet such liability. The contribution to the policy is accounted for on accrual basis.

In terms of our report of even date annexed

For AVK & ASSOCIATES
Chartered Accountants
Firm Registration No. : 002638N

Place : Delhi
Dated : 14th May 2015

Parul Gupta
Partner
FCA - 095539



2. Notes to the Financial Statements

(Amount in Indian Rupees)

2.01 SHARE CAPITAL

Particulars	As at 31 March 2015		As at 31 March 2014	
	No. of shares	Amount (Rs.)	No. of shares	Amount (Rs.)
Authorised Equity shares of Rs.10 each *	10,000,000	100,000,000	10,000,000	100,000,000
	10,000,000	100,000,000	10,000,000	100,000,000
Issued, subscribed and fully paid up Equity shares of Rs. 10 each fully paid up				
At the beginning of the year	4,570,000	45,700,000	4,570,000	45,700,000
Add : Issued during the year	—	—	—	—
At the end of the year	4,570,000	45,700,000	4,570,000	45,700,000
Total	4,570,000	45,700,000	4,570,000	45,700,000

* Each holder of equity shares is entitled to one vote per share with a right to receive per share dividend declared by the Company. In the event of liquidation, the equity shareholders are entitled to receive remaining assets of the Company (after distribution of all preferential amounts) in the proportion of equity shares held by the shareholders. During the year ended 31 March 2015, the Company has recorded per share dividend of Rs. Nil (previous year : Rs. Nil) to equity shareholders.

Details of shareholders holding more than 5% shares of the Company

Name of the Shareholders	As at 31 March 2015		As at 31 March 2014	
	Number of shares	% holding in the class	Number of shares	% holding in the class
Equity shares of Rs. 10 each fully paid up held by :				
a) Anil Kumar Jain (HUF)	405,245	8.87	394,902	8.64
b) Mrs. Gayatri Devi Jain	324,870	7.11	324,870	7.11
c) YarnTex Exports Limited	265,370	5.81	265,370	5.81
d) Rini Investment & Finance Private Limited	455,046	9.96	446,685	9.77
e) Skyrise Properties Private Limited	313,300	6.86	313,300	6.86
Total	1,763,831	38.61	1,745,127	38.19



MARGO FINANCE LIMITED

Notes to the Financial Statements (Contd.)

(Amount in Indian Rupees)

2.02 RESERVES & SURPLUS

Particulars	As at 31 March 2015	As at 31 March 2014
(a) General reserve		
Balance at the beginning of the year	1,249,000	1,249,000
Add : Addition during the year	—	—
Less : Deduction during the year	—	—
Balance at the end of the year	1,249,000	1,249,000
(b) Special Reserve Fund		
Balance at the beginning of the year	2,585,176	2,585,176
Add : Addition during the year	—	—
Less : Deduction during the year	—	—
Balance at the end of the year	2,585,176	2,585,176
(c) Share Warrant Option Premium		
Balance at the beginning of the year	3,380,000	3,380,000
Add : Addition during the year	—	—
Less : Deduction during the year	—	—
Balance at the end of the year	3,380,000	3,380,000
(d) (Deficit) /surplus in the Statement of Profit and Loss		
Balance at the beginning of the year	(181,734)	5,731,285
Add / (less) : profit / (loss) for the year	(49,956)	(5,913,019)
Less : Appropriations		
Depreciation of earlier years	62,724	—
Transfer to special reserve	—	—
Balance at the end of the year	(294,414)	(181,734)
Total	6,919,762	7,032,442

2.03 SHORT TERM BORROWINGS

Particulars	As at 31 March 2015	As at 31 March 2014
Loans repayable on demand		
From a bank *	192,248	—
Total	192,248	—
* Bank overdraft limit from Karnataka Bank Limited is secured by Fixed Deposit with the same bank.		
Default in payment of loans	—	—
Default in payment of Interest	—	—



Notes to the Financial Statements (Contd.)

(Amount in Indian Rupees)

2.04 TRADE PAYABLES

Particulars	As at 31 March 2015	As at 31 March 2014
Trade Payables	105,623	67,561
	105,623	67,561

Based on the information available with the Company, there are no suppliers registered as micro, small or medium enterprises under "The Micro, Small and Medium Enterprises Development Act, 2006"

2.05 OTHER CURRENT LIABILITIES

Particulars	As at 31 March 2015	As at 31 March 2014
Interest Accrued & Due	22,621	—
Statutory Liabilities	18,371	12,141
Contingent Provision on Standard Asset	1,887	37,313
Others	100,000	—
	142,879	49,454

2.06 SHORT TERM PROVISIONS

Particulars	As at 31 March 2015	As at 31 March 2014
Provision for Income Tax	—	353,611
	—	353,611



Notes to the Financial Statements (Contd.)

