

INSTA FINANCE LIMITED
24th ANNUAL REPORT
2013 - 2014

BOARD OF DIRECTORS

Satish V Raval : Managing Director & Chairman
Deepa R Dalwadi : Ind. Director
Kaushik Sanghvi : Director

REGISTERED OFFICE:

205, Unique Centre,
Sayaji Gunj, Above Kansar Hotel,
Vadodara-390005

ANNUAL GENERAL MEETING

Date : Monday, Sept. 29, 2014
Time : 11.00 a.m.
Venue : Regd. Office Address

REGISTRAR SHARE TRANSFER AGENT

M/S. SHAREX DYNAMICS INDIA PVT.LTD.
ANDHERI(E)
MUMBAI - 400072

AUDITORS

:
C B MEHTA & CO.
CHARTERED ACCOUNTANTS

NOTICE

NOTICE is hereby given that the 24th Annual General Meeting of the members of INSTA Finance Ltd., will be held on Monday, 29th Sept., 2014, at 11.00 a.m. at 205, Unique Centre, Sayajiganj, Above Kansar Hotel, Vadodara(Guj.)-390005 to transact the Following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the audited Balance Sheet as at 31st March, 2014 and the Profit and Loss Account for the year ended on that date together with the Auditors and Directors Report thereon.
2. To appoint a Director in place of Kaushik Sanghavi, Director of the Company who retire by rotation and, being eligible, offers themselves for reappointment.
3. To re- appoint Auditors to hold office from the conclusion of this AGM until the conclusion of the next AGM and to fix their remuneration, and in this regard 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 Section 139 and other applicable provisions of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 and pursuant to the recommendations of the Audit Committee , M/s. C.B.Mehta & Co., Chartered Accountants of Vadodara (FRN-133653W) , be and are hereby appointed as the Auditors of the Company to hold office from the conclusion of this Annual General Meeting (AGM) till the conclusion of the next AGM on such remuneration as may be mutually agreed upon between the auditors and Chairman of the Company and in addition the said auditors be entitled to out of pocket, traveling and living expenses to be incurred in connection with audit work of the Company.”

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, 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Clause 49 of the Listing Agreement, Smt. Deepa R Dalwadi (Din : 06951877). , and whose term expires at this Annual General Meeting and in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013 from a member proposing her candidature for the office of Director, be and is hereby appointed as Independent Director of the Company to hold office for 5 (three) consecutive years for a term up to March 31, 2019 not liable to retire by rotation.

NOTES

1. A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/ HERSELF AND THE PROXY NEED NOT BE A MEMBER.
2. Proxies should be deposited at the Registered office of the Company not less than 48 hours before the commencement of the meeting.
3. A person can act as a proxy on behalf of members not exceeding 50 and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights. A member holding more than 10% of the total share capital of the Company may appoint a single person as proxy and such person shall not act as a proxy for any other shareholder.
4. A Statement pursuant to Section 102(1) of the Companies Act, 2013, relating to the Special Business to be transacted at the Meeting is annexed hereto.
5. Members desirous of getting any information about the accounts and operations of the company are requested to send their query addressed to the Compliance Officer at the Registered Office at least 7 days before the date of the meeting to enable the Management to keep the information readily available at the meeting.
6. As per the requirement of the clause 54 of the Listing Agreement the Company is updating information on its website sdfcl.com. This portal contains along with business information, quarterly unaudited results, Annual Report containing Notice, Directors Report, Auditors Report, Balance sheet and Profit & Loss Account, quarterly shareholding pattern, contact detail of the Compliance Officer for communicating investor grievances.
7. Member are requested to :
 - a) Notify immediately any change in their residential address.
 - b) Quote the Registered Folio Number in every correspondence with the Company.
 - c) Bring their copies of the Annual Reports along with the duly filled in attendance slip at the meeting.
6. The Register of Members and share transfer books of the Company will remain closed from 25/09/2014 TO 29/09/2014 (both days inclusive) for the purpose of the Annual General Meeting.
8. As per the Circular of the Ministry of Corporate Affairs of "Green Initiative in Corporate Governance" (Circular No. 17/2011 dated 21-04-2011 and Circular No. 18/2011 dated 29/04/2011) allowing paperless compliances by Companies through electronic mode, companies are now permitted to send various notices/ documents to its shareholders through electronic mode to the registered e-mail addresses of shareholders. Members are requested to register their email id with the Company.
9. The Company has appointed M/S. SHAREX DYNAMIC (INDIA) PVT.LTD., MUMBAI as its Registrar and Share Transfer Agent for rendering the entire range of services to the Shareholders of the Company. Accordingly, all documents related to transfers, demat requests, change of address intimations and other communications in relation thereto with respect to shares in electronic and physical form should be addressed to the Registrars directly at their following address quoting folio no., full name and name of the Company as Unit: INSTA FINANCE LTD.

M/S. SHAREX DYNAMIC (INDIA) PVT.LTD.,
UNIT-1, LUTHRA IND. PREMISES,
ANDHERI KURLA ROAD, SAFED POOL,
ANDHERI(E), MUMBAI-400072

Phone : 022-28515606, 28515644

Email : shareindia@vsnl.com

10. **Voting through electronic means**

The Company is pleased to provide e-Voting facility to enable the Members to cast their votes electronically, in compliance with the provisions of Section 108 of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014. Necessary arrangements have been made by the Company with NSDL to facilitate e-Voting. The instructions and manner for availing e-Voting facility are as under.

The instructions for members for voting electronically are as under:-

- A. In case a member receives an e-mail from NSDL (for Members whose e-mail addresses are registered with the company/depositories):
- (i) Open the e-mail and also open PDF file with your client ID or Folio No. As password. The said PDF file contains your user ID and password for e-voting. Please note that the password is in initial password.
 - (ii) Open the internet browser and type the following URL: <https://www.evoting.nsdl.com>
 - (iii) Click on Shareholder – Login.
 - (iv) If you are already registered with NSDL for e-voting then you can use your existing user ID and password.
 - (v) If you are logging in for the first time, please enter the user ID and password provided in the PDF file attached with the e-mail as initial password.
 - (vi) The Password Change Menu will appear on your screen. Change to a new password of your choice, making sure that it contains a minimum of 8 digits or characters or a combination of both. Please take utmost care to keep your password confidential.
 - (vii) Once the e-voting home page opens, click on e-voting> Active Voting Cycles.
 - (viii) Select “EVEN” (E-Voting Event Number) of INSTA FINANCE LIMITED. Now you are ready for e-voting as Cast Vote page opens.
 - (ix) Cast your vote by selecting appropriate option and click on “Submit” and also “Confirm” when prompted.
 - (x) Upon confirmation, the message “Vote cast successfully” will be displayed.
 - (xi) Once the vote on the resolution is cast, the Member shall not be allowed to change it subsequently.
 - (xii) Institutional shareholders (i.e. other than individuals, HUF, NRI, etc.) are required to send scanned copy (PDF/JPG format) of the relevant Board Resolution/Authority letter etc., together with attested specimen signature of the duly authorized signatory (ies) who are authorized to vote, to the Scrutinizer through e-mail to commshares2012@yahoo.com, with a copy marked to evoting@nsdl.co.in.

(xiii) In case of any queries, you may refer the Frequently Asked Questions (FAQs) – Shareholders and e-voting user manual – Shareholders, available at the downloads section of www.evoting.nsdl.co.in

B. In case a Member receives physical copy of the Notice of AGM (for Members whose email addresses are not registered with the Company/Depositories):

- I. Initial password is provided in the enclosed ballot form: EVEN (E-Voting Event Number), user ID and password.
- II. Please follow all steps from Sl. No. (2) to Sl. No. (13) above, to cast vote.

