

ANNUAL REPORT

OF

**SUBWAY FINANCE & INVESTMENT
CO. LTD**

FOR THE YEAR

2013-14

ANNUAL GENERAL MEETING

NOTICE is hereby given that the Annual General Meeting of the Company will be held on 30th September, 2014 at 11.00 a.m. at the registered office of the Company at B-101, 1st Floor, Junction Of Tejpal And Parleshwar Road, Vile Parle (East), Mumbai - 400057 to transact the following business:

Ordinary Business:

1. To receive, consider and adopt the audited financial statements for the year ended 31st March 2014 including schedules & notes to financial statements together with the Reports of the Board of Directors and the Auditors thereon
2. To appoint a Director in place of Mr. Suketu Shah (holding DIN 01227301), who retires by rotation and, being eligible offers himself for re-appointment.
3. To appoint Auditors and fix their remuneration and for that purpose to pass with or without modification(s) the following resolution, as an Ordinary Resolution:

“**RESOLVED THAT** M/S V.C. Vyas & Associates, Chartered Accountants (Registration No.AAB-4295), be and are hereby appointed as the Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting till the conclusion of the next Annual General Meeting on such remuneration as may be determined by the Board of Directors in consultation with the Statutory Auditors of the Company.”

Special Business:

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

“**RESOLVED THAT** Mr. Sandep Parikh (holding DIN 00022365), who was appointed as an Additional Director of the Company with effect from 22nd July, 2014 and who in terms of Section 161(1) of the Companies Act, 2013 (including and statutory modification(s) or re- enactment thereof for the time being in force) holds office upto the date of this Annual General Meeting and in respect of whom the Company has received notice in writing from a member under section 160 of the Companies Act, 2013 proposing his candidature for the office of Director, be and is hereby appointed as a Director of the Company.

RESOLVED FURTHER THAT the Board of Directors, be and are hereby authorised to settle any question, difficulty or doubt, that may arise in giving effect to this resolution and to do all such acts, deeds and things as may be necessary, expedient and desirable for the purpose of giving effect to this resolution.”

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

“**RESOLVED THAT** Ms. Janki Shah (holding DIN 06906873), who was appointed as an Additional Director of the Company with effect from 22nd July, 2014 and who in terms of Section 161(1) of the Companies Act, 2013 (including and statutory modification(s) or re- enactment thereof for the time being in force) holds office upto the date of this Annual General Meeting and in respect of whom the Company has received notice in writing from a

member under section 160 of the Companies Act, 2013 proposing her candidature for the office of Director, be and is hereby appointed as a Director of the Company, liable to retire by rotation.

RESOLVED FURTHER THAT the Board of Directors, be and are hereby authorised to settle any question, difficulty or doubt, that may arise in giving effect to this resolution and to do all such acts, deeds and things as may be necessary, expedient and desirable for the purpose of giving effect to this resolution.”

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 the provisions of Sections 149, 152 and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013, Mr. Sandeep Parikh (holding DIN 00022365), Independent Director of the Company, in respect of whom the Company has received notice in writing from a member under section 160 of the Companies Act, 2013 proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company to hold office up to March 31, 2019.

RESOLVED FURTHER THAT the Board of Directors, be and are hereby authorised to settle any question, difficulty or doubt, that may arise in giving effect to this resolution and to do all such acts, deeds and things as may be necessary, expedient and desirable for the purpose of giving effect to this resolution.”

7. 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 and any other applicable provisions of the Companies Act, 2013 and the rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013, Mr. Ashok Tanna (holding DIN 01584634), Independent Director of the Company, in respect of whom the Company has received notice in writing from a member under section 160 of the Companies Act, 2013 proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company to hold office up to March 31, 2019.

RESOLVED FURTHER THAT the Board of Directors be and are hereby authorised to settle any question, difficulty or doubt, that may arise in giving effect to this resolution and to do all such acts, deeds and things as may be necessary, expedient and desirable for the purpose of giving effect to this resolution.”

8. 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 and any other applicable provisions of the Companies Act, 2013 and the rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013, Mr. Dilip Karelia (holding DIN 03411839), Independent Director of the Company, in respect of whom the Company has received notice in writing from a member under section 160 of the Companies Act, 2013 proposing his

candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company to hold office up to March 31, 2019.

RESOLVED FURTHER THAT the Board of Directors be and are hereby authorised to settle any question, difficulty or doubt, that may arise in giving effect to this resolution and to do all such acts, deeds and things as may be necessary, expedient and desirable for the purpose of giving effect to this resolution.”

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

“RESOLVED THAT pursuant to Section 180(1)(c) and all other enabling provisions of the Companies Act, 2013, or any other law for the time being in force (including any statutory modification or amendment thereto or re-enactment thereof for the time being in force) and in terms of Articles of Association of the Company, the consent of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as “the Board”) for borrowing from time to time any sum or sums of moneys on such terms and conditions and with or without security as the Board of Directors may deem fit which, together with the moneys already borrowed by the Company (apart from temporary loans obtained from the Company’s bankers in the ordinary course of business) may exceed the aggregate for the time being of the paid up capital of the company and its free reserves, that is to say reserves not set apart for any specific purpose, provided that the total amount of money/ moneys so borrowed shall not exceed Rs. 25 Cr (Rupees Twenty Five Crore Only).

RESOLVED FURTHER THAT the Board or any of its duly constituted committee be and is hereby authorised to do and perform all such acts, deeds and things and to take all steps as may be considered necessary, proper and expedient to carry on the purpose of this resolution.”

10. To consider and, if thought fit, to pass with or without modification, the following Resolution as a Special Resolution:

“RESOLVED THAT pursuant to the provisions of section 180(1)(a) and all other applicable provisions if any of the Companies Act, 2013 or any other law for the time being in force (including any statutory modification or amendment thereto or re-enactment thereof) and in terms of Articles of Association of the Company, the consent of the members be and is hereby accorded to the Board of Directors of the Company (hereinafter “the Board”) for mortgaging / charging all or any of the immovable and movable properties of the Company both present and future and the whole or substantially the whole of the undertaking or the undertakings of the Company on such terms and conditions, as may be agreed to between the Board and Lender(s) to secure the loans / borrowings obtained or as may be obtained, which may exceed the paid-up capital and free reserves in the ordinary course of business but not exceeding Rs. 25 Cr (Rupees Twenty Five Crore Only) at any point of time.

RESOLVED FURTHER THAT for the purpose of giving effect to the above resolution, the Board or any of its duly constituted committee be and is hereby authorized to do all such acts, deeds and things as it may in its absolute discretion may deem fit, necessary, proper or desirable and to settle any question, difficulty, doubt that may arise in respect of the charge/mortgage aforesaid and further to do all such acts, deeds and things and to execute all documents and writings as may be necessary, proper, desirable or expedient to give effect to this resolution.”

11. To consider and, if thought fit, to pass with or without modification, the following Resolution as a Special Resolution:

“RESOLVED THAT pursuant to the provisions of Section 14 of the Companies Act, 2013 and the rules made thereunder, the existing Articles of Association of the Company be and is hereby replaced by new set of Articles of Association of the Company duly placed before the members initialed by the Chairman for the purpose of identification.

RESOLVED FURTHER THAT the Board or any of its duly constituted committee be and is hereby authorised to do all the act, deeds and things which are necessary for the aforesaid amendment in Articles of Association.”