(Amount in Indian Rupees)

2.07 TANGIBLE ASSETS

Cost								
Description	As at 1 April 2013	Additions	Disposals / Adjustments	As at 31 March 2014	As at 1 April 2014	Additions	Disposals / Adjustments	As at 31 March 2015
Furniture and fixtures	170,595	—	—	170,595	170,595	—	—	170,595
Office equipments	900,695	65,500	—	966,195	966,195	19,200	—	985,395
Vehicles	469,128	—	—	469,128	469,128	—	—	469,128
Total	1,540,418	65,500	—	1,605,918	1,605,918	19,200	—	1,625,118

Depreciation								
Description	As at 1 April 2013	Additions	Reversal for disposals / adjustments	As at 31 March 2014	As at 1 April 2014	Additions	Reversal for disposals / adjustments	As at 31 March 2015
Furniture and fixtures	162,297	3,189	—	165,486	165,486	—	3,423	162,063
Office equipments	577,169	103,726	—	680,895	680,895	136,267	(66,147)	883,309
Vehicles	7,691	44,567	—	52,258	52,258	65,256	—	117,514
Total	747,157	151,482	—	898,639	898,639	201,523	(62,724)*	1,162,886

Net Block			
Description	As at 31 March 2014	As at 31 March 2015	
Furniture and fixtures	5,109	8,532	
Office equipments	285,300	102,086	
Vehicles	416,870	351,614	
Total	707,279	462,232	

* Represents depreciation for earlier years.



Notes to the Financial Statements (Contd.)

(Amount in Indian Rupees)

2.08 INTANGIBLE ASSETS

Cost								
Description	As at 1 April 2013	Additions	Disposals / Adjustments	As at 31 March 2014	As at 1 April 2014	Additions	Disposals / Adjustments	As at 31 March 2015
Software	—	17,000	—	17,000	17,000	—	—	17,000
Total	—	17,000	—	17,000	17,000	—	—	17,000

Amortization								
Description	As at 1 April 2013	Additions	Reversal for disposals / adjustments	As at 31 March 2014	As at 1 April 2014	Additions	Reversal for disposals / adjustments	As at 31 March 2015
Software	—	298	—	298	298	3,400	—	3,698
Total	—	298	—	298	298	3,400	—	3,698

Net Block								
Description				As at 31 March 2014				As at 31 March 2015
Software				16,702				13,302
Total				16,702				13,302



Notes to the Financial Statements (Contd.)

(Amount in Indian Rupees)