Please note that:

1. The voting period begins on 25/09/2014 at 11.00 A.M. and ends on 26/09/2014 at 5.00 PM. During this period, shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date which is 22/08/2014, may cast their vote electronically. The voting rights of shareholders shall be in proportion to their shares in the paid-up equity share capital of the Company as on this cut-off date. The e-voting module shall be disabled by NSDL for voting after 05.00 P.M. ON 26/09/2014.
3. Mr. Mukesh Choksi & Co., Chartered Accountant (membership no. 31751), having his office at H-Block, Sadashiv Building, 6th Road, Santacruz(E), Mumbai-400057, has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
4. The Scrutinizer shall within a period of not exceeding three (3) working days from the conclusion of the e-voting period, unblock the votes in the presence of at least two witnesses not in employment of the Company and forward his report of the votes cast in favour or against, to the Chairman or to any Director or Officer who may be authorized by the Chairman for this purpose.
5. The Results shall be declared on or after the Annual General Meeting (AGM). The Results declared along with the Scrutinizer's Report shall be placed on the Company's website and on the website of NSDL within two (2) days of passing of the resolutions at the AGM of the Company and communicated to the Stock Exchanges.

Place : VADODARA
Date : 01/09/2014

By order of the Board

SD/-
(SATISH V RAVAL)
Chairman

EXPLANATORY STATEMENT

[Pursuant to Section 102 of the Companies Act, 2013]

ITEM NO. 4

DEEPA R DALWADI was appointed by the Board of director of the Company as an Additional Director of the Company w.e.f. 24/08/2014 pursuant to the relevant provisions of the Companies Act, 2013 and under the Articles of the Article of Association of the company and she holds such office only upto the date of this Annual General Meeting.

The Securities and Exchange Board of India (SEBI) has amended Clause 49 of the Listing Agreement inter alia stipulating the conditions for the appointment of independent directors by a listed company.

It is proposed to appoint Deepa R Dalwadi as Independent Director under Section 149 of the Act and Clause 49 of the Listing Agreement to hold office for 5 (five) consecutive years for a term up to 5 (five) consecutive years for a term up to March 31, 2019.

The appointee is not disqualified from being appointed as Directors in terms of Section 164 of the Act and have given consent to act as Director.

The Company has received notices in writing from members alongwith the deposit of requisite amount under Section 160 of the Act proposing the candidature of appointee for the office of Independent Director of the Company.

The Company has also received declarations from appointee that he meets with the criteria of independence as prescribed both under sub-section (6) of Section 149 of the Act and under Clause 49 of the Listing Agreement.

In the opinion of the Board, appointee fulfills the conditions for appointment as Independent Director as specified in the Act and the Listing Agreement.

Brief resume of appointee, nature of expertise in specific functional areas and names of companies in which they hold directorships and memberships / chairmanships of Board Committees, shareholding and relationships between directors inter-se as stipulated under Clause 49 of the Listing Agreement with the Stock Exchanges, are provided in the Corporate Governance Report forming part of the Annual Report.

Copy of the draft letter for appointment of appointee as Independent Director setting out the terms and conditions is available for inspection by members at the Registered Office of the Company.

This Statement may also be regarded as a disclosure under Clause 49 of the Listing Agreement with the Stock Exchanges.

Appointee is interested in the resolution set out respectively at Item Nos. 4 of the Notice with regard to her appointment.

Save and except the above, none of the other Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in these resolutions.

The Board commends the Ordinary Resolutions set out at Item Nos. 4 of the Notice for approval by the shareholders.

Place : VADODARA
Date : 01/09/2014

By order of the Board

SD/-
(SATISH V RAVAL)
Chairman

DIRECTORS' REPORT OF THE MEMBERS

To,
The Members of the Company,

Your Directors have pleasure in presenting before you the 24th Annual Report of the Company together with the Audited Statement of Accounts for the year ended 31st March, 2014.

| FINANCIAL RESULTS | (Amts. in Rupees) | |
|--------------------------|---------------------------|------------------|
| | 2013-2014 | 2012-2013 |
| Total Income | 2582114 | 432555 |
| Total Expenditure | 2538820 | 488007 |
| Profit before Tax | 43294 | (55452) |
| Profit after Tax | 43294 | (55452) |

FINANCIAL & OPERATIONAL HIGHLIGHTS

Because of persistent recession prevailing in the Economy and generally in credit market, credit off-take is negligent. Your company turned to certain other fin. Business i.e. in the trading of shares and F & O and achieved better performance in comparison to previous year.

DIVIDEND

To augment resources for ongoing expansion plan company accumulating its reserves therefore Your Board of Directors of the Company has not declared any dividend for the year 2013-2014.

FIXED DEPOSITS

The Company has not accepted deposits from the public during the year attracting the provisions of section 58A of the Co. Act, 1956 and Rules framed there under.

SSI DUES

The Company has no dues outstanding for more than 30 days to any small scale undertaking.

AUDIT COMMITTEE

The Company has formed an Audit committee comprising of 3 directors. The terms of the reference of the committee are in line with the requirements specified u/s. 177 of the Co-Act, 2013 and Corporate Governance as stated in Clause 49 of the Listing Agreement.

DIRECTORS

During the year under review, Mr. Kaushik Sanghavi will retire by rotation at the ensuing Annual General Meeting of the Company and being eligible, offer themselves for re-appointment.. During the year Jagdish Jani resigned due to their pre occupation and in his place Deepa R Dalwadi has been inducted in the board of company.

As per the provisions of the Co.Act,2013, Deepa R Dalwadi and Kaushik C Sanghavi have been appointed as Ind. Directors of the company for 5 years.

AUDITORS

The Board of Directors appointed M/s C.B.Mehta & Co., Chartered Accountants, Vadodara as statutory auditors of the company for the audit of F.Y. 2014-2015 subject to approval of the shareholder in AGM.

PARTICULARS OF EMPLOYEES

There was no employee in the Company whose particulars are required to be furnished as per section 217 (2A) of the Companies Act, 1956, read with Companies (Particulars of Employees) Rules, 1975 as amended upto date.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNING/OUTGO.

The information under section 217(1) (e) of the Companies Act, 1956 on Conservation of Energy, Technology Absorption as required to be disclosed is not applicable to your company since it is engaged in the financial activities.

During the year under review the Company has no foreign exchange earnings and outgo.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to section 217(2AA) of the Companies Act. 1956 the Directors confirm :

- (a) that in the preparation of annual accounts, the applicable accounting standards have been followed;
- (b) that the Directors have selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for that period;
- (c) that the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provision of the Companies Act, 1956 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- (d) that the Directors have prepared the Annual Accounts on a going concern basis.

CORPORATE GOVERNANCE AND COMPLIANCE

A report on corporate governance along with Management Discussion and Analysis is annexed to this report. A certificate from Statutory Auditors with regards to the compliance of the corporate governance, as stipulated in Clause 49 of the Listing Agreement, by the company is annexed to this report.

The company has fully complied with all mandatory requirements prescribed under Clause 49 of the listing agreement. In addition, the company has also implemented some of the non mandatory provisions of Clause 49.

ACKNOWLEDGEMENT

Your Directors wish to express their sincere appreciation for the co-operation and support received from Banks, shareholders, customers, Officers and other employees of the Company throughout the year.

By order of the Board
For INSTA FINANCE LTD.

Place : Vadodara
Date : 01/09/2014

Sd/-
Satish Raval
CHAIRMAN

ANNEXURE –A to the Director’s Report for the year ended 31st March, 2014.

REPORT ON CORPORATE GOVERNANCE

1. COMPANY’S PHILOSOPHY

The Company firmly believes that corporate governance and compliance practices are of paramount importance in order to maintain the trust and confidence of the stakeholders, clients, the good reputation of the Company and the unquestioned integrity of all personnel involved in the Company. To ensure transparency, fairness and objectivity in an organisation’s functioning, the Company has proactively adopted best practices with regard to corporate governance and compliance, which are ahead of regulatory requirements. The Company’s policy on compliance with external regulatory requirements is backed by stringent internal policies and principles to ensure, inter alia, priority to clients’ interest over proprietary interest, maintenance of confidentiality of client information and prevention of insider trading.