Place : Mumbai
Date : 14th August,2014

**For Subway Finance & Investment
Company Limited**

Kalpesh Shah
Managing Director
DIN: 01227205

NOTES:

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE THE MEMBER OF THE COMPANY. THE PROXIES IN ORDER TO BE EFFECTIVE MUST BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.**
2. **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 RIGHTS, THEN SUCH PROXY SHALL NOT ACT AS A PROXY FOR ANY OTHER PERSON OR SHAREHOLDER**
3. Corporate members intending to send their Authorised Representatives to attend the Meeting are requested to send to the Company a certified copy of the Board Resolution authorising their representative to attend and vote on their behalf.
4. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote at the meeting.
5. Members/proxies should bring duly attendance slip sent herewith to attend the meeting.
6. The relative Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 (“the Act”), in respect of the business under Item Nos. 4 to 11 of the Notice is annexed hereto. The

relevant details as required for persons seeking Appointment/Re-appointment as Directors under Item no. 4 to 8 of the Notice are also annexed

7. The Register of Members and Share Transfer Books of the Company will remain closed from 25th September, 2014 to 29th September, 2014, both days inclusive.
8. Members are requested to immediately intimate changes, if any, in their registered addresses along with pincode number to the Company. Members holding shares in dematerialised mode are requested to intimate the same to their respective Depository Participants.
9. Members holding shares in physical form are requested to consider converting their holding to dematerialised form to eliminate risks associated with physical shares.
10. Members are requested to bring their copy of the Annual Report to the Annual General Meeting.
11. Members seeking any information on the Accounts are requested to write to the Company, which should reach the Company at least one week before the date of the Annual General Meeting so as to enable the Management to keep the information ready. Replies will be provided only at the Annual General Meeting.
12. The Notice of the AGM along with the Annual Report 2013-14 is being sent by electronic mode to those Members whose e-mail addresses are registered with the Company / Depositories, unless any Member has requested for a physical copy of the same. For Members who have not registered their e-mail addresses, physical copies are being sent by the permitted mode.
13. All documents referred to in the accompanying Notice and the Explanatory Statement shall be open for inspection at the Registered Office of the Company during (3.00 pm to 5.00 pm) on all working days, upto and including the date of the Annual General Meeting of the Company.
14. The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Companies Act, 2013 will be available for inspection by the members at the Annual General Meeting.
15. The Register of Contracts or Arrangements in which Directors are interested, maintained under Section 189 of the Companies Act, 2013 will be available for inspection by the members at the Annual General Meeting.
16. **Voting through electronic means**

In compliance with the provisions of Section 108 of the Act and the Rules made thereunder, the Members are provided with the facility to cast their vote electronically, through the e-Voting Services provided by Central Depository Services (India) Limited (CDSL) on all resolutions set forth in this Notice.

The instructions for e-voting are as under:

- a) The voting period begins on 22nd September, 2014, 10.00 A.M. and ends on 24th September, 2014, 5.00 P.M. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 29th August,

2014, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

- b) The shareholders should log on to the e-voting website www.evotingindia.com.
- c) Click on Shareholders.
- d) 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.
- e) Next enter the Image Verification as displayed and Click on Login.
- f) 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.
- g) 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 first two letters of their name and the 8 digits of the sequence number in the PAN field.• In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.
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.

- h) After entering these details appropriately, click on "SUBMIT" tab.
- i) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- j) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.

- k) Click on the EVSN for the relevant <Company Name> on which you choose to vote.
- l) 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.
- m) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- n) 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.
- o) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- p) You can also take out print of the voting done by you by clicking on “Click here to print” option on the Voting page.
- q) If Demat account holder has forgotten the same password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- r) 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 have to create compliance user should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.
 - 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.
- In terms of Clause 35B of the Listing Agreement, in order to enable its members, who do not have access to e-voting facility, to send their assent or dissent in writing in respect of the resolutions as set out in this Notice, a Ballot Form is annexed. A member desiring to exercise vote by Ballot shall complete the enclosed Ballot Form with assent (for) or dissent (against) and send it to Ms. Kumudini Paranjape, Partner M/s. Makarand Joshi & Co., Scrutinizer, Address: Ecstasy, 803/804, 9th Floor, City of Joy, J.S.D Road, Mulund (West), Mumbai – 400080, so as to reach her on or before 24th September, 2014 by 5.30 p.m. Any Ballot Form

received after the said date shall be treated as if the reply from the Members has not been received.

Other Instructions

- A) The voting rights of Members shall be in proportion to their share of the paid up share capital of the Company as on 29th August, 2014.
- B) Ms. Kumudini Paranjape, Practising Company Secretary, has been appointed as the Scrutinizer to scrutinize the e-voting process (including the Ballot Form received from the Members who do not have access to the e-voting process) in a fair and transparent manner.
- C) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at www.evotingindia.com under help section or write an email to helpdesk.evoting@cdslindia.com
- D) The Scrutinizer shall, within a period not exceeding three working days from the conclusion of the e-voting period shall make a report of the votes cast in favour or against, if any, forthwith to the Chairman of the Company.

Members can also download the Ballot Form from the link <https://www.evoting.cdsl.com> or seek duplicate Ballot Form from M/s. Sharex Dynamic (India) Pvt Ltd., Registrar & Transfer Agents, Unit 1, Luthra Industrial Premises, 1st Floor, 44-E, M Vasanti Marg, Andheri- Kurla Road, Safed Pool, Andheri (E), Mumbai 400072.

- E) The result will be posted on the website of the Company: <http://subwayfinance.in/> within two days of the passing of the resolutions at the AGM of the Company scheduled on 30, September, 2014 and communicated to the BSE Ltd, where the shares of the Company are listed.

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

Item No. 4:

Mr. Sandeep Parikh appointed as addition Director with effect from 22nd July, 2014 by the Board of Director at its meeting held on 22nd July, 2014. According to the provision of Section 161(1) of the Companies Act, 2013, he holds the office from the date of appointment till the date of Annual General Meeting. According to Section 152 of the Companies Act, 2013 a notice has received in writing for his appointment as a Director.

None of the Directors, Key Managerial Personnel and relatives is interested in passing of the aforesaid resolution except Mr. Sandeep Parikh.

The Board recommends the resolution set forth in Item No 4 for approval of members.

Item No. 5:

Ms. Janki Shah appointed as additional Director with effect from 22nd July 2014 by the Board of Director at its meeting held on 22nd July, 2014. According to the provision of Section 161 (1) of the Companies Act, 2013, she holds the office from the date of appointment till the date of the Annual General Meeting. According to Section 152 of the Companies Act, 2013 a notice has received in writing for his appointment as a Director liable to retire by rotation.

None of the Directors, Key Managerial Personnel and relatives is interested in passing of the aforesaid resolution except Ms. Janki Shah.

The Board recommends the resolution set forth in Item No 5 for approval of members.

Item No. 6, 7 and 8:

In terms of Section 149 and any other applicable provisions of the Companies Act, 2013, Mr. Sandeep Parikh (holding DIN 00022365), Mr. Ashok Tanna (holding DIN 01584634) and Mr. Dilip Karelia (holding DIN 03411839) is proposed to be appointed as an Independent Directors to hold office upto March 31, 2019. A notice has been received from a member proposing Mr. Sandeep Parikh, Mr. Ashok Tanna, and Mr. Dilip Karelia as a candidate for the office of Independent Directors of the Company.

In the opinion of the Board, the Independent Directors fulfils the conditions specified in the Section 149, 152 and Schedule IV of Companies Act, 2013 read with Companies (Appointment and Qualifications of Directors) Rules, 2013 (including any statutory modification(s) or re-enactment thereof for the time being in force) for their appointment as an Independent Directors of the Company. Further, all the aforesaid Independent Directors have given a declaration to the Board of Directors' to the effect that they meet the criteria of independence as provided in Section 149(6) of the Companies Act, 2013. Copy of the draft letter for appointment of Mr. Sandeep Parikh, Mr. Ashok Tanna, and Mr. Dilip Karelia 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, excluding Saturdays, between 11.00 a.m. and 1.00 p.m. up to the date of the Meeting.

The Board considers that continued association of these directors would be of immense benefit to the Company and it is desirable to continue to avail their services as an Independent Directors. Accordingly, the Board recommends the resolution in relation to appointment of Mr. Sandeep Parikh, Mr. Ashok Tanna, and Mr. Dilip Karelia as an Independent Directors, for the approval by the shareholders of the Company.

None of the Directors, Key Managerial Personnel or their relatives are interested in passing of the aforesaid resolution except Mr. Sandeep Parikh, Mr. Ashok Tanna, and Mr. Dilip Karelia.

The Board recommends the resolution set forth in Item No 6, 7 and 8 for approval of members.

Item No. 9 and 10:

In view of the proposing to increase scale of operations, the mobilization of the funds will be substantially increased. Therefore, it is considered desirable to increase the Board's borrowing powers to Rs. 25 Cr (Rupees Twenty Five Crore Only). Accordingly, the consent of the Shareholders at the General Meeting is sought by way of Special Resolution as required under Section 180 (1) (c) of the Companies Act, 2013. The Company would be borrowing monies by way of loans from Financial Institutions / Banks and other Corporate Bodies apart from working capital facilities from banks in ordinary course of business. This in turn would necessitate further creation of securities by suitable mortgages and / or charges on all or some of the immovable and movable properties of the Company, both present and future, in favour of the lenders / trustees upto an extent of Rs. 25 Cr (Rupees Twenty Five Crore Only). To create mortgage and / or charge upto the said limit, approval of the Members by way of Special Resolution is required to be obtained pursuant to Section 180 (1) (a) of the Companies Act, 2013 authorizing the Board of Directors of the Company in this regard. Hence the said resolutions are placed before the Members for their approval. The Directors recommend the Resolution in the best interest of the Company for your approval.