2.09 NON CURRENT INVESTMENTS

Particulars		As at 31 March 2015	As at 31 March 2014	
(A)	Investments in Equity Instruments - Unquoted			
	Indocount Securities Limited 427,000 (previous year 427,000) equity shares of Rs. 10 fully paid up.	4,270,000	4,270,000	
	Hindustan Breweries & Bottling Limited 25,000 (previous year 25,000) equity shares of Rs. 10 fully paid up.	251,250	251,250	
	Shiva Services Limited 10,000 (previous year 10,000) equity shares of Rs. 10 fully paid up.	100,000	100,000	
		4,621,250	4,621,250	
	Less : Provision for diminution in value of investment	1,745,620	1,745,620	
	TOTAL VALUE OF UNQUOTED EQUITY SHARES	2,875,630	2,875,630	
	(B)	Investments in Equity Instruments - Quoted		
		Ajanta Pharma Limited 187 (previous year Nil) equity shares of Rs. 2 fully paid up.	230,672	—
		Avonmore Capital & Management Services Limited 10 (previous year 10) equity shares of Rs.10 fully paid up.	380	380
Almondz Global Securities Limited Nil (previous year 5,000) equity shares of Rs. 6 fully paid up.		—	35,165	
EIH Associated Hotel Limited 1 (previous year 1) equity shares of Rs. 10 fully paid up.		153	153	
Greenply Industries Limited 100 (previous year Nil) equity shares of Rs. 5 fully paid up.		100,593	—	
Haryana Capfin Limited* Nil (previous year 570) equity shares of Rs.10 fully paid up.		—	—	
Hindustan Zinc Limited 500 (previous year 500) equity shares of Rs. 2 fully paid up.		70,557	70,557	
Indo Count Industries Limited 307,004 (previous year 307,004) equity shares of Rs. 10 fully paid up.		5,309,220	5,309,220	
Infrastructure Development Finance Company Limited 500 (previous year Nil) equity shares of Rs. 10 fully paid up.		85,251	—	
James Warren Tea Limited* 3 (previous year 3) equity shares of Rs. 10 fully paid up.		—	—	
KPR Mill Limited 100 (previous year Nil) equity shares of Rs. 10 fully paid up		50,146	—	
Prime Urban Development India Limited 200 (previous year 200) equity shares of Rs. 2 fully paid up.		12,195	12,195	
Sintex Industries Limited 1,000 (previous year Nil) equity shares of Re. 1 fully paid up.		129,555	—	
Indian Hotels Company Limited 2 (previous year 2) equity shares of Re. 1 fully paid up.		128	128	
Warren Tea Limited** 3 (previous year 3) equity shares of Rs. 10 fully paid up.		—	—	
		5,988,850	5,427,798	
Less : Provision for diminution in value of investment		—	—	
TOTAL VALUE OF QUOTED EQUITY SHARES		5,988,850	5,427,798	

* Issued on demerger

** Bonus shares



Notes to the Financial Statements (Contd.)

(Amount in Indian Rupees)

2.09 NON CURRENT INVESTMENTS (Contd.)

Particulars		As at 31 March 2015	As at 31 March 2014
(C)	Investments in preference shares		
	Aegis Finstate Private Limited		
	Nil (previous year 477,000) preference shares of Rs. 10 fully paid up	—	4,770,000
	Amruit Promoters & Finance Private Limited		
	Nil (previous year 462,000) preference shares of Rs. 10 fully paid up	—	4,620,000
	Uniworth Finance & Securities Private Limited		
	Nil (previous year 452,000) preference shares of Rs. 10 fully paid up	—	4,520,000
		—	13,910,000
	Less : Provision for diminution in value of investment	—	—
	TOTAL VALUE OF PREFERENCE SHARES	—	13,910,000
(D)	Investments in debentures & bonds		
	Housing and Urban Development Corporation Limited		
	200 (previous year 200) bonds of Rs. 1,000 each	200,000	200,000
	Indian Railway Finance Corporation Limited		
	1,000 (previous year 1,000) bonds of Rs. 1,000 each	1,000,000	1,000,000
	India Infoline Finance Limited		
	500 (previous year 500) bonds of Rs.1,000 each	486,905	486,905
	National Highway Authority of India		
	1,000 (previous year 1,000) bonds of Rs. 1,000 each	1,000,000	1,000,000
	Shriram Transport Finance Company Limited		
510 (previous year 510) bonds of Rs. 1,000 each	510,000	510,000	
TOTAL VALUE OF DEBENTURES & BONDS	3,196,905	3,196,905	
(E)	Investments in Mutual Funds		
	Axis Bank Mutual Fund	500,000	500,000
	HDFC Mutual Fund	1,656,178	1,555,904
	IDFC Mutual Fund	750,000	750,000
	LIC Mutual Fund	6,999,900	—
	SBI Mutual Fund	6,419,600	1,799,700
	SBI Magnum Income Fund	300,000	300,000
	TOTAL VALUE OF MUTUAL FUND UNITS	16,625,678	4,905,604
		28,687,063	30,315,937
	Aggregate book value of quoted investments (net of provision for diminution in the value of investment)	25,811,433	13,530,307
Market value of quoted investments	135,646,595	20,353,257	
Aggregate book value of unquoted investments (net of provision for diminution in the value of investment)	2,875,630	16,785,630	
Aggregate provision in the value of investments	1,745,620	1,745,620	



Notes to the Financial Statements (Contd.)