2. BOARD OF DIRECTORS

The Board of Directors of the Company consists of Three Directors including the Executive Chairman. Out of 3, 2 director is non-executive independent director. The Company does not have any pecuniary relation or transaction with Non-Executive Independent Director during the year under review.

Board procedure

A detailed Agenda folder was sent to each Director in advance (generally before 7 to 10 days) of Board and committee meetings. To enable the Board to discharge its responsibilities effectively, the Managing Director briefed the Board at every meeting on the financial performance of the Company up to last completed month as against the budget/revised budget of the year. Presentations are made by the Managing Director about the financial, operational performance and market scenario. The Board also reviewed:

- Strategy and business plans
- Annual operating and capital expenditure budgets
- Investment plans of the company
- Compliance with statutory/regulatory requirements and review of major legal issues.
- Adoption of quarterly / half yearly / annual results (after recommendation of Audit Committee where required).

- Significant labour problems
- Major accounting provisions and write-offs.
- Details of joint venture or Collaboration Agreement

Composition, Category of Directors and their other directorship and Membership / Chairmanship of Committees.

| Sr. No. | Name of the Director | Category | Number of other | | |
|---------|----------------------|--------------------------|-----------------|------------------------|--------------------------|
| | | | Director-ships | Committee Member-ships | Committee Chairman-ships |
| 1. | SATISH RAVAL | M.D. & NON EXE. CHAIRMAN | 5 | 3 | - |
| 2. | DEEPA R DALWADI | IND. NON EXE. DIRECTOR | 1 | 3 | - |
| 3. | KAUSHIK SANGHVI | IND. NON EXE. DIRECTOR | 4 | 3 | 3 |

During the year 6 Board Meetings were held. The Board was present with the relevant and necessary information. None of the Director is a member of more than 10 committees or acting as Chairman of more than 5 committees across all companies in which he is a director. The attendance at the Board Meeting during the year and at the last Annual General Meeting was as follows:

| SR.NO | NAME OF DIRECTORS | NO. OF BOARD MEETING ATTENDED | ATTENDANCE AT THE AGM HELD ON 30-09-2013 |
|-------|-------------------|-------------------------------|--|
| 1 | SATISH RAVAL | 6 | YES |
| 2 | DEEPA R DALWADI | - | YES |
| 3 | KAUSHIK SANGHVI | 6 | YES |

3. AUDIT COMMITTEE

The Board constituted an Audit Committee consisting of 3 Directors. All members of Audit Committee are financially literate and 2 Directors out of 3 has financial management expertise as required for member of Audit Committee as stipulated in Clause 49 of the Listing Agreement. The Details of Audit Committee meetings held during the year April 2013 to March 2014 and the attendance of the Audit Committee Members are as under:

| SR.NO | DIRECTOR NAME | CATEGORY | NO OF MEETING | |
|-------|------------------|---------------------|---------------|----------|
| | | | HELD | ATTENDED |
| 1 | SATISH RAVAL | MEMBER | 5 | 5 |
| 2 | DEEPA R DALWADI | MEMBER | 5 | 5 |
| 3 | KAUSHIK SANGHAVI | IND. DIR & CHARIMAN | 5 | 5 |

Terms of Reference u/s 177 of the Co.Act,2013 :-

The terms of reference for the audit committee as laid down by the Board include the following:-

- (ii) Overseeing the Company's Financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible.
- (iii) Recommending the appointment and removal of statutory auditor, fixation of audit fee and also approval for payment for any other services.
- (iv) Reviewing with management, the quarterly, half yearly and annual financial statements before submission to the Board, focusing primarily on any changes in accounting policies and practices; major accounting entries based on exercise of judgement by management; qualifications in draft audit report; significant adjustments arising out of audit; the going concern assumption; compliance with accounting standards; compliance with stock exchange and legal requirements' concerning financial statements; any related party transaction i.e. transactions of the Company of material nature, with promoters or the management, their subsidiaries or relatives, etc. that may have potential conflict with the interests of Company at large.
- (v) Reviewing with the management, statutory and internal auditors, the adequacy of internal control system and ensuring compliance therewith.
- (vi) Discussions with statutory auditors before the commencement of the audit about the nature and scope of audit as well as have post-audit discussion to ascertain any areas of concern.
- (vii) Reviewing the Company's financial and risk management policies.
- (viii) To review the functioning of the Whistle Blower Policy adopted by the Company.
- (ix) To review report on Management Discussion & Analysis of Financial Condition and Results of operation, to be included in the Company's Annual Report to its Shareholders.

1. NOMINATION AND REMUNERATION COMMITTEE

The company had constituted a Remuneration Committee to decide and fix payment of remuneration and sitting fees to the Directors of the Company earlier but as per new provisions u/s 178 of the Co.Act,2013, the said committee has been reconstituted w.e.f. 01.04.2014 consisting of Kaushik Sanghavi, Chairman of the said committee, Satish R Raval and Deepa R Dalwadi are the members of the said committee. This committee will look after the functions as enumerated u/s 178 of the new Act.

5. STAKEHOLDERS RELATIONSHIP COMMITTEE**Composition:-**

The said committee comprises of Kaushik Sanghavi, Chairman of the said committee, Satish R Raval and Deepa R Dalwadi are the members of the said committee. There are 4 meetings during the year.

The Committee has delegated the authority to an officer of the Company who attends to share transfer formalities at least once in a fortnight.

Terms of reference:-

To look into the redressal of the share holders complaints in respect of any matter including transfer of shares non receipt of annual report, non receipt of declared dividend etc.

Compliance Officer:-

The company has designated Mr. Satish Vadilal Raval as Compliance Officer.

Summary of Investors' Complaints:-

During the year 5 letters / complaints were received from the share holders, out of which NIL letters/ complaints were still pending to be resolved.

Annual General Meeting :-

The Annual General Meeting (AGMs) of the company have been held at the following places in the last three years.

| YEAR | DATE | TIME | VENUE |
|---------|------------|-----------|------------------------------------|
| 2010-11 | 30-09-2011 | 11.00 A.M | AT THE REGD. OFFICE OF THE COMPANY |
| 2011-12 | 28-09-2012 | 11.00 A.M | -DO- |
| 2012-13 | 30-09-2013 | 11.00 A.M | -DO- |

No resolution was put through postal ballot during the fin. Year 2013-14.

6. DISCLOSURES :-

There were no transaction by the company of material significance with related parties i.e. its Promoters, Directors of Companies or the Management or their relatives during the year which may have potential conflict with interest of the Company at large.

7. MEANS OF COMMUNICATION:

- (i) The periodical unaudited / audited financial results are published in Vadodara Samachar (Gujarati) and Business Standard (English) as required under the Listing Agreement. All financial and other vital information is promptly communicated to the stock exchanges on which company's shares are listed.

- (ii) The Management Discussion and Analysis report prepared by the management and forming part of the Annual Report is separately attached.

8. GENERAL INFORMATION FOR SHAREHOLDERS:

(a) Regd. Office:-

205, Unique Centre, Sayajiganj, Above Kansar Hotel, Vadodara-390005 (Gujarat)

(b) Date, Time, Venue of Annual General Meeting:-

29TH September, 2014 at 11.00 AM at the Regd. Office of the company.

(c) Financial Reporting for the quarter ending:-

| | |
|----------|---------------|
| JUNE 30 | : END JULY |
| SEPT 30 | : END OCTOBER |
| DEC 31 | : END JANUARY |
| MARCH 31 | : END APRIL |

(d) Date of Book Closure :

25.09.2014 to 29.09.2014 (both days inclusive)

(e) Listing Details :

| | |
|---------------------------------------|---------------------|
| Vadodara Stock Exchange, Vadodara | : No Stock Code |
| Ahmedabad Stock Exchange, Ahmedabad | : No Stock Code |
| Bombay Stock Exchange Limited, Mumbai | : Scrip Code 511433 |

The Company has paid listing fees to all Stock Exchanges till March 2014.