None of the Directors or Key Managerial Person of the Company or their relatives is deemed to be concerned or interested in the aforesaid Resolution.

The Board recommends the resolution set forth in Item No 9 and 10 for approval of members.

Item No. 11:

It is hereby informed that majority of the sections of the Companies Act, 2013 have been notified. Pursuant to the notified provisions, the Articles of Association is required to be amended to align it with new provisions. It is therefore proposed to adopt new set of the Articles of Association of the Company in place of existing Articles of Association of the Company.

As per section 14 of the Companies Act, 2013 approval of members of the Company by Special Resolution is required. Therefore members are requested to pass the necessary resolution as mentioned in the notice.

The copy of the Articles of Association of the Company is open for inspection of the shareholders at the registered office of the Company during working hours except on holidays

None of the Directors or Key Managerial Personnel, if any are interested or concerned in the resolution.

The Board recommends the resolution set forth in Item No 11 for approval of members.

For Subway Financial & Investment Co. Ltd.

**Kalpesh Shah
Managing Director
DIN: 01227205**

Details of Directors Seeking Appointment / Re-appointment at the Annual General Meeting

Name of the Director	Mr. Sandeep Parikh	Mr. Suketu Shah	Ms. Janki Shah	Mr. Ashok Tanna	Mr. Dilip Karelia
Date of Birth	04/01/1960	20/05/1960	10/03/1975	10/05/1964	29/02/1960
Date of Appointment	22/07/2014	08/02/2013	22/07/2014	31/12/2012	31/12/2012
Expertise in specific functional area	Chartered Accountant.	Civil Engg.	Bachelor in Science	BSC	B.COM
Other Directorships	14	5	0	5	1
Number of shares held in the Company	NIL	74420	8270	NIL	NIL

SUBWAY FINANCE & INVESTMENT CO. LTD
**B-101, Eastern Court, Junction of Tejpal & Parleshwar Road, Vile Parle (E),
Mumbai – 400057.**

PROXY FORM

Regd.Folio No. _____

No. of Shares held _____

I/We _____ of
_____ being member / members of SUBWAY
FINANCE & INVESTMENT CO. LTD hereby appoint
_____ of _____ or failing
him/her _____ of _____ as my/our
proxy to attend and vote for me/ us on my/our behalf at the Annual General
Meeting of the Company to be held on Tuesday, September 30, 2014 at 11.00 AM
at the Registered Office of the Company at B-101, First Floor, Junction of Tejpal
& Parleshwar Road, Vile Parle (E), Mumbai – 400057.

Signed this _____ day of _____ 14

Signature _____

Affix Re. 1/- Revenue Stamp
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Notes: The form duly completed and signed must be deposited at the registered
office of the Company not less than 48 hours before the time for holding the
aforesaid meeting.

SUBWAY FINANCE & INVESTMENT CO. LTD
**B-101, Eastern Court, Junction of Tejpal & Parleshwar Road, Vile Parle (E),
Mumbai – 400057.**

ATTENDANCE SLIP
(To be handed over at the entrance of the meeting hall)

Annual General Meeting on Tuesday, September 30, 2014 at 11.00 AM

I certify that I am a registered shareholder/proxy for the registered shareholder of the Company.

I hereby record my presence at the Annual General Meeting of the Company on Tuesday, September 30, 2014 at 11.00 AM at B-101, First Floor, Junction of Tejpal & Parleshwar Road, Vile Parle (E), Mumbai – 400057.

Full name of the Member :

(In BLOCK LETTERS)

Regd. Folio No. : _____

No. of shares held : _____

Full Name of the Proxy: _____

(In BLOCK LETTERS)

Signature of the
shareholder/Proxy: _____

Note: Members/Proxies are requested to bring the attendance slip with them.

SUBWAY FINANCE & INVESTMENT CO. LTD

Register Office: B-101, Eastern Court, Junction of Tejpal & Parleshwar Road, Vile Parle (E), Mumbai – 400057.
[CIN No. L65990MH1983PLC029350][E-mail Id : info@sadgurubuilders.com]

BALLOT FORM

(To be returned to scrutinizer appointed by Subway Finance & Investment Co. Ltd (“The Company”))

1. Name(s) of Member(s)
(including joint-holders, if any)
2. Registered Folio No. /
DPID No. / Client Id No.*
(*Applicable to Members holding shares
In dematerialized form)
3. Number of Shares Held:
4. I/We hereby exercise my/our vote in respect of the Ordinary Resolution(s) / Special Resolution(s) as specified in the Notice of Subway Finance & Investment Co. Ltd dated 14th August, 2014 to be passed through Ballot for the business stated in the said Notice by conveying my/our assent or dissent to the said resolution in the relevant box below:

Item No.	Description	Type of resolution (Ordinary / Special)	I/We assent to the resolution (For)	I/We dissent to the resolution (For)
1.	Adoption of the audited Balance Sheet, and Statement Profit & loss for the year ended March 31, 2014 and the reports of the Board of Directors and Auditors thereon.	Ordinary		
2.	Appointment of Director in place of Mr. Suketu Shah who retires by rotation and being eligible offers himself for re-appointment.	Ordinary		
3.	Appointment of Auditors and fixing of their remuneration.	Ordinary		
4.	Appointment of Mr. Sandeep Parikh as a Director for the Company.	Ordinary		
5.	Appointment of Ms. Janki Shah as a Director for the Company.	Ordinary		
6.	Appointment Mr. Sandeep Parikh as an Independent Director for the Company.			
7.	Appointment Mr. Ashok Tanna as a Director for the Company.	Ordinary		
8.	Appointment Mr. Dilip Karelia as an Independent Director for the Company.	Ordinary		
9.	Authorizing Borrowing Limit u/s. 180(1)(c)	Special		
10.	Authorizing Limit u/s. 180(1)(a)	Special		
11.	Adoption of New set of Article of Association	Special		

Place ;

Date ;

(Signature of Member / Beneficial Official Owner)

E mail; _____ Tel No. _____

DIRECTOR'S REPORT

**The Members,
SUBWAY FINANCE AND INVESTMENT COMPANY LIMITED,**

Dear Shareholders:

Your Directors have pleasure in presenting the **Annual Report** on the business and operations of the Company and Audited Statement of Accounts of the Company for the year ended **31st March, 2014**.

FINANCIAL RESULTS

Amount in `Rupees

Year ended 31 st March 2013	Particulars	Year ended 31 st March 2014
-	Sales and Other Income	1618554
(8,58,296)	Profit/(Loss) Before Tax	1172279
(12,84,619)	Profit/(Loss) After Tax	947337
33,28,533	Balance brought forward from previous years	67914
20,43,914	Surplus	1041098
19,76,000	Less: Transfer to Reserve	189468
67,914	Surplus Carried forward	851630

GENERAL REVIEW

The Company's performance was not satisfactory during the year. Your Directors are hopeful that the Company shall be able to achieve its target of Net Profit in the year to come. The future of the company seems to be bright.

DIVIDEND

Directors do not recommend any payment of dividend.

DIRECTORS IN THE COMPANY

The Company has following directors in the Company:

Kalpesh Kanubhai Shah
Suketu Bhogilal Shah
Mayur Kantilal Shah
Ashok Narottam Tanna
Sandeep Padmakant Parikh
Janaki Nehal Shah
Dilip Madhubhai Karelia

On 22nd July, 2014, Mr. Sandeep Parikh and Ms. Janki Shah were appointed as Additional Director. Appoint a Director in place of Mr. Suketu Shah (holding DIN

01227301), who retires by rotation and, being eligible offers himself for re-appointment

TRANSFER TO RESERVES IN TERMS OF SECTION 217 (1)(B) OF THE COMPANIES ACT, 1956:

For the financial year ended 31st March, 2014, the Company had transfer Rs. 189468/- to Reserves.

ACCEPTANCE OF DEPOSITS

The Company has not accepted any deposits from public during the year under review.