(Amount in Indian Rupees)

2.10 LOANS & ADVANCES — LONG TERM

Particulars	As at 31 March 2015	As at 31 March 2014
Security deposits - Unsecured considered good	290,000	290,000
Loans & Advances - considered good		
Others	20,800	481,796
	310,800	771,796
Aggregate balance of loans and advances to related parties, unsecured - considered good	—	—

2.11 TRADE RECEIVABLES

Particulars	As at 31 March 2015	As at 31 March 2014
Debts		
Unsecured, considered doubtful	15,299	34,301
	15,299	34,301
Other debts - considered good		
Unsecured	123,189	—
Debts due from related parties, unsecured	—	133,847
	123,189	133,847
Less : Provision for doubtful debts	15,299	34,301
	107,890	99,546
	123,189	133,847



MARGO FINANCE LIMITED

Notes to the Financial Statements (Contd.)

(Amount in Indian Rupees)

2.12 CASH & BANK BALANCES

Particulars	As at 31 March 2015	As at 31 March 2014
CASH & CASH EQUIVALENTS		
Cash in hand	173,445	31,280
Cheques / drafts in hand	7,400	—
Balance with banks in		
Current accounts *	148,222	47,133
Other - Overdraft account	—	516,376
Total Cash & Cash Equivalent	329,067	594,789
Other Deposit with Banks **	18,376,384	17,409,038
	18,705,451	18,003,827
* Details of Balance in Current accounts :		
Canara Bank Limited	8,190	6,539
Karnataka Bank Limited	140,032	40,594
	148,222	47,133
** including deposits having maturity period of more 12 months as under :		
1. Deposits of Rs. 5,00,000 (each of Rs. 1,00,000/-) maturing on 25-04-2016		
2. Deposits of Rs. 2,37,919 (in different denomination) maturing on 10-05-2016		
3. Deposits of Rs. 4,00,000 (each of Rs.1,00,000/-) maturing on 20-01-2017		
4. Deposits of Rs. 43,00,000 (in different denomination) maturing on 09-01-2017		
5. Deposits of Rs. 2,70,000 maturing on 25-06-2017		
6. Deposits of Rs. 10,84,174 (each of Rs. 5,42,087/-) maturing on 09-01-2018		
7. Deposits of Rs. 3,25,256 maturing on 15-01-2018		

2.13 LOANS & ADVANCES - SHORT TERM

Particulars	As at 31 March 2015	As at 31 March 2014
Loans & advances - Unsecured considered good,		
Others	730,364	883,329
Loans to employees	31,000	4,800
Advance for Capital Asset	812,500	—
Prepaid expenses	11,387	6,973
Mat credit available	9,530	—
Advance income-tax / Income Tax Refundable	194,982	311,997
	1,789,763	1,207,099
Less : Provision for doubtful loans and advances	—	98,183
	1,789,763	1,108,916
Aggregate balance of loans and advances to related parties, unsecured - considered good	—	—



MARGO FINANCE LIMITED

Notes to the Financial Statements (Contd.)

(Amount in Indian Rupees)

2.14 OTHER CURRENT ASSETS

Particulars	As at 31 March 2015	As at 31 March 2014
Unsecured considered good, unless otherwise stated		
Interest accrued on fixed deposits	2,820,795	1,376,356
Interest accrued on investments	144,300	59,500
Interest accrued on loans & advances	3,617	708,908
Other advances	6,854,979	6,881,936
	9,823,691	9,026,700
Less: Provision for doubtful other assets	6,854,979	6,881,936
	2,968,712	2,144,764
Aggregate balance interest receivable from related parties	—	629,718

2.15 REVENUE FROM OPERATIONS

Particulars	Year ended 31 March 2015	Year ended 31 March 2014
Interest & Finance Charges received	2,136,416	2,195,352
Other Operating Income *	184,946	5,700
Revenue from operations (gross)	2,321,362	2,201,052
* Other Operating Income		
Miscellaneous Income	5,378	5,700
Excess Provision on standard assets reversed	35,426	—
Excess Provision on Non performing assets reversed	144,142	—
	184,946	5,700

2.16 OTHER INCOME

Particulars	Year ended 31 March 2015	Year ended 31 March 2014
Dividend income from current/long-term investments	102,352	102,203
Interest on investment	330,010	133,917
Net income from trading in shares/forward contracts/commodities	—	233,477
Net gain on sale of investments	46,953	162,108
	479,315	631,705



Notes to the Financial Statements (Contd.)