(f) Market price data:

The monthly High & Low Share prices of the company traded at the Stock Exchange, Mumbai is available on BSE site.

(g) Share Transfer System:

The Company has a Share holders/ Investors grievance Committee who looks after share transfer job by meeting at regular intervals depending upon the receipt of the shares for transfer.

(i) Investor Services:

The Company has received certain complaints from the shareholders/investors during the year and all are resolved.

(j) Distribution Of Shareholding As On 31st March, 2014

| SHARE HOLDING PATTERN | | |
|------------------------------|----------------------|------------|
| Category | No. of Shares | % |
| Promoters & Promoters Group | 5686480 | 28.43 |
| Corporate Bodies | 1618915 | 8.09 |
| NRIs / OCBs | 20402 | 0.10 |
| Public | 12674203 | 63.38 |
| Total | 20000000 | 100 |

(k) DEMATERIALISATION OF SHARES AND LIQUIDITY :

The Company has entered into MOU with M/S. Sharex Dynamic India Pvt.Ltd., Mumbai – SEBI APPROVED RTA for maintaining the electronic connectivity with CDSL & NSDL and for handling physical transfers.

DISPOSAL OF INVESTOR GRIEVANCES

The average time required by the Company or Registrar to the issue for the redressal of routine investor grievances is estimated to be seven working days from the date of receipt of the complaint. In case of non-receipt routine complaints and where external agencies are involved. The Company or Registrar will strive to redress these complaints as expeditiously as possible.

CERTIFICATION WITH RESPECT TO FINANCIAL STATEMENT

The Managing director of the Company has furnished a certificate to the Board of Directors of the Company with respect to accuracy of financial statements and adequacy of internal controls and compliance of Clause 49 as required under Clause 49 of the listing agreement.

WHISTLE BLOWER POLICY

Recently, the Security & Exchange Board of India has also prescribed the adoption by all listed companies, of a Whistle Blower Policy as a non-mandatory requirement. The company has adopted a Whistle Blower Policy, which affords protection and confidentiality to Whistle blowers. The Audit Committee Chairman is authorized to receive Protected Disclosures under this Policy. The Audit Committee is also authorized to supervise the conduct of investigations of any disclosures made whistle blowers in accordance with policy.

No personnel have been denied access to the Audit Committee. As of March 31, 2014, no Protected Disclosures have been received under this policy.

CODE OF CONDUCT

The Company's Board of Directors has adopted the code of conducts which govern the conduct of all directors /employees. All Directors and senior management personnel have affirmed compliance with respective codes for the year ended on 31st March 2014.

MANAGEMENT DISCUSSION AND ANALYSIS

The Company is in the business of financial activity. The key issues of the Management Discussion and Analysis are given below.

(a) Industry Structure and Developments

The company is engaged in Leasing & Hire Purchase activities but presently the said business is not giving any substantial earning to the Company hence Company is presently engaged in consultancy, share broking and share trading mainly.

The fortunes of the Finance industry are, to a large extent, linked to the growth of the Industry and Investment sentiments of the people. The Industry is facing intense competition from the Foreign Financial Institution.

(b) Strength

The strength of the company is known from its reputation which the company has earned due to its quality business and cordial relation with its clients and presently the company's financial position is sound due to boom in capital market because of governmental support.

(c) Comment on Current year's performance

| | |
|--------------------|---|
| Receipts | : The Receipt has significantly increased. |
| Operating Expenses | : The operating Expenses are well under control. |
| Operating Profits | : The Operating Profits are up to industry mark. |
| Indirect Expenses | : The Indirect Expenses are under control. |
| Depreciation | : Reasonable amount of Depreciation is provided. |
| Profit before tax | : Profit before tax is also showing an improving trend. |
| Taxation | : Taxation is Provided as per Income Tax Act. |
| Debtor/Sales | : Debtors are reasonable and realization period has decreased due to the policy of the Company. |
| Creditors/Purchase | : The Company has an established credit. |

d) Opportunities and Threats

The impact of boom in capital market and real estate market due to government support has provided a boost to the economy and it is set to grow at 8% to 9% supported by a smart growth in manufacturing and services sectors. This brings prosperity to a country and more and more people go for investment in Share market. Outlook for the year 2014 is positive. While the overall demand outlook for the year 2014 remains good, the Company expects the pressure on quality customers to continue due to competition.

(e) Segment wise performance

The business of the Company falls under a single segment i.e. Share broking, Investment and trading in shares and derivatives for the purpose of Accounting Standard AS-17.

(f) Outlook

The continual growth in the Finance sector is expected to give the necessary support to the Finance industry. The Company is making all efforts to accelerate growth of its business. It expects to improve its position in the market by focusing on technologically advanced and more profitable products/market segments and working aggressively in the areas of productivity, efficiency and cost reductions.

(g) Risk and concerns

The menace of local Finances and play of angadia has further compounded the problems of the organised Finance Industry as they use inferior way of transferring funds. The Stock market is also a risky place to put one's fund. The pull back of FIIs will also have an adverse effect on the share market.

(h) Internal control system

Internal audit and other controls have been found to be adequate. These are reviewed periodically by the Audit Committee and found the performance satisfactory.

(i) Developments in human resources and industrial relations

Information as per Section 217 (2A) of the Companies Act, 1956 read with the Companies (Particular of Employees) Rules, 1975 is not required to be given as no employee falls under it. The Company continued to have cordial relations with all the employees.

AUDITORS CERTIFICATE ON CORPORATE GOVERNANCE

The Board of Directors,
INSTA Finance Limited
Vadodara.

We have reviewed the records concerning the Company's compliance of conditions of Corporate Governance as stipulated in Clause 49 of the Listing Agreement entered into, by the Company, with the Stock Exchanges of India, for the F.Y ended on 31st March 2014.

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

We have conducted our review on the basis of the relevant records and documents maintained by the Company and furnished to us for the review, and the information and explanations given to us by the Company.

Based on such a review to the best of our information and according to the explanations given to us, in our opinion, the company has complied with the conditions of Corporate Governance, as stipulated in Clause 49 of the said listing agreement.

On the basis of certificate issued by the Registrar and Share Transfer Agent of the Company and the Minutes of meetings of the Shareholders/ Investors Grievance Committee of the Company, we state that, there were no investor grievances pending against the Company for a period exceeding one month.

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

PLACE : VADODARA
DATE : 01/09/2014

FOR C B MEHTA & Co
CHARTERED ACCOUNTANTS

Sd/-
Chinmay Mehta
(PROPRIETOR)
M.No. 517103

AUDITORS' REPORT

To,
The Members,
M/s. INSTA Finance Limited,
Vadodara

We have audited the attached Balance Sheet of M/s. INSTA Finance Ltd., as at 31st March, 2014 and the annexed Profit and Loss Account and cash flow statement for the year ended on that date. These financial statements are the responsibility of the Company's Management. Our responsibility is to express an opinion on these financial statements bases on our audit.

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

As required by the Companies (Auditor's Report) Order 2003 issued by the central Government of India in terms of section 227 (4A) of the Companies Act, 1956 we enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said order.

Further to our comments in the Annexure referred to above, we report that:

- (a) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of our audit.
- (b) In our opinion proper books of accounts as required by law have been kept by the Company so far as appears from our examination of such books.
- (c) The Balance Sheet and the Profit & Loss Account referred to in this report are in agreement with the books of account.
- (d) In our opinion and to the best of our information the said Balance Sheet and Profit & Loss Account and cash flow statement comply with the Accounting standard referred to in section 211(3c) of the companies act, 1956.
- (e) On the basis of written representations received from the directors, as on 31st, March, 2014 and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31st March, 2014 from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of Companies Act, 1956.