PARTICULARS OF EMPLOYEES

None of the employee of the company received remuneration in excess of the limit specified u/s 217 (2A) of the Companies Act, 1956.

DISCLOSURE OF PARTICULARS WITH RESPECT OF CONSERVATION OF ENERGY

The details as required by Companies (Disclosure of particulars in Report of Board of Directors) Rules, 1988 for conservation of Energy, Technology Absorption and Foreign Exchange earnings and outgo are not applicable to the Company having regard to the nature of business of the Company.

COMPLIANCE CERTIFICATE

The Compliance Certificate required under section 383A of Companies Act, 1956 received for the year ended 31st March, 2014 is attached herewith.

DIRECTOR RESPONSIBILITY STATEMENT

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

1. In presentation of the annual accounts, the applicable standards had been followed along with proper explanation relation to material departures;
2. 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 your Company at the end of the financial year and of the profit of your Company for that period;
3. 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 your Company and for preventing and detection fraud and other irregularities;
4. The Directors had prepared the annual accounts on a going concern basis.

AUDITORS

Your Company has appointed, M/S V.C. Vyas & Associates, Chartered Accountants, Udaipur to conduct the audit for the financial year 2013-2014 and hold office till the conclusion of the ensuing Annual General Meeting of the Company.

M/S V.C. Vyas & Associates, Chartered Accountants, Udaipur, are due for retirement in accordance with the provisions of the Companies Act, 2013 at the ensuing Annual General Meeting. M/S V.C. Vyas & Associates, Chartered Accountants, Udaipur are being appointed as the Statutory Auditors of your Company at the ensuing Annual General Meeting. Your Directors recommend their appointment for the ensuing year.

The Company has received letters from M/s. V.C. Vyas & Associates, Chartered Accountants, Udaipur, to effect that their appointment, if made, would be within the prescribed limits under section 141(3)(g) of the Companies Act, 2013 and that they are not disqualified from being appointed as the Statutory Auditors of the Company.

APPRECIATION

We wish to place on record our deep and sincere appreciation for the contribution made by the workers, staff and executives to the performance of the Company.

For Subway Finance & Investment Company Limited

Date: 30th May, 2014
Place: Mumbai

Kalpesh Shah
Managing Director
DIN: 01227205

Suketu Shah
Director
DIN: 01227301

COMPLIANCE CERTIFICATE

Regn No. L65990MH1983PLC029350

Nominal Capital: 11,500,000/-

Paid Up Capital: 11,025,000/-

**To,
The Members,
Subway Finance and Investment Co Ltd,
Eastern Court, B 101, 1st Floor,
Junction of Tejpal & Parleshwar Road,
Vile Parle, Mumbai – 400057.**

I have examined the registers, records, books and papers of Subway Finance And Investment Co Ltd as required to be maintained under the Companies Act, 1956 and notified sections of the Companies Act, 2013 (the Act) and the Rules made thereunder and also the provisions contained in the Memorandum and Articles of Association of the Company for the financial year ended on 31st March 2014. In my opinion and to the best of our information and according to the examinations carried out by me and explanations furnished to me by the Company, its officers and agents, I certify that in respect of the aforesaid financial year:

1. The Company has kept and maintained all Registers as stated in Annexure 'A' to this Certificate, as per the provisions of the Act and the rules made thereunder and all entries therein have been duly recorded.
2. The Company has duly filed the forms and returns as stated in Annexure 'B' to this Certificate, with the Registrar of Companies within the time prescribed under the Act and rules made thereunder.
3. The Company being a Public Limited Company, the provisions of Section 3(1)(iii) are not applicable.
4. The Board of Directors duly met 8 times on 20th April 2013, 30th May, 2013, 30th June 2013, 14th August, 2013, 31st August 2013, 14th November 2013, 14th February 2014 and 12th March, 2014 in respect of which meetings proper notices were given and the proceedings were properly recorded and signed including the circular resolutions passed in the Minutes Book maintained for the purpose.
5. The Company has closed its Register of Members during the year under consideration from Friday, 27th September, 2013 to Monday, 30th September, 2013 (both days inclusive) and has complied with the provisions of Section 154 of the Companies Act, 1956.
6. The Annual General Meeting for the financial year ended on 31st March 2013 was held on 30th September, 2013 after giving due notice to the members of the Company and the proceedings were properly recorded and signed in the Minutes Book maintained for the purpose.
7. No Extra Ordinary General Meeting was held during the financial year under consideration.
8. The Company has not advanced any loans to its directors and persons or firms or companies referred to under Section 185 of the Companies Act, 2013 during the year under consideration.

9. The Company has not entered into any transactions attracting the provisions of section 297 of the Companies Act, 1956 during the financial year under consideration.
10. The Company has made the necessary entries in the register maintained under section 301 of the Companies Act, 1956.
11. No approval was required from Board of Directors, members or previous approval of the Central Government, pursuant to section 314 of the Companies Act, 1956 during the financial year under review.
12. No issue of duplicate Share Certificate was made by the Company during the period under scrutiny.
13.
 - (i) The Company has delivered all share certificates for transfer of equity shares lodged in physical mode and there were no allotment/transmission of shares during the financial year under consideration so no certificates were required to be delivered.
 - (ii) The Company has not deposited any amount in a separate bank account as no dividend was declared during the financial year under consideration.
 - (iii) The Company was not required to post warrants to any member of the company as no dividend was declared during the financial year under consideration.
 - (iv) No provisions as to transferring the amounts in unpaid dividend account, application money due for refund, matured deposits, matured debentures and the interest accrued thereon which have remained unclaimed or unpaid for a period of seven years to Investor Education and Protection Fund are applicable.
 - (v) The Company has duly complied with the requirements of section 217 of the Act.
14. The Board of Directors of the Company is duly constituted and all appointments have been duly made.
15. The appointment of Mr. Kalpesh Shah as Managing Director of the Company has been made in compliance with the provisions of section 269 read with Schedule XIII of the Act and he does not draw any remuneration from the Company.
16. No sole-selling agent was appointed by the Company for the period under scrutiny.
17. No approvals of the Central Government, Company Law Board, Regional Director, Registrar of Companies or such other Authorities as may be prescribed under the various provisions of the Act are required for the financial year under consideration.
18. The directors have disclosed their interest in other firms/companies to the Board of Directors pursuant to the provisions of the Act and the rules made thereunder.
19. The Company has not issued shares/ debentures/ other securities during the financial year under consideration.
20. The Company has not bought back any share during the financial year under consideration.

21. There was no preference share or debenture. Hence, provision of redemption of preference share or debentures is not applicable.
22. The provisions as to keeping in abeyance rights to dividend, rights shares and bonus shares pending registration of transfer of shares are not applicable.
23. The Company has not invited/accepted deposits including unsecured loans during the period under consideration.
24. The Company has not made any borrowings from financial institutions, banks and others during the financial year under scrutiny and hence the provisions of Section 293(1)(d) of the Companies Act, 1956 and Section 180(1)(c) of the Companies Act 2013 which is applicable w.e.f.12th September 2013 are not applicable.
25. Since the Company's principal business is the acquisition of shares, stocks, debentures and other securities, the provisions of Section 372A of the Companies Act, 1956 are not applicable.
26. The Company has not altered the provisions of the Memorandum with respect to situation of the Company's Registered Office from one state to another during the year under scrutiny.
27. The Company has altered the provisions of the Memorandum with respect to the objects of the Company during the year under scrutiny and complied with the applicable provisions in this regard.
28. The Company has not altered the provisions of the Memorandum with respect to name of the Company during the year under scrutiny.
29. The Company has not altered the provisions of the memorandum with respect to share capital of the Company during the year under scrutiny.
30. The Company has not altered its articles of association during the financial year under consideration.
31. No prosecutions were initiated against or show cause notices received by the Company for alleged offences under the Act.
32. The Company has not received security deposit from its employees during the year under certification and therefore the provisions of section 417(1) of the Companies Act, 1956 are not applicable.
33. The provisions of depositing both employee's and employer's contribution to Provident Fund with prescribed authorities pursuant to section 418 of the Companies Act, 1956 are not applicable to the Company.