(Amount in Indian Rupees)

2.17 EMPLOYEE BENEFIT EXPENSES

Particulars	Year ended 31 March 2015	Year ended 31 March 2014
Salaries, wages and bonus *	960,436	687,060
Employer's contribution to provident and other fund	26,526	21,876
Gratuity	44,912	15,119
Staff welfare expense	22,121	16,436
	1,053,995	740,491
* Including managerial remuneration		

2.18 FINANCE COST

Particulars	Year ended 31 March 2015	Year ended 31 March 2014
Interest paid	48,007	12,663
	48,007	12,663

2.19 DEPRECIATION & AMORTISATION EXPENSES

Particulars	Year ended 31 March 2015	Year ended 31 March 2014
Depreciation on tangible assets	201,523	151,482
Amortization of intangible assets	3,400	298
	204,923	151,780



MARGO FINANCE LIMITED

Notes to the Financial Statements (Contd.)

(Amount in Indian Rupees)

2.20 OTHER EXPENSES

Particulars	Year ended 31 March 2015	Year ended 31 March 2014
Advertisement & Publicity	40,978	33,289
Bad Debts written off	102,185	—
Rent	471,000	440,250
Rates, Taxes & Fee	42,728	7,686
Donation	—	5,000
Directors' Sitting Fees	26,000	8,000
Professional Charges Paid	220,489	153,387
Insurance Expense	14,184	8,775
Conveyance Expenses	65,325	18,165
Share Transfer Charges	40,506	43,845
Printing & Stationary	149,151	91,942
Repair & Maintenance		
— Vehicle	31,999	24,986
— Others	55,608	59,335
Electricity Expenses	52,220	39,760
Communication Expense	258,917	80,114
Provision on NPA Assets	—	44,478
Provision for Doubtful Advances	—	6,881,936
Provision for Doubtful Debts	—	26,161
Miscellaneous Expense	184,552	76,552
	1,755,842	8,043,661
Less : Recovery of expenses	312,000	292,000
	1,443,842	7,751,661
Professional Charges paid include payment to auditors		
Audit fee	50,000	40,000
Certification & limited review	65,250	62,200
Taxation matters	10,000	10,000
In other capacity	4,000	3,500
For reimbursement of expenses including service tax	15,975	14,301
	145,225	130,001

2.21 EARNING PER SHARE

Particulars	Year ended 31 March 2015	Year ended 31 March 2014
Profit (Loss) for calculation of EPS (Rs.)	(49,956)	(5,913,019)
Weighted No. of Equity Shares	4,570,000	4,570,000
Basic / Diluted EPS (Rs.)	(0.01)	(1.29)

2.22 CONTINGENT LIABILITIES & COMMITMENTS

Particulars	As at 31 March 2015	As at 31 March 2014
i) Contingent Liabilities	—	—
ii) Capital Commitments (Net of advances)	812,500	—



Notes to the Financial Statements (Contd.)

(Amount in Indian Rupees)