(f) In our opinion and to the best of our information and according to the explanations given to us, the said accounts give the information required by the Companies Act, 1956, in the manner so required and gives a true and fair view in conformity with the accounting principles generally accepted in India:-

- i. In so far as it relates to the Balance Sheet, of the state of affairs of the Company as at 31st March, 2014 and
- ii. In so far as it relates to the Profit & Loss Account of the Loss of the company for the year ended on that date.
- iii. In the case of the cash flow statement, of the cash flow for the year ended on that date.

PLACE : VADODARA
DATE : 01/09/2014

FOR C B MEHTA & Co
CHARTERED ACCOUNTANTS

Sd/-
Chinmay Mehta
(PROPRIETOR)
M.No. 517103

ANNEXURE TO THE AUDITORS REPORT FOR THE YEAR ENDED ON 31ST MARCH, 2014

- i) The Company has maintained proper records to show full particulars including quantitative details and situation of fixed assets.
- ii) The fixed assets have been physically verified by the management at reasonable intervals during the year and no material discrepancies were noticed on such verification as compared with the available records.
- iii) None of the Fixed Assets of the company have been disposed off during the year .
- iv) The stock of finished goods, and raw materials have been physically verified by the management during the year. In our opinion, the frequency of verification is reasonable.
- v) The procedure followed by the management for physical verification of stocks is reasonable and adequate in relation to the size of the company and the nature of its business.
- vi) On our basis of examination of stock records, we are of the opinion that the record of stocks is fair and proper in accordance with the normally accepted accounting principle and no material discrepancies were noticed on physical verification.
- vii) There is no loans, secured and unsecured, taken by the company to/from companies, firm or other parties covered in the register maintained u/s. 301 of the Co. Act, 1956.
- viii) Interest free Loans and Advances in the nature of loans have been given to employees and other parties who were generally regular in repaying the principal as stipulated. Where there is delay in repayment, the company has taken reasonable steps to recover the same.
- ix) In our opinion and according to 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 for financial activities.
- x) According to the information and explanations provided by the management, we are of the opinion that the particulars of contracts or arrangements referred to in section 301 of the Act that need to be entered into the register maintained under section 301 have been so entered.
- xi) In our opinion and according to the information and explanations given to us, the provisions of section 58-A of the Companies Act, 1956 and Companies (acceptance of deposits) Rules, 1957 are not applicable as the company has not accepted and deposits from the public.
- xii) The company does not have any formal system of internal audit. However in our opinion and according to information and explanations given to us, the internal control procedures are adequate. Considering the size and nature of business of the Company.
- xiii) The Provisions of section 209(1)(d) of the Companies Act, 1956 regarding the maintenance of cost records are not applicable to the company.

- xiv) As informed to us the provision of Provident Fund Act, Employees State Insurance Act provisions of investor education and protection fund, customs duty, excise duty and cess are not applicable to the Company during the year under review.
- xv) The Company is regular in depositing with appropriate authorities undisputed statutory dues including Income-Tax, Wealth Tax, Service Tax and other material statutory dues applicable to it.
- xvi) According to the information and explanations given to us no disputed amounts in respect of Income-Tax, Wealth-tax, Sales-Tax, Customs-Duty and Excise-Duty were outstanding as at 31st, March, 2014 for a period of more than six months from the date they become payable.
- (xvii) According to the information and explanations given to us and based on the generally accepted audit procedures carried out by us no personal expenses of employees or directors have been charged to Revenue Account, other than those payable under contractual obligations or in accordance with generally accepted business practice.
- xvii) The Company has accumulated losses at the end of the financial year and it has incurred losses in the current and immediately preceding financial year.
- xviii) Based on our audit procedures and as per the information and explanations given by the management, we are of the opinion that the Company has not defaulted in repayment of dues to financial institution, banks or debenture holders.
- xix) According to the information and explanations given to us and based on the documents and records produced to us, the Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- xx) The provisions of any special statute applicable to Chit Funds, Nidhi, or Mutual Benefit Society/fund do not apply to the Company. Therefore, the provisions of clause 4(xiii) of the Companies (Auditor's Report) Order, 2003 (as amended) are not applicable to the Company.
- xxi) The Shares and other securities have been held by the Company, in its own name as explained to us and proper records in respect thereof have been maintained.
- xxii) According to the information and explanation given to us, the Company has not given counter guarantee for loans taken by anybody.
- xxiii) According to the information and explanations given to us and on an overall examination of the balance sheet and cash flow statement of the Company, we report that no funds raised on short-term basis have been used for long-term investment.
- xxiv) The Company has not made any preferential allotment of shares to parties or companies covered in the register maintained u/s 301 of the Co. Act, 1956.
- xxv) The Company did not have any outstanding secured debentures during the year.
- xxvi) The Company has not raised any money through a public issue during the year under review.

- (xxviii) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and as per the information and explanations given by the management, we report that no fraud on or by the Company has been noticed or reported during the course of our audit.
- (xxix) The Company is not a sick Company as per the provisions of SICA, 1985.

PLACE : VADODARA
DATE : 01/09/2014

FOR C B MEHTA & Co
CHARTERED ACCOUNTANTS

Sd/-
Chinmay Mehta
(PROPRIETOR)
M.No. 517103

CERTIFICATE

We have examined the attached Cash Flow Statement of INSTA FINANCE LIMITED for the year ended on 31-03-2014. The Statement has been prepared by the Company in accordance with the requirement of Listing Agreement Clause 32 with Vadodara Stock Exchange and is based on in agreement with corresponding Profit & Loss Account and Balance Sheet of the Company covered by the Report of 01/09/2014 to the members of the Company.

PLACE : VADODARA
DATE : 01/09/2014

FOR C B MEHTA & Co
CHARTERED ACCOUNTANTS

Sd/-
Chinmay Mehta
(PROPRIETOR)
M.No. 517103

INSTA FINANCE LIMITED
Balance Sheet as at 31st March, 2014

| Particulars | | | Note No | Figures as at the end of current reporting period | Figures as at the end of previous reporting period |
|--------------|---|--|---------|---|--|
| I. | | EQUITY AND LIABILITIES | | | |
| | 1 | Shareholder's Funds | | 8,94,14,343 | 8,93,71,049 |
| | | a) Share Capital | 1 | 10,00,00,000 | 10,00,00,000 |
| | | b) Reserves and Surplus | 1 | (1,05,85,657) | (1,06,28,951) |
| | | c) Money received against share warrants | | - | - |
| | 2 | Share application money pending allotment | 2 | - | - |
| | 3 | Non-Current Liabilities | 3 | 2,54,176 | 2,54,176 |
| | | a) Long-Term Borrowings | | 2,54,176 | 2,54,176 |
| | | b) Deferred Tax Liabilities (Net) | | - | - |
| | | c) Other Long-Term Liabilities | | - | - |
| | | d) Long-Term Provisions | | - | - |
| | 4 | Current Liabilities | 4 | 4,42,83,433 | 4,48,95,991 |
| | | a) Short-Term Borrowings | | - | - |
| | | b) Trade Payables | | - | - |
| | | c) Other Current Liabilities | | 4,42,80,988 | 4,48,93,546 |
| | | d) Short-Term Provisions | | 2,445 | 2,445 |
| Total | | | | 13,39,51,953 | 13,45,21,216 |
| II. | | II.Assets | | | |
| | 1 | Non-current assets | 5 | 9,91,39,297 | 9,89,55,713 |
| | | a) Fixed assets | | | |
| | | (i) Tangible assets | | 65,441 | 81,857 |
| | | (ii) Intangible assets | | - | - |
| | | (iii) Capital work-in-progress | | - | - |
| | | (iv) Intangible assets under development | | - | - |
| | | v) Fixed Assets held for sale | | - | - |
| | | b) Non-current investments | | 9,90,73,856 | 9,88,73,856 |
| | | c) Deferred tax assets (net) | | - | - |
| | | d) Long term loans and advances | | - | - |
| | | e) Other non-current assets | | - | - |
| | 2 | Current assets | 6 | 3,48,12,656 | 3,55,65,504 |
| | | a) Current Investments | | - | - |
| | | b) Inventories | | - | - |
| | | c) Trade Receivables | | 2,76,74,408 | 2,85,31,523 |
| | | d) Cash and Cash Equivalents | | 13,37,661 | 12,33,394 |
| | | e) Short-Term Loans & Advances | | 58,00,587 | 58,00,587 |
| | | f) Other Current Assets | | - | - |
| Total | | | | 13,39,51,953 | 13,45,21,216 |

