

SUBWAY FINANCE & INVESTMENT CO. LTD



22ND ANNUAL REPORT 2004-2005

SUBWAY FINANCE & INVESTMENT COMPANY LIMITED.

BOARD OF DIRECTORS

MR. N.N. PAREKH

MR. U.R. AGARWAL

MR. V. R. YADAV

AUDITORS

M/s. J.S. BHATIA & CO
Chartered Accountants
14/15, Ashoka Centre,
2nd Floor,
Lokmanya Tilak Marg,
Mumbai – 400 001.

BANKERS

PUNJAB & SIND BANK
J.K. Somani Bldg.,
British Hotel Lane, Fort,
Mumbai – 400 023.

UNION BANK OF INDIA
Bombay Samachar Marg,
Mumbai – 400 023.

REGISTERED OFFICE

25, Ambalal Doshi Marg,
(Hamam Street), Fort,
Mumbai – 400 023.

:: 2004 – 2005 ::

SUBWAY FINANCE & INVESTMENT COMPANY LIMITED

Regd. Office : 25, Ambalal Doshi Marg, (Hamam Street), Fort,
M U M B A I - 4 0 0 0 2 3 .

Ref. No.

Date

NOTICE

NOTICE IS HEREBY GIVEN THAT the 22nd Annual General Meeting of the Members of **SUBWAY FINANCE & INVESTMENT COMPANY LIMITED** will be held on Thursday, 29th September 2005 at 2.00 P.M. at 25, Ambalal Doshi Marg, Hamam Street, Fort, Mumbai -400 023 to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the audited Statement of Accounts for the year ended 31st March 2005 and Balance Sheet as on that date alongwith the Reports of Directors and Auditors thereon.
2. To appoint a Director in place of Mr. V. R. Yadav who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint M/s. J. S. Bhatia & Co., Chartered Accountants, the retiring Auditors as Auditors of the Company to hold office from the conclusion of this meeting until the conclusion of next Annual General Meeting of the Company and to fix their remuneration.

By order of the Board

Place: Mumbai

Dated: 25th August 2005

DIRECTOR

Registered Office:

25, Ambalal Doshi Marg,
(Hamam Street), Fort,
Mumbai - 400 023.

NOTES:

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ALSO ENTITLED TO APPOINT A PROXY TO ATTEND AND, TO VOTE INSTEAD OF HIMSELF AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY.**
2. Proxies, if any, in order to be effective must be received at the Company's Registered Office not later than 48 hours (fortyeight hours) before the time fixed for holding the meeting.
3. The Register of Members and the Share Transfer Books of the Company will remain closed from Wednesday, 28th September 2005 to Thursday