**For Arti Ahuja & Associates
Company Secretary**

**Place: Mumbai
Date: 30th May, 2014**

**Sd/-
Arti Ahuja
Proprietor
CP No. 9346**

Annexure A

Registers as maintained by the Company

1. Register of Charges-u/s 143
2. Register of Members -u/s 150
3. Minutes Book for Board and General Meetings – u/s 193
4. Books of Accounts- u/s 209
5. Register of particulars of contract in which the Directors are interested u/s – 301
6. Register of Directors and Managing Director, Manager and Secretary u/s – 303
7. Register of Directors' shareholdings u/s 307
8. Share Transfer Register

Annexure B

Forms and Returns as filed by the Company with the Registrar of Companies, Regional Director, Central Government or other authorities during the financial year ending on 31st March, 2014.

Sr. No.	Form no./ Return	Filed u/s	Date of Filing/ registration	Filed within Time	If delay whether additional fee paid
1.	Form 32 – Cessation of Directors Mr. Govindan Manayamkuth and Mr. Kantilal Vakharia w.e.f 11 th March, 2013	303	10/04/2013	Yes	NA
2.	Form 32 – Cessation of Director Mr. Umanath Agarwal w.e.f 25 th March, 2013	303	19/04/2013	Yes	NA
3.	Form 25C – Return of Appointment of Mr. Kalpesh Shah, Managing Director	269	19/04/2013	Yes	NA
4.	Form 32 – Appointment of Mr. Kalpesh Shah as Managing Director and Appointment of Mr. Suketu Shah, Mr. Mayur Shah, Mr. Ashok Tanna, Dilip Karelia as a Director of the Company w.e.f 30 th September, 2013	269 & 303	19/04/2013	Yes	NA
5.	Form 62 – Form for submission of Calendar of Events and Board Resolution dated 20 th April, 2013 for Postal Ballot	192A	03/05/2013	Yes	NA
6.	Form 32 – Regularization of Mr. Kalpesh Shah, Mr. Suketu Shah and	303	19/10/2013	Yes	NA

	Mr. Mayur Shah, additional directors of the Company				
7.	Form – 66 for Compliance Certificate for the year ended 31 st March 2013	383A	19/10/2013	Yes	NA
8.	Form – 23AC & ACA for filing Balance sheet and Profit loss account of the company for year ended 31 st March 2013	220	28/10/2013	Yes	NA
9.	Form – 20B for Annual Return as at the Annual General Meeting held on 30 th September 2013	159	29/11/2013	Yes	NA
10.	Form 23 – for passing of resolution through postal ballot for alteration of memorandum of association of the Company	192	20/03/2014	Yes	NA

AUDITOR'S REPORT

To,

THE MEMBERS OF SUBWAY FINANCE AND INVESTMENT CO LTD.

1. We have audited the attached Balance Sheet of SUBWAY FINANCE AND INVESTMENT CO LTD as at 31st March 2014 and the Statement of Profit and Loss and Cash Flow statement of the Company for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with the 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 management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
4. As required by the Companies (Auditors Report) Order,2003 and amendments thereto issued by the Central Government of India in terms of Sec 227(4A) of The Companies Act 1956, and in terms of Notification No. DNBS.201/DG(VL)-2008, Dated 18-09-2008 relating to direction of NBFC's audit as per RBI Act, 1934 and on the basis of such checks as we considered appropriate under the circumstances and on the basis of information and explanations given to us in the course of audit, we enclose in the annexure, a statement on the matters specified in the paragraphs 4 and 5 of the said order, to the extent applicable to the Company.
4. Further to our comments in the Annexure referred to above, we report that:
 - a) We have obtained all information and explanations which, to the best of our knowledge and belief, were necessary for the purpose of the audit;
 - b) In our opinion, proper books of accounts as required by law have been kept by the Company, so far as it appears from our examination of these books;
 - c) The Balance Sheet, Statement of Profit and Loss and Cash Flow statement dealt with by this report are in agreement with the books of account;
 - d) In our opinion, the Financial statements dealt with by this report, read with Notes to Accounts, comply with the accounting standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 to the extent applicable.
 - e) On the basis of the Written representations received from directors of the Company as at 31st March, 2014 and taken on record by the Board of Directors, we report that no director 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 the Companies Act, 1956; and
 - f) In our opinion, and to the best of our information and according to the explanations given to us, the said Financial statements together with the Notes thereon and attached thereto give in the prescribed manner the information required by the Companies Act, 1956, and give a true and fair view in conformity with the accounting principles generally accepted in India;
 - i) In the case of the Balance Sheet, of the state of affairs of the Company as on 31st March, 2014;
 - ii) In the case of the Statement of Profit and Loss, of the Profit of the Company for the year ended on that date, and

- iii) In the case of Cash Flow statement, of the Cash Flow for the year ended on that date.

For M/s V.C. Vyas & Associates
Chartered Accountants

Sd/-
Gaurav Vyas
Partner
Membership No. 400395

Place : MUMBAI
Date : 30/05/2014

ANNEXURE TO AUDITORS REPORT

Annexure referred to in paragraph 3 of the auditors report to the members of SUBWAY FINANCE AND INVESTMENT CO LTD for the year ended 31st March, 2014.

As required by the companies (Auditor Report) Order, 2003 and amendments thereto and according to the information and explanations given to us during the course of the audit and on the basis of such checks of the books and records as were considered appropriate we report that:

- (i) (a) The Company has maintained proper records showing full particulars of the fixed assets.
(b) As informed to us, the management at reasonable intervals has physically verified the fixed assets. We have been informed that the discrepancies noticed on physical were not material.
(c) During the year the company has not disposed of a substantial part of its fixed assets.
- (ii) (a) The Company does not own any inventory during the above mentioned Financial year.
(b) In view of our comments in Para (ii) (a) above, clauses 4 (ii) (b) and (c) of the said order are not applicable to the Company.
- (iii) (a) According to the information and explanations given to us the Company has not granted any loans secured or unsecured to parties covered in the register maintained under section 301 of the Companies Act, 1956.
(b) In view of our comments in Para (iii) (a) above, clauses 4 (iii) (b) (c) and (d) of the said order are not applicable to the Company.
(c) During the year Company has taken unsecured loan of 242828/- from Suketu B Shah & 42678/- from Harshad K shah party covered in the register maintained under section 301 of the Companies Act, 1956.
(d) In our opinion and according to the information and explanation given to us the terms and conditions of loan taken are not prima facie prejudicial to the interest of the company.
(e) According to the information and explanation given to us the repayment of the loan is regular.
- (iv) According to information and explanations given to us there are adequate internal control systems commensurate with the size of the Company and the nature of its business. During the course of our audit no major weakness has been observed in the internal control system.
- (v) (a) The transactions made in pursuance of contract or arrangements that need to be entered into the register maintained under section 301 of the Companies Act, 1956 has been recorded in the register.

- (b) According to the information and explanations given to us transactions with parties with whom transactions exceeding the value of Rupees Five Lacs have been entered into during the Financial year are at prices, which are reasonable, having regard to the prevailing market prices at the relevant time.
- (vi) The Company has not accepted any deposits from the public within the meaning of the sections 58A, 58AA or any other relevant provision of the Act and the rules framed there under any directives report issued by the Reserve Bank of India. No order in relation thereto has been passed by the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any Court or any other Tribunal.
- (vii) In our opinion the Company has Internal Audit System commensurate with its size and its nature of business.
- (viii) The Central Government has not prescribed for maintenance of cost records under section 209 (1) (d) of the Companies Act, 1956 for the Company.
- (ix) (a) According to the records of the Company, the undisputed statutory dues including Provident Fund, Employees State Insurance, Income Tax, Sales Tax, Wealth Tax, Service Tax, Custom Duty and Excise Duty, Cess have regularly deposited with the appropriate authorities. There are no undisputed amount payable in respect of such statutory dues which have remained outstanding as at 31st March, 2014 for a period more then six months from the date they became payable except the following Income Tax Liabilities.