2.23 TRANSACTIONS WITH RELATED PARTIES

List of parties with whom transactions have taken place during the year :				
1) Entities under common control a) Indo Count Industries Limited b) Rini Investment & Finance Private Limited c) Indocount Securities Limited d) Pranvaditya Spinning Mills Limited e) Skyrise Properties Private Limited f) Slab Properties Private Limited		2) Key Managerial Personnel a) Ms. Rekha Tukaram Bolkar Managing Director w.e.f. 11.02.2015 b) Mr. Shri Dass Maheshwari Chief Financial Officer c) Ms. Jyotsna Jindal Company Secretary w.e.f. 13.11.2014 d) Ms. Kiran Company Secretary up to 09.10.2014		
Transactions during the year with related parties				
Nature of Transactions	Entities under Common control (1)	Key Managerial Personnel (2)	Year ended 31 March 2015 (Rs.)	Year ended 31 March 2014 (Rs.)
Current Liabilities				
Indo Count Industries Limited				
i) Opening Balance	(133,847)	—	(133,847)	(207,460)
ii) Expenses paid on behalf of Company (Net)	—	—	—	44,533
iii) Amount Paid / (Received) during the year	(397,307)	—	(397,307)	(295,880)
iv) Expenses Debited	263,460	—	263,460	266,800
v) Balance as on 31-03-2015	—	—	—	(133,847)
Indocount Securities Limited				
i) Opening Balance	—	—	—	—
ii) Expenses paid on behalf of Company (Net)	—	—	—	1,408
iii) Received during the year	—	—	—	1,408
iv) Balance as on 31-03-2015	—	—	—	—
Interest payable				
i) Slab Properties Private Limited	22,621	—	22,621	—
Loans granted				
Rini Investment & Finance Private Limited				
i) Opening Balance	—	—	—	—
ii) Given during the year	450,000	—	450,000	45,000
iii) Returned during the year	450,000	—	450,000	45,000
iv) Balance as on 31-03-2015	—	—	—	—
Skyrise Properties Private Limited				
i) Opening Balance	—	—	—	10,050,000
ii) Given during the year	600,000	—	600,000	—
iii) Returned during the year	600,000	—	600,000	10,050,000
iv) Balance as on 31-03-2015	—	—	—	—
Slab Properties Private Limited				
i) Opening Balance	—	—	—	—
ii) Given during the year	600,000	—	600,000	—
iii) Returned during the year	600,000	—	600,000	—
iv) Balance as on 31-03-2015	—	—	—	—
Indocount Securities Limited				
i) Opening Balance	—	—	—	—
ii) Given during the year	150,000	—	150,000	—
iii) Returned during the year	150,000	—	150,000	—
iv) Balance as on 31-03-2015	—	—	—	—
Current Asset				
Interest receivable				
i) Rini Investment & Finance Private Limited	3,617	—	3,617	—
Expenditure				
i) Remuneration to Key Managerial Persons				
Ms. Rekha Tukaram Bolkar	—	35,364	35,364	—
Mr. Shri Dass Maheshwari	—	301,495	301,495	263,920
Ms. Jyotsna Jindal	—	95,806	95,806	—
Ms. Kiran	—	123,822	123,822	98,790
Income				
i) Rent & Expenses recovered from Indo Count Industries Limited	286,800	—	286,800	266,800
ii) Rent & Expenses recovered from Pranvaditya Spinning Mills Limited	25,200	—	25,200	25,200
iii) Interest received from Rini Investment & Finance Private Limited	3,617	—	3,617	—
iv) Interest received from Skyrise Properties Private Limited	—	—	—	699,687



MARGO FINANCE LIMITED

Notes to the Financial Statements (Contd.)

(Amount in Indian Rupees)

2.24 DEFERRED TAX ASSETS / LIABILITIES

Particulars	As at 31 March 2015	As at 31 March 2014
Deferred tax asset		
Provision on NPA Assets	—	30,339
Provision for Doubtful Advances	2,118,189	2,126,518
Provision for Doubtful Debts	4,727	10,599
Contingent Provision on Standard Assets	11,530	11,530
Provision for diminution in Investments	539,397	539,397
Gross deferred tax asset	2,673,843	2,718,383
Deferred tax liability		
Difference in the written down value of fixed assets as per the Companies Act and the Income Tax Act.	(27,328)	11,094
Gross deferred tax liability	(27,328)	11,094
Net deferred tax asset / (liability) *	2,701,171	2,707,289

* In compliance of the Accounting Standard 22 issued by the Institute of Chartered Accountants of India, the Company has not made provision for net deferred tax assets.

2.25 Others

Particulars	As at 31 March 2015	As at 31 March 2014
i) As the Company's business activities fall under a single business segment and geographical segment, there are no additional disclosure to be provided under Accounting Standard 17 'Segment Reporting' other than those already provided in the financial statements.		
ii) Effective from 01.04.2014, depreciation on tangible assets is changed on straight line basis so as to right off the cost of the asset over the useful lives as prescribed in Schedule II to the Companies Act, 2013. Due to change, the depreciation for the year is lower by Rs. 70,141/-		
iii) 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.		
iv) Paise have been rounded off to nearest rupee.		
v) Debit & Credit balances are subject to confirmation.		
vi) Previous Year's figures have been regrouped and / or rearranged.		
vii) Additional Information		
a) Expenditure in Foreign Currency	Nil	Nil
b) Remittances in Foreign Currency	Nil	Nil
c) Earning in foreign currency	Nil	Nil

As per our report attached

For **AVK & ASSOCIATES**
Chartered Accountants
Firm Registration No. : 002638N

Place : Delhi
Dated : 14th May 2015

PARUL GUPTA
Partner
Membership No. : 095539

For and on behalf of the Board of **Margo Finance Limited**
REKHA TUKARAM BOLKAR
Managing Director
DIN : 06446020
Place : Mumbai
Dated : 13th May 2015