1 (0)

For **C B MEHTA & CO**
Chartered Accountants

For, INSTA Finance Limited

Sd/-
(Chinmay Mehta)
(Proprietor)

Sd/-
Satish Raval
Director

Sd/-
Deepa Dalwadi
Director

M.NO. :517103
Place : Vadodara
Date : 01/09/2014

INSTA FINANCE LIMITED

Statement of Profit and Loss for the year ended 31 March, 2014

| Particulars | | Note No | Figures as at the end of current reporting period | Figures as at the end of previous reporting period |
|-------------|--|----------|---|--|
| A. | | 8 | | |
| | CONTINUING OPERATIONS | | | |
| 1 | Revenue from operations (Gross) | | - | - |
| | Less : Excise Duty | | - | - |
| | Revenue from operations (Net) | | - | - |
| 2 | Other Income | | 25,82,114 | 4,32,555 |
| 3 | Total Revenue (1+2) | | 25,82,114 | 4,32,555 |
| 4 | Expenses: | 8 | | |
| | a) Cost of material consumed | | - | - |
| | b) Purchase of Shares | | 20,98,664 | - |
| | c) Changes in Inventories of Finished Goods, Work-in-Progress and Stock-in-Trade | | - | - |
| | d) Employee Benefits Expenses | | 2,20,000 | 2,30,000 |
| | e) Finance Cost | | 24,558 | 16,264 |
| | f) Depreciation and amortisation Expenses | | 16,416 | 45,563 |
| | g) Other Expenses | | 1,79,182 | 1,96,180 |
| | Total Expenses | | 25,38,820 | 4,88,007 |
| 5 | Profit / (Loss) before exceptional and extraordinary items and tax (3-4) | | 43,294 | (55,452) |
| 6 | Exceptional Items | | - | - |
| 7 | Profit/Loss before extraordinary items and tax (5+6) | | 43,294 | (55,452) |
| 8 | Extraordinary Items | | - | - |
| 9 | Profit / (Loss) before tax (7+8) | | 43,294 | (55,452) |
| 10 | Tax expense: | | | |
| | a) Current Tax Expenses for Current Year | | - | - |
| | b) (Less) : MAT Credit (where applicable) | | - | - |
| | c) Current tax expenses relating to prior year | | - | - |
| | d) Net Current Tax Expenses | | - | - |
| | e) Deffered Tax | | - | - |
| 11 | Profit / (Loss) from continuing operations (9+10) | | 43,294 | (55,452) |
| B | DISCONTINUING OPERATIONS | | | |
| 12 | Profit / (Loss) from discontinuing operations (before tax) | | | |
| | ii) Gain / (Loss) on disposal of Assets / settlement of liabilities attributable to the discontinuing operations | | | |
| | iii) Add / (Less) : Tax expenses of discontinuing operations | | | |
| | a) On ordinary activities attributable to the discontinuing operations | | | |
| | b) On gain / (loss) on disposal assets / settlement of liabilities | | | |
| 13 | Profit / (Loss) from discontinuing operations (12.i + 12.ii + 12.iii) | | - | - |
| C | TOTAL OPERATIONS | | | |
| 14 | Profit / (Loss) for the year (11+13) | | 43,294 | (55,452) |
| 15 | Earning per equity share | | | |
| | 1) Basic | | 0 | (0) |
| | 2) Diluted | | 0 | (0) |

For **C B MEHTA & CO**
Chartered Accountants

For, INSTA Finance Limited

Sd/-
(Chinmay Mehta)
(Proprietor)
M.NO. :51710:
Place : Vadodara
Date : 01/09/2014

Sd/-
Satish Raval
Director

Sd/-
Deepa Dalwadi
Director

INSTA FINANCE LIMITED

Notes to Accounts

| | Amount of Current Period | Amount of Previous Period |
|---|-------------------------------------|--------------------------------------|
| 1 | | |
| <u>Shareholder's Funds</u> | | |
| A) <u>Share Capital</u> | | |
| i) <u>Authorized Capital</u> | | |
| Equity shares 40000000 Equity Share of Rs.5/- each | 20,00,00,000 | 20,00,00,000 |
| | 20,00,00,000 | 20,00,00,000 |
| ii) Issued, Subscribed and fully paid, or Subscribed but not fully paid shares | | |
| Equity shares 20000000 Equity Shares of Rs.5/- each fully paid up (Previous period 10000000 Equity Shares of Rs. 10/- Each fully paid up) | 10,00,00,000 | 10,00,00,000 |
| | 10,00,00,000 | 10,00,00,000 |
| a) Reconciliation of the Shares outstanding at the beginning and at the end of the year: Equity Shares | | |
| At the beginning of the period | | |
| Issued during the period | | |
| Outstanding at the end of the period | | |
| | - | - |
| b) Rights, preferences and restrictions attached to the shares | | |
| - Equity shares have at par value of Rs. 10/- per share. Each Holder of equity shares is entitled to one vote per share | | |
| c) Details of shareholders more than 5% shares in the Company | | |
| | As at 31.03.2013 | 4,32,555 |
| | | As at 31.03.2014 |
| | | |
| | | |
| B) <u>Reserves & Surplus</u> | | |
| a) Revaluation Reserve | | |
| b) Capital Reserve | | |
| c) Capital Redemption Reserve | | |
| d) Securities Premium Reserve | | |
| e) Debentures Redemption Reserve | | |
| f) Share Options Outstanding Account | | |
| g) Other Reserves | | |
| h) Surplus / (Deficit) in the Statement of Profit & Loss as per Last Balance Sheet | (1,06,28,951) | (1,05,73,499) |
| Add: Profit / Loss during the year | 43,294 | (55,452) |
| | (1,05,85,657) | (1,06,28,951) |
| C) <u>Money received against share warrants</u> | | |
| a) | - | - |
| 2 | | |
| <u>Share application money pending allotment</u> | | |
| a) | - | - |
| 3 | | |
| <u>Non-Current Liabilities</u> | | |

| | | | |
|----|---|--------------------|--------------------|
| A) | <u>Long-Term Borrowings</u> | | |
| | <u>I) Secured</u> | | |
| | a) Bonds / Debentures | | |
| | b) Term Loans :- | | |
| | From Bank | | |
| | From Other Parties | | |
| | | - | - |
| | <u>II) Unsecured</u> | | |
| | a) Bonds / Debentures | | |
| | b) Term Loans :- | | |
| | From Bank | | |
| | From Other Parties | 2,54,176 | 2,54,176 |
| | | 2,54,176 | 2,54,176 |
| | | 2,54,176 | 2,54,176 |
| B) | <u>Other Long-Term Liabilities</u> | | |
| | Trade Payable | | |
| | Others | | |
| | | - | - |
| C) | <u>Long-Term Provisions</u> | | |
| | a) Provision for employee benefits | | |
| | b) Others (Specifying the nature) | | |
| | | - | - |
| 4 | <u>Current Liabilities</u> | | |
| A) | <u>Short-Term Borrowing</u> | | |
| | <u>I) Secured</u> | | |
| | a) Bonds / Debentures | | |
| | b) Term Loans :- | | |
| | From Bank | | |
| | From Other Parties | | |
| | | - | - |
| | <u>II) Unsecured</u> | | |
| | a) Bonds / Debentures | | |
| | b) Term Loans :- | | |
| | From Bank | | |
| | From Other Parties | | |
| | | - | - |
| B) | <u>Trade Payable</u> | | |
| | a) Sundry Creditors for Goods | | |
| | | - | - |
| C) | <u>Other Current Liabilities</u> | | |
| | a) Current Maturities of Long-Term Debt | | |
| | b) Current Maturities of Finance Lease Obligations | | |
| | c) Interest accrued but not due on borrowings | | |
| | d) Interest accrued and due on borrowings | | |
| | e) Income received in advance | | |
| | f) Unpaid Dividend | | |
| | g) Application money received for allotment of securities and due for refund and interest accrued thereon | | |
| | h) Unpaid Matured Deposits & Interest accrued on Loans | | |
| | i) Unpaid Matured Debentures & Interest accrued on Loans | | |
| | j) Other Payable (Specify nature) | | |
| | k) Sundry Creditors for Goods | | |
| | l) Sundry Creditors | 4,42,75,988 | 4,48,88,546 |
| | m) Audit Fees Payable | 5,000 | 5,000 |
| | n) Statutory Liabilities | | |
| | | 4,42,80,988 | 4,48,93,546 |
| D) | <u>Short-Term Provisions</u> | | |
| | a) Provision for employee benefits | | |
| | b) Others (Specifying the nature) | 2,445 | 2,445 |
| | | 2,445 | 2,445 |