Assessment Year	Outstanding Amount in `
2003-04	14/-
2006-07	1,05,691/-
2007-08	39,219/-
2010-11	1,44,350/-

- (b) There are no amount in respect of any disputed income tax, sales tax, wealth tax, service tax, custom duty, excise duty and cess.
- (x) The Company has no accumulated losses in current financial year.
- (xi) In our opinion and according to the information and explanations given to us the Company has not defaulted in repayment of its dues to banks and financial institutions.
- (xii) In our opinion and according to the information and explanations given to us the Company has not granted any loans or advances on the basis of security by way of pledge of shares, debentures or other securities.
- (xiii) (a) The provisions of any Special Statute applicable to Chit Fund, Nidhi Fund or Mutual Benefit Fund/Societies are not applicable to the Company.
 (b) In view of our comments in Para (xiii) (a) above, clauses 4 (xiii) (b) (c) and (d) of the said order are not applicable to the Company.
- (xiv) In our opinion and according to the information and explanations given to us, the Company is not a dealer or trader in shares, securities, debentures and other investments.
- (xv) In our opinion and according to the information and explanations given to us the Company has not given any guarantee for loan taken by others from banks and financial institutions.
- (xvi) The Company has not taken any term loan during the year.

- (xvii) In our opinion and according to the information and explanations given to us and on an overall examination the Balance Sheet of the Company, we report that no fund raised on short term basis have been used for long term investment.
- (xviii) During the year the Company has not made any preferential allotment of shares to parties and Companies covered in the register maintained under section 301 of the Companies Act, 1956.
- (xix) The Company has not issued any debentures during the year.
- (xx) The Company has not raised any money by way of public issue during the year.
- (xxi) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, we have neither come across any instance of material fraud on or by the Company, noticed or reported during the year that causes the financial statement to be materially misstated.
- (xxii) In case of NBFC
- (a) The Company has received the Registration Certificate from RBI vide Registration no 13.00209 dated 03.03.1998.
- (b) The Company is entitled to continue to hold registration certificate in terms of its asset/income pattern as on 31st March, 2014.
- (c) (i) The Board of Directors have already passed the Board Resolution dated 12th April, 2014 regarding non acceptance of public deposits and submitted with the RBI on 05th June,2014.
(ii) The Company has not accepted any Public deposits
(iii) The Company has complied with the prudential norms related to Income recognition, Accounting Standards, Asset Classification and Provisioning for Bad and Doubtful Debts as applicable.

For M/s V.C. Vyas & Associates
Chartered Accountants

Sd/-
Gaurav Vyas
Partner
Membership No. 400395

Place : MUMBAI
Date : 30/05/2014

BALANCE SHEET AS AT 31ST MARCH, 2014

Particulars	Note No.	Current Year Amount (₹)	Current Year Amount (₹)	Previous Year Amount (₹)
EQUITY & LIABILITIES				
Shareholders Funds				
Share Capital	2	11,025,000		11,025,000
Reserves and Surplus	3	<u>4,863,251</u>	15,888,251	<u>3,915,914</u>
				<u>14,940,914</u>
Non Current Liabilities				
Deferred Tax Liabilities (Net)	4		-	-
Current Liabilities				
Short Term Borrowings	5	-		
Trade Payables	6	-		-
Other Current Liabilities	7	842,600		379,846
Short Term Provisions	8	<u>105,109</u>	947,709	<u>33,813</u>
				<u>413,659</u>
TOTAL			<u>16,835,960</u>	<u>15,354,573</u>
ASSETS :				
Non Current Assets				
Fixed Assets	9			
-Tangible Assets		-		-
Long Term Loan and Advances	10	16,808,699		13,525,000
Other Non Current Assets		<u>-</u>	16,808,699	<u>-</u>
				<u>13,525,000</u>
Current Assets				
Cash and Cash Equivalents	11	27,261		1,829,573
Other current Assets	12	-	27,261	1,829,573
				<u>1,829,573</u>
TOTAL			<u>16,835,960</u>	<u>15,354,573</u>
Significant Accounting Policies	1			
Notes on Financial Statements	2 to 21			

AS PER OUR REPORT OF EVEN DATE

For V.C.Vyas & Associates

Chartered Accountants

Firm Reg.No.004183C

For and on behalf of the Board of Directors

Gaurav jain

Partner

Membership No. 400395

Kalpesh Shah
(Managing Director)

Suketu Shah
(Director)

Place: Mumbai

Date : 30th May, 2014.

STATEMENT OF PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2014

Particulars	Note No.	Current Year Amount (')	Previous Year Amount (')
Revenue from Operation	13	1,618,554	-
Other Income		-	-
		1,618,554	-
Expenditure			
Employee Benefits Expenses	14	-	-
1 Finance Cost	15	-	-
Depreciation And Amortised Expenses	8	-	-
Other Expenses	16	446,275	858,296
		446,275	858,296
Profit / (Loss) before Exceptional and Extraordinary Items and Tax		1,172,279	(858,296)
Exceptional Items		-	-
Profit / (Loss) before Extraordinary Items and Tax		1,172,279	(858,296)
Extraordinary Items		-	-
Profit / (Loss) before Tax		1,172,279	(858,296)
Tax Expenses			
- Current Tax		224,942	-
- Deferred Tax		-	-
- Prior Period Tax Adjustments			426,323
Profit / (Loss) for the period from Continuing Operations		947,337	(1,284,619)
Profit / (Loss) for the period from Discontinuing Operations (After Tax)		-	-
Profit / (Loss) for the period		947,337	(1,284,619)
Earning per share(Basic and Diluted) (Refer Note No. 23)		0.86	(1.17)
Significant Accounting Policies	1		
Notes on Financial Statements	2 to 21		

AS PER OUR REPORT OF EVEN DATE

For V.C.Vyas & Associates
Chartered Accountants
Firm Reg.No.004183C

For and on behalf of the Board of Directors

Gaurav jain
Partner
Membership No. 400395

Kalpesh Shah
(Managing Director)

Suketu Shah
(Director)

Place: Mumbai
Date : 30th May, 2014.

Statement of Cash Flows for the year ended March 31,2014			
Particulars		Current Year Amount (₹)	Previous Year Amount (₹)
A) Cash flow from operating activities			
Net profit before tax & extraordinary items		1,172,279	(858,296)
Adjustment for			
Depreciation		-	-
Dividend Income		-	-
Increase/(Decrease) in Provision		71,296	
Profit on Sale of Fixed Assets		-	-
Operating Profit before working capital changes		1,243,575	(858,296)
Adjustment for working capital Changes			
(Increase)/Decrease in Trade Receivables		-	-
(Increase)/Decrease in Inventories		-	-
(Increase)/Decrease in Short term Loans and Advance		-	-
(Increase)/Decrease in Other Current Assets		-	1,790,504
Increase/(Decrease) in Short Term Borrowings		-	-
Increase/(Decrease) in Trade and Other Payable		462,754	346,076
			(1,330,240)
Cash generated from Operations		1,706,329	(51,956)
Direct taxes		-	-
Deferred Tax		(224,942)	-
Prior Period Tax Adjustments		-	426,451
Cash flow before extraordinary items		1,706,329	(478,407)
Extraordinary items		-	-
Cash flow from operating activities	(A)	1,481,387	(478,407)
B. Cash flow from Investing activities			
Purchase of Fixed Assets		-	-
Sales of Fixed Assets		-	-
Purchase of Investments-Long Term		-	-
Purchase of Investments-Short Term		-	-
(Increase)/Decrease in Long Term Loans & Advances		(3,283,699)	335,627
Dividend Income		-	-
Sale of Investment		-	-
Net cash used in Investment activities	(B)	(3,283,699)	335,627
C. Cash flow from Financing activities			
Increase/(Decrease) in Long Term Borrowings (Net of Repayment)		-	-
Increase/(Decrease) in Short Term Borrowings (Net)		-	-
Proceeds from issue of Share Capital		-	-
Dividend Paid (Net)		-	-
Net cash used in financing activities	(C)	-	-
Net increase / decrease in cash and cash equivalents	(A+B+C)	(1,802,312)	(142,780)
Cash & cash equivalents as at 01.04.2012		1,829,573	1,972,353
(opening balance) cash in hand & balance with banks			
Cash & cash equivalents as at 31.03.2014		27,261	1,829,573
(closing balance) cash in hand & balance with banks		27,261	1,829,573

Note: Figures in brackets represent outflows

AS PER OUR REPORT OF EVEN DATE

For V.C.Vyas & Associates

Chartered Accountants

Firm Reg.No.004183C

Gaurav jain

Partner

Membership No. 400395

Place: Mumbai

Date : 30th May, 2014.