SHRI DASS MAHESHWARI
Chief Financial Officer
PAN : AAAPM1904D
Place : Mumbai
Dated : 13th May 2015

ANIL KUMAR JAIN
Chairman
DIN : 00086106
Place : Mumbai
Dated : 13th May 2015

JYOTSNA JINDAL
Company Secretary
ACS : 37276
Place : Mumbai
Dated : 13th May 2015



**Schedule to the Balance Sheet
of a non-deposit taking Non-Banking Financial Company**

(as required in terms of paragraph 13 of Non-Banking Financial
(Non Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2007)

(Rs. in lakhs)

Particulars			
Liabilities side			
(1)	Loans and Advances availed by non-banking financial company inclusive of interest accrued thereon but not paid :	Amount Outstanding	Amount Overdue
	(a) Debentures : Secured	—	—
	: Unsecured	—	—
	(other than falling within the meaning of public deposits*)		
	(b) Deferred Credits	—	—
	(c) Term Loans	—	—
	(d) Inter-corporate loans and borrowing	—	—
	(e) Commercial Paper	—	—
	(f) Other Loans :		
	Loan repayable on demand from bank	200	—
	<i>(Bank Overdraft limit from Karnataka Bank Limited secured by Fixed Deposit with the same Bank)</i>		

(Rs. in lakhs)

Assets side		
(2)	Break-up of Loans and Advances including bills receivables (other than those included in (4) below :	Amount Outstanding
	(a) Secured	—
	(b) Unsecured	21.01
(3)	Break-up of Leased Assets and stock on hire and other assets counting towards AFC activities	
	(i) Lease assets including lease rentals under sundry debtors :	
	(a) Financial lease	—
	(b) Operating lease	—
	(ii) Stock on hire including hire charges under sundry debtors :	
	(a) Assets on hire	—
	(b) Repossessed Assets	—
	(iii) Other loans counting towards AFC activities	
	(a) Loans where assets have been repossessed	—
	(b) Loans other than (a) above	—
(4)	Break-up of Investments :	
	Current Investments :	
	(1) Quoted :	
	(i) Shares : (a) Equity	—
	(b) Preference	—
	(ii) Debentures and Bonds	—
	(iii) Units of mutual funds	—
	(iv) Government Securities	—
	(v) Others (please specify)	—
	(2) Unquoted :	
	(i) Shares : (a) Equity	—
	(b) Preference	—
	(ii) Debentures and Bonds	—
	(iii) Units of mutual funds	—
	(iv) Government Securities	—
	(v) Others (please specify)	—



(Rs. in lakhs)

Particulars		
Break-up of Investments : (Contd...)		
Long Term Investments :		
(1) Quoted :		
(i) Shares : (a) Equity		59.89
(b) Preference		—
(ii) Debentures and Bonds		31.97
(iii) Units of mutual funds		166.26
(iv) Government Securities		—
(v) Others (please specify)		—
(2) Unquoted :		
(i) Shares : (a) Equity		46.21
(b) Preference		—
(ii) Debentures and Bonds		—
(iii) Units of mutual funds		—
(iv) Government Securities		—
(v) Others (please specify)		—
Total		304.33

(5) Borrower group-wise classification of assets financed as in (2) and (3) above :			
Category	Amount net of provisions		
	Secured	Unsecured	Total
(1) Related Parties **			
(a) Subsidiaries	—	—	—
(b) Companies in the same group	—	—	—
(c) Other related parties	—	—	—
(2) Other than related parties	—	21.01	21.01
Total	—	21.01	21.01

(6) Investor group-wise classification of all investments (current and long term) in shares and securities (both quoted and unquoted) :			
Category	Market Value / Break up or fair value or NAV	Book Value (Net of Provisions)	
(1) Related Parties **			
(a) Subsidiaries	—	—	—
(b) Companies in the same group	1,227.02	78.34	
(c) Other related parties	—	—	
(2) Other than related parties	193.53	208.53	
Total	1420.55	286.87	

** As per Accounting Standard of ICAI

(7) Other information		
Particulars		Amount
(i) Gross Non-Performing Assets		
(a) Related Parties		—
(b) Other than related parties		0.21
(ii) Net Non-Performing Assets		
(a) Related Parties		—
(b) Other than related parties		0.21
(iii) Assets acquired in satisfaction of debt		—

BOOK-POST

If undelivered please return to :



MARGO FINANCE LIMITED

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