| | | | |
|----------|---|--------------------|--------------------|
| 6 | <u>Current Assets</u> | | |
| | A) <u>Current Investment</u> | | |
| | a) Equity Instruments | | |
| | b) Preference Shares | | |
| | c) Government & Trust Securities | | |
| | | - | - |
| | B) <u>Inventories</u> | | |
| | a) Raw Materials | | |
| | b) Work-in-Progress | | |
| | c) Stock-in-Trade (Goods acquired for tradings) | | |
| | | - | - |
| | C) <u>Trade Receivables</u> | | |
| | I) Outstanding for a period exceeding six months | 1,88,72,444 | 1,95,13,672 |
| | a) Secured considered goods | | |
| | b) Unsecured considered goods | | |
| | c) Doubtful | | |
| | d) Others | 88,01,964 | 90,17,851 |
| | II) Allowable for Bad & doubtful debts | | |
| | III) Debts due by Director / Other Officers | | |
| | | 2,76,74,408 | 2,85,31,523 |
| | D) <u>Cash & Cash Equivalent</u> | | |
| | I) Cash and Cash Equivalents | | |
| | a) Balances with Banks | 50,741 | 75,765 |
| | b) Cash on Hand | 12,86,919 | 11,57,628 |
| | c) Others | | |
| | II) Earmarked balances with bank (Unpaid Dividend) | | |
| | III) Balances with Banks to the extent held as margin money / securities against borrowings guarantees, other commitments | | |
| | IV) Repatriation restrictions, if any, in respect of cash & bank balance | | |
| | V) Bank deposits with more than 12 months maturity | | |
| | | 13,37,660 | 12,33,393 |
| | E) <u>Short-Term Loans & Advances</u> | | |
| | I) Short-Term Loans & Advances | | |
| | a) Loans & Advances to related parties | | |
| | b) Others | | |
| | c) Secured considered goods | | |
| | d) Unsecured considered goods | | |
| | e) Doubtful | | |
| | f) Prepaid Expenses | | |
| | g) Advances for Supplier | | |
| | II) Allowable for Bad & doubtful debts | | |
| | III) Loans & Advances due by Directors / Other Officers | | |
| | | 58,00,587 | 58,00,587 |
| | F) <u>Other Current Assets</u> | | |
| | a) Incorporate Current assets | | |
| | | - | - |
| | G) <u>Miscellaneous Expenditure</u> (To the extent w/off or adjusted) Profit & Loss Account | | |
| | | - | - |
| 7 | <u>Contingent Liabilities & Commitment</u> | | |
| | A) <u>Contingent Liabilities</u> | | |
| | i) Claim against the company not acknowledged | | |
| | ii) Guarantees | | |
| | iii) Other Money for which the company is contingent liable | | |
| | | - | - |
| | B) <u>Commitments</u> | | |

| | | | |
|----------|---|------------------|-----------------|
| | i) Estimated amt. of contracts remaining to be executed on capital account and not provided for | | |
| | ii) Uncalled liability on share and other investments parties | | |
| | iii) Other Commitments | | |
| | | - | - |
| 8 | <u>Continuing Operations</u> | | |
| A | <u>I Revenue from Operations</u> | | |
| | a) Sales of Products | | |
| | b) Sales of Services | | |
| | c) Other Operating Revenues | | |
| | Less : Excise Duty | | |
| | | - | - |
| | II Interest | | |
| | III Other Financial Services | | |
| | | - | - |
| B | <u>Other Income</u> | | |
| | a) Interest | | |
| | b) Dividend | | |
| | c) Sales of Shares | 25,82,114 | 4,32,555 |
| | d) Other Non-Operating Income | | |
| | | 25,82,114 | 4,32,555 |
| C | <u>Cost of Material Consumed</u> | | |
| | Inventory at the beginning of period | | |
| | Add: Purchases | | |
| | Less: Inventory at the end of the period | | |
| | | - | - |
| D | <u>Purchase of Stock-in-Trade</u> | | |
| | Purchases of shares | 20,98,664 | - |
| | | 20,98,664 | - |
| E | <u>Changes in Inventories of Finished Goods, Work-in-Progress & Stock-in-Trade</u> | | |
| | <u>Inventory at the end of the period</u> | | |
| | Finished Goods | | |
| | Work-in-Progress | | |
| | Stock-in-Trade | | |
| | | - | - |
| | <u>Inventory at the beginning of period</u> | | |
| | Finished Goods | | |
| | Work-in-Progress | | |
| | Stock-in-Trade | | |
| | | - | - |
| | (Increase)/Decrease in Stock | - | - |
| F | <u>Finance Costs</u> | | |
| | a) Bank charges | 24,558 | 16,264 |
| | b) Other Borrowing Costs | | |
| | c) Applicable Net Gain / Loss on Foreign Currency Transactions and Translation | | |
| | | 24,558 | 16,264 |
| G | <u>Depreciation and amortisation expenses</u> | | |
| | Depreciation | 16,416 | 45,563 |
| | | 16,416 | 45,563 |
| H | <u>Employee Benefits Expenses</u> | | |
| | a) Salaries & Wages | 2,20,000 | 2,30,000 |
| | b) Contribution to Provident & Other Funds | - | - |
| | c) Expense on Employee Stock Option Scheme (ESOP) and Employee Stock Purchase Plan (ESPP) | - | - |

FIXED ASSETS

| Particulars | Gross Block | | | Depreciation | | | Net Block | |
|-------------------------------|---------------------|----------------------------|---------------------|--------------------|------------------|---------------------|---------------------|---------------------|
| | As at 31.03.2013 | Additions / Adjustments | As at 31.03.2014 | Upto 31.03.2013 | For the year | As at 31.03.2014 | As at 31.03.2014 | As at 31.03.2013 |
| <u>Tangible Assets</u> | | | | | | | | |
| Fax Machine | 1,26,612.00 | - | 1,26,612.00 | 1,26,612.00 | | 1,26,612.00 | - | - |
| Office Equipments | 4,96,285.00 | - | 4,96,285.00 | 4,27,834.25 | 13,690.15 | 4,41,524.40 | 54,760.60 | 68,450.75 |
| Two Wheelers | 1,48,687.00 | - | 1,48,687.00 | 1,40,923.00 | 1,941.00 | 1,42,864.00 | 5,823.00 | 7,764.00 |
| Generator | 31,100.00 | - | 31,100.00 | 25,457.71 | 784.84 | 26,242.55 | 4,857.45 | 5,642.29 |
| Total | 8,02,684.00 | - | 8,02,684.00 | 7,20,826.96 | 16,415.99 | 7,37,242.95 | 65,441.05 | 81,857.04 |
| Previous Year Total | 8,02,684.00 | - | 8,02,684.00 | 6,75,264.46 | 45,562.50 | 7,20,826.96 | 81,857.04 | 1,27,419.54 |