For and on behalf of the Board of Directors

Kalpesh Shah
(Managing Director)

Suketu Shah
(Director)

NOTES ON FINANCIAL STATEMENT FOR THE YEAR ENDED 31 MARCH, 2014

NOTE NO : 1

SIGNIFICATION ACCOUNTING POLICES

A. Basis of preparation of Accounts

The financial statements are prepared on accrual basis, following the historical cost convention in accordance with the Generally Accepted Accounting Principles (GAAP) which are consistently adopted by the Company, and in compliance with the Accounting Standard issued by the Institute of Chartered Accountants of India and provisions of the Companies Act 1956, to the extent applicable.

B. Use of Estimates

The presentation of financial statements in conformity with the Generally Accepted Accounting Principles requires estimates and assumptions to be made that affect the reported amount of assets and liabilities and disclosure of contingent liabilities on the date of the financial statements. Any differences between the actual results and the estimates are recognized in the period in which the results are known / materialized.

C. Fixed Assets

Fixed Assets are stated at cost of acquisition including expenses incidental to their acquisition less accumulated depreciation & impairment.

D. Depreciation

Depreciation on Fixed Assets is provided on the Written Down Value Method, at the rates and in the manner prescribed in Schedule XIV to the Companies Act, 1956.

E. Revenue Recognition

Revenue is recognized to the extent it is probable that the economic benefits will flow to the company and the revenue can be reliably measured.

F. Foreign Exchange Transaction

Transaction in foreign currency is recorded at the original rate of exchange in force at the time of transaction were effected. Current assets & liabilities balances in foreign currencies at the balance sheet date are restated at the year end exchange rates and the resultant net gain or loss adjusted in the revenue account.

G. Inventories

Stock in trade is valued at cost or net realizable value whichever is lower

H. Employee Benefits

01. Short-term employee benefits are recognized as an expense at the undiscounted amount in the profit and loss account of the year in which the related service is rendered.

02. Post employment and other long term employee benefits are recognised as an expense in the profit and loss account for the year in which the employee has rendered services. The expense is recognised at the present value of the amount payable determined using actuarial valuation techniques. Actuarial gains and loss in respect of post employment and other long term benefits are charged to the profit and loss account.

I. Retirement Benefits

Company has policy of making provision for retirement benefits as and when the liability arises.

J.Impairment Of Assets

An asset is treated as impaired when the carrying cost of the asset exceeds its recoverable value. An impairment loss is charged to the profit and loss account in the year in which an asset is identified as impaired. The impairment loss recognized in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.

K.Derivate Instruments :

Derivate financial instruments are recorded at fair value on the date of the derivative transaction and are re measured at their fair value at subsequent balalnce sheet date. Changes in the fair value of derivativees are recorded in the Profit & loss account.

L.Provision for Current and Deferred Tax.

Provision for current tax is made after taking into consideration benfits admissable under the provisions of the Income tax Act,1961. Deferred tax resulting from "time differences" between taxable and accounting income is accounted for using the tax rates and laws that are enacted or substantively enacted as on balance sheet date. The effect of deferred tax asset & liabilities of a charge in tax rates is recognised in the profit & loss account in the year of change.

NOTES ON FINANCIAL STATEMENT FOR THE YEAR ENDED 31 MARCH, 2014

Particulars	Current Year Amount (₹)	Previous Year Amount (₹)		
NOTE NO. 2 - SHARE CAPITAL				
(a) Authorised				
11,50,000 Equity Shares of Rs.10/- each (Previous Year 11,50,000)	11,500,000	11,500,000		
(b) Issued,Subscribed and paid up				
11,02,500 Equity Shares of Rs.10/- Each (Fully Paid up) (Previous Year 11,02,500)	11,025,000	11,025,000		
	11,025,000	11,025,000		
(c) Reconciliation of number of shares outstanding at the beginning and at the end of the reporting Period.				
	Current Year	Previous Year		
	No. of Shares	No. of Shares		
Equity Shares at the beginning of the year	1,102,500	1,102,500		
Add: Issue of Shares during the year	-	-		
No. of Shares at the end of the year	1,102,500	1,102,500		
(d) Details of Shareholder Holding More than 5 %				
	Current Year		Previous Year	
Equity Shares Held by	No. of Shares	% of Holding	No. of Shares	% of Holding
Suketu Bhogilal Shah	74,420	6.75%	-	0.00%
Nitin Kantilal Shah	74,420	6.75%	-	0.00%
Harshad Kantilal Shah	74,420	6.75%	-	0.00%
Mayur Kantilal Shah	74,420	6.75%	-	0.00%
Rahul Kantilal Shah	74,420	6.75%	-	0.00%
Kalpesh Kanubhai Shah	74,420	6.75%	-	0.00%
AJS Nirman LLP	-	0.00%	405,675	36.80%
AJS Enterprise LLP	-	0.00%	402,750	36.53%
NOTE NO. 3 - RESERVE AND SURPLUS				
(a) General Reserve				
Balance as per last Balance Sheet	925,000		925,000	
Add: Transfer from Profit & Loss	-		-	
			925,000	925,000
(b) Reserve u/s 45IC of RBI, 1934				
Balance as per last Balance Sheet	2,923,000		947,000	
Add: Transfer from Profit & Loss	189,468.00		1,976,000	
			3,112,468	2,923,000
(c) Profit & Loss Account				
Balance as per last Balance Sheet	67,914		3,328,533	
Add: Profit & Loss during the Year			947,337	(1,284,619)
Less: Transfer to Reserve account			189,468	1,976,000
			825,783	67,914
Total			4,863,251	3,915,914

Particulars	Current Year Amount (')	Previous Year Amount (')
NOTE NO. 4 - DEFERRED TAX LIABILITIES (NET)		
Deferred Tax Liabilities		
(i) Fixed Assets:		
(Impact of difference between tax depreciation and depreciation charged for financial reporting)	-	-
(ii) Others timing differences		
Total	-	-
Deferred Tax Assets		
(i) Any disallowance under Income Tax Act / Others		
Total	-	-
Net Deferred Tax Liabilities	-	-

NOTE NO. 5 - Short Term Borrowings

Loans and Advances from Related Parties	-	-
Secured	-	-
Unsecured	-	-
	-	-

NOTE NO. 6 - TRADE PAYABLE

The Company does not have in its records any intimation from suppliers regarding their status under Micro, Small and Medium Enterprises Development Act.,2006 and hence disclosure, if any relating to amounts unpaid at the year and together with interest paid /payable as required under the said Act have not been furnished.

NOTE NO. 7 - OTHER CURRENT LIABILITIES

Creditors For Expenses	839062	377,488
Others-Duties and Taxes		
TDS Payable	3,538	2,358
	3,538	2,358
	842,600	379,846

NOTE NO. 8 - SHORT TERM PROVISIONS

Provisions for Income Tax (NET)		
Provision for income tax for current year	224,942	
Tds Receivable	(161,855)	-
Contingent Provisions against Standard Assets	42,022	33,813
	105,109	33,813

NOTE NO - 9
FIXED ASSETS

(Amount in `)

PARTICULARS	As at 01.04.13	Additions	GROSS BLOCK			DEPRECIATION				NET BLOCK BEFORE IMPAIRMENT As at 31.03.14	IMPAIRMENT	NET BLOCK	
			Acquisitions through Business combinations	Deductions / Adjustments	As at 31.03.14	Up To 31.03.13	For The Year	Deductions / Adjustments	Up To 31.03.14			As at 31.03.14	As at 31.03.13
<u>Tangible Assets</u>													
Computer													
Owned	42,000	-	-	-	42,000	42,000	-	-	42,000	-	-	-	-
Total	42,000	-	-	-	42,000	42,000	-	-	42,000	-	-	-	-

In accordance with the Accounting Standard (AS - 28) on "Impairment of Assets" , there was no impairment loss on Fixed Assets during the year ended 31st March 2012

Particulars	Current Year Amount (')	Previous Year Amount (')
NOTE NO. 10 - LONG TERM LOANS & ADVANCES		
(a) (i) Advance recoverable in cash or in kind for value to to be received (Unsecured & Considered Good)		
-Related Parties	-	13,525,000
-Others	16,808,699	-
	16,808,699	13,525,000
	16,808,699	13,525,000
NOTE NO. 10 - LONG TERM LOANS & ADVANCES		
(a) Income Tax Paid	-	-
	-	-
NOTE NO. 11 - CASH AND CASH EQUIVALENTS		
(a) Cash on hand	229	1,660
(b) Balance with Banks	27,032	1,827,914
	27,261	1,829,573
NOTE NO.13 REVENUE FROM OPERATIONS		
Revenue from Operations	1,618,554.00	-
Other income	-	-
	-	-
	1,618,554	-
NOTE NO.14 EMPLOYEE BENEFIT EXPENSES		
Salary & Wages	-	-
	-	-
NOTE NO. 15 - FINANCE COSTS		
Interest Expenses	-	-
	-	-
NOTE NO. 16 - OTHER EXPENSES		
(a) ADMINISTRATIVE AND GENERAL EXPENSES		
Advertisement	46,615	88,648
Payment to Auditors		
- Audit Fees	112,360	78,652
Annual Listing & Custody Fees	156,178	47,190
Bank Charges	4,123	508
Donation and Contribution	-	64,500
Miscellaneous Expenses	3,395	-
Professional Charges	115,395	201,458
Provision for Standard Assets	8,209	33,813
Sundry Balance W/off	-	335,627
ROC Filing Fees	-	8,000
TOTAL	446,275	858,296

Related Party Disclosure : (As identified by Management)

List of Related Parties

01. Key Management Personal

Kalpesh Shah (Managing Director)

Suketu Shah (Additional Director)

Mayur Shah (Additional Director)

Ashok Tanna (Additional Director)

Amulakh Mehta (Director)

Jayesh Mehta (Director)

Dilip Karelia (Additional Director)

a. Disclosure of Related party Transactions between the Company and related parties for the year ended March 31,2014

Particulars	As At	As At
	31 March 2014 (Amount in `)	31 March 2013 (Amount in `)
01. Professional Fees Paid		
Bhupendra Kadhi	-	20,000

NOTE NO. 16 Director's Remuneration

No remuneration has been paid to any of the directors.

NOTE NO. 17 Foreign Currency Transactions

There is no income or expenditure in foreign currency during the year.

NOTE NO. 18

Company has policy of making provision for retirement benefits as and when the liability arises.

NOTE NO. 19 EARNING PER SHARE

Particulars	As At 31 March 2014 (Amount in `)	As At 31 March 2013 (Amount in `)
Net Profit / (Loss) After Tax available for Equity Share Holders	947,337	(1,284,619)
Weighted Average Number of Equity Shares of ` 10/- each outstanding during the year	1,102,500	1,102,500
Basic / Diluted Earning Per Share `	0.86	(1.17)

NOTE NO. 21

a. Figures are rounded off to nearest rupees.

b. In the opinion of the Management current assets, advances are approximately of the value stated if realized in the ordinary course of business except otherwise stated.

c. Previous year figures have been regrouped or rearranged wherever necessary.

AS PER OUR REPORT OF EVEN DATE

For V.C.Vyas & Associates

Chartered Accountants

Firm Reg.No.004183C

Gaurav jain

Partner

Membership No. 400395

Place: Mumbai

Date : 30th May, 2014.

For and on behalf of the Board of Directors

Kalpesh Shah
(Managing Director)

Suketu Shah
(Director)

Disclosures of details as required by Revised Para 13 of Non Banking Financial Companies Prudential Norms (Reserve Bank) Directions, 2007, earlier Para 9BB of Non Banking Financial Companies Prudential Norms (Reserve Bank) Directions, 1998.

₹ In Lakhs

Liabilities Side

Particulars	Amount Outstanding	Amount Overdue
1 Loans and Advances availed by the NBFCs inclusive of Interest accrued thereon but not paid	0.00	0.00
a. Debentures	0.00	0.00
Secured	0.00	0.00
Unsecured (other than falling within the meaning of Public Deposits)	0.00	0.00
b. Deferred Credits	0.00	0.00
c. Term Loans	0.00	0.00
d. Inter-corporate loans and borrowing	0.00	0.00
e. Commercial Paper	0.00	0.00
f. Other loans	0.00	0.00
Total	0.00	0.00

Asset Side

	Amount Outstanding
2 Break up of Loans and Advances including bills receivables (other than those included in [4] below):	
a. Secured	0.00
b. Unsecured	168.09
Total	168.09
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	0.00
b. Operating Lease	0.00
(ii) Stock on hire including hire charges under sundry debtors:	
a. Assets on hire	0.00
b. Repossessed Assets	0.00
(iii) Other loans counting towards AFC activities:	
a. Loans where assets have been repossessed	0.00
b. Loans other than (a) above	0.00
Total	0.00

4 Break-up of Investments:

Current Investments:

1. Quoted:

(i) Shares:

a. Equity

0.00

b. Preference

0.00

(ii) Debentures and Bonds

0.00

(iii) Units of Mutual Funds

0.00

(iv) Government Securities

0.00

(v) Others

0.00

Total

0.00

2. Unquoted:

(i) Shares:

a. Equity

0.00

b. Preference

0.00

(ii) Debentures and Bonds

0.00

(iii) Units of Mutual Funds

0.00

(iv) Government Securities

0.00

(v) Others

0.00

Total

0.00

Long Term Investments:

1. Quoted:

(i) Shares:

a. Equity

0.00

b. Preference

0.00

(ii) Debentures and Bonds

0.00

(iii) Units of Mutual Funds

0.00

(iv) Government Securities

0.00

(v) Others

0.00

Total

0.00

2. Unquoted:

(i) Shares:

a. Equity

0.00

b. Preference

0.00

(ii) Debentures and Bonds

0.00

(iii) Units of Mutual Funds

0.00

(iv) Government Securities

0.00

(v) Others

0.00

Total

0.00

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	0.00	0.00	0.00
b. Companies in the same group	0.00	0.00	0.00
c. Other related parties	0.00	0.00	0.00
2. Other than related parties	0.00	168.09	168.09
Total	0.00	168.09	168.09

6 Investor group-wise classification of all investments Market Value / Break up of fair Book Value (current and long term) in shares and securities value or NAV (Net of Provisions):

Category	Market Value	Book Value (Net of Provisions)
1. Related Parties		
a. Subsidiaries		0.00
b. Companies in the same group		0.00
c. Other related parties		0.00
2. Other than related parties		0.00
Total		0.00

7 Other Information Amount

(i) Gross Non-performing Assets	
a. Related parties	0.00
b. Other than related parties	0.00
(ii) Net Non-performing Assets	
a. Related parties	0.00
b. Other than related parties	0.00
(iii) Assets acquired in satisfaction of debt	0.00

For V.C.Vyas & Associates
Chartered Accountants
Firm Reg.No.004183C

For and on behalf of the Board of Directors

Gaurav Jain
Partner
Membership No. 400395

Kalpesh Shah
(Managing Director)

Suketu Shah
(Director)

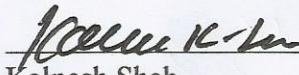
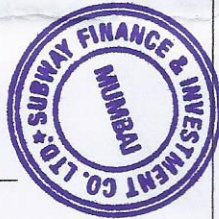
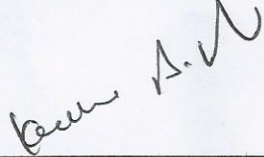

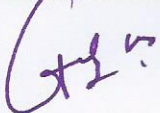
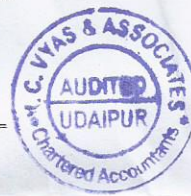
Place: Mumbai
Date : 30th May, 2014.

SUBWAY FINANCE & INVESTMENT COMPANY LIMITED

B-101, EASTERN COURT, JN. OF TEJPAL & PARLESHWAR ROAD, VILE PARLE (E), MUMBAI – 400057
 TEL: 022-26165960 (8 Lines) FAX: 022-26165969 EMAIL: subwayfinance.co@gmail.com
 CIN: L65990MH1983PLC029350 WEBSITE: www.subwayfinance.in

Form A

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

1.	Name of the Company	Subway Finance and Investment Co Ltd
2.	Annual financial statement for the year ended	31 st March, 2014
3.	Type of Audit Observation	Unqualified
4.	Frequency of observation	Not Applicable
5.	To be signed by-	
	<ul style="list-style-type: none"> CEO/Managing Director 	 Kalpesh Shah Managing Director 
	<ul style="list-style-type: none"> CFO 	 Bhupendra Kadhi CFO 
	<ul style="list-style-type: none"> Auditor of the Company 	For M/s V. C. Vyas & Associates. Chartered Accountants  Gaurav Vyas Partner 
	<ul style="list-style-type: none"> Audit Committee Chairman 	The Company is not required to constitute an audit committee as the paid up capital of the Company is only Rs. 11,025,000/-