| Cash Flow Statement for the Year ended on 31st March 2014 | | | |
|--|------------|----------------------------------|---------------------------------|
| PARTICULARS | | 2013-14 Amount | 2012-13 Amount (Rs.) |
| CASH FLOW FROM OPERATING ACTIVITIES : | | | |
| Net Profit / (loss) before tax and extraordinary items | | 43294 | -55451.61 |
| Adjustment for : | | | |
| Depreciation | | 16416 | 45562.5 |
| Sub-Total | | 16416 | 45562.5 |
| Total Inflow from Operation | | 59710 | -9889.11 |
| Non Operating Income | | 0 | 0 |
| Operating Profit / Loss before Working Capital Changes | | 59710 | -9889.11 |
| Adjustment For: | | | |
| Trade and other receivables/debtors | | 857115 | -401000 |
| Deposits | | 0 | 0 |
| Loans & Advances | | 0 | 550000 |
| Current Liabilities | | -612558 | 1375000 |
| Sub -Total | | 244557 | 1524000 |
| CASH GENERATION FROM OPERATION | | 304267 | 1514110.89 |
| Direct Taxes Paid or Tax Provision | | 0 | 0 |
| Sub - Total | | 0 | 0 |
| CASH FLOW BEFORE EXTRAORDINARY ITEMS | | 304267 | 1514110.89 |
| Dividend & Dividend Tax Payable | | 0 | 0 |
| BALANCE CARRIED FORWARD | (A) | 304267 | 1514110.89 |
| CASH FLOW FROM INVESTING ACTIVITIES | | | |
| Purchase of Investment | | -200000 | -1324999.52 |
| Sale of Investment | | 0 | 0 |
| Int. Recd. + Brokerage Income | | 0 | 0 |
| Sub - Total | | -200000 | -1324999.52 |
| BALANCE CARRIED FORWARD | (B) | 104267 | 189111.37 |
| CASH FLOW FROM FINANCIAL ACTIVITIES | | | |
| Proceeds from unsecured Loans | | 0 | 0 |
| Proceeds from extra ordinary items | | 0 | 0 |
| Proceeds from Unsecured Loans | | 0 | 0 |
| Sub - Total | | 0 | 0 |
| Net Increase (Decrease) in cash & cash equivalent | (C) | 104267 | 189111.37 |
| Opening Cash & Cash equivalents | | 1233393.87 | 1044282.58 |
| Closing Cash & Cash equivalents | | 1337661.19 | 1233393.87 |
| For C B Mehta & Co | | On or behalf of Board | |
| CHARTERED ACCOUNTANTS | | For INSTA FINANCE LIMITED | |
| Sd/- | | Sd/- | Sd/- |
| (Chinmay Mehta) | | Satish Raval | DEEPA DALWADI |
| Proprietor | | (M.D.) | (DIRECTOR) |
| M.ship No. 517103 | | | |
| PLACE : Vadodara | | | |
| DATE : 1/09/2014 | | | |

Accounting Policies

(i) Revenue Recognition

- (a) Revenue from issue management services, loan syndication, financial advisory services etc., is recognized based on the stage of completion of assignments and terms of agreement with the client.
- (b) Gains and losses on dealing with securities & derivatives are recognized on trade date.

(ii) Stock-in-trade (i.e. Inventories)

- (a) The securities acquired with the intention of holding for short-term are classified as investment and securities acquired for trading are classified as stock-in-trade.
- (b) The securities held as stock-in-trade are valued at lower of cost arrived at on weighted average basis or market/ fair value, computed category-wise. In case of investments transferred to stock-in-trade, carrying amount on the date of transfer is considered as cost. Commission earned in respect of securities acquired upon devolvement is reduced from the cost of acquisition. Fair value of unquoted shares is taken at break-up value of shares as per the latest audited Balance Sheet of the concerned company. In case of debt instruments, fair value is worked out on the basis of yield to maturity rate selected considering quotes where available and credit profile of the issuer and market related spreads over the government securities
- (c) Discounted instruments like Commercial paper/treasury bills/zero coupon instruments are valued at carrying cost. The difference between the acquisition cost and the redemption value of discounted instruments is apportioned on a straight line basis for the period of holding and recognized as Interest income.
- (d) Units of mutual fund are valued at lower of cost and net asset value.

(iii) Investments

The securities acquired with the intention of holding till maturity or for a longer period are classified as investments. (b) Investments are carried at cost arrived at on weighted average basis. Commissions earned in respect of securities acquired upon devolvement are reduced from the cost of acquisition. Appropriate provision is made for other than temporary diminution in the value of investments.

(iv) Fixed Assets and Depreciation

- (a) Fixed assets are stated at historical cost less accumulated depreciation and impairment loss, if any. Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for intended use.
- (b) Depreciation on fixed assets is provided on WDV Method at the rate and in the manner prescribed in Schedule XIV of the Companies Act, 1956.

(v) Deferred Tax

No provisions made as Depreciation has not been charged by the company during the year.

(vi) Derivatives Transactions

- (a) All open positions are marked to market.
- (b) Gains are recognized only on settlement/expiry of the derivative

instruments except for Interest Rate derivatives where even mark-to-market gains are recognized.

- (c) Receivables/payables on open position are disclosed as current assets/current liabilities, as the case may be.

(vii) Earning Per Share

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting attributable taxes) by the weighted average number of equity shares outstanding during the period.

Notes on Accounts

NOTES FORMING PART OF ACCOUNTS.

- 1) There are no contingent liabilities nor provided for.
- 2) Depreciation has not been provided on assets by the company.
- 3) The value of realization of Current Assets, Loans and Advances in the ordinary course of business will not be less than the value at which they are started in the balance sheet.
- 4) Auditors remuneration is as under :
 - a) Audit fees Rs. 5000/- (Prv. Yr. 5000/-)
 - b) Tax audit fees Rs. NIL/-
 - c) Other matter Rs. NIL
- 5) The additional Information pursuant to the provision of the paragraph 3, 4C, and 4D of Part-II of schedule Vi to the companies Act, 1956 has been furnished to the extent possible and applicable because of the nature of the business of the company.
- 6) The previous year figure has been regrouped and/or rearranged wherever necessary.

C B Mehta & Co ,
Chartered Accountants

For & on Behalf of Board
INSTA FINANCE LIMIED

Sd/-
(Chinmay Mehta)
Proprietor
M.No.517103

Sd/-
SATISH RAVAL
(M.D)

Sd/-
K.SANGHAVI
Director

Date : 01/09/2014
Place :Vadodara

INSTA FINANCE LIMITED
205, Unique Centre, Sayajiganj, Above Kansar Hotel, Vadodara(Guj.)-390005
PROXY FORM

I/We _____ Of _____
Being a member/members of above named Company hereby appoint of _____ or failing him / her _____ of _____
as may / our proxy to attend and vote on my / our behalf at the Annual General Meeting of the Company to be held on 29-09-2014 or at any adjournment thereof.

Signed this _____ day of _____ 2014

| |
|--|
| Affix Rupee One Revenue Stamp Here |
|--|

Note : This instrument of proxy shall be deposited at the Registered Office of the Company not less than 48 hours before the time of holding the meeting

INSTA FINANCE LIMITED
205, Unique Centre, Sayajiganj, Above Kansar Hotel, Vadodara(Guj.)-390005
ATTENDANCE SLIP

PLEASE COMPLETE THIS ATTENDANCE SLIP AND HAND IT OVER AT THE ENTRANCE OF THE MEETING HALL.

1. Name of the attending Member _____
 2. Member's Folio Number _____
 3. Name of the Proxy (In Block Letters) _____
(To be filled in if the Proxy attends instead of the Member)
- (No. of Shares held: -----)

I hereby record my presence at the Annual General Meeting at the registered Office of the company on 29-09-2014 or at any adjournment thereof.

Member's / Proxy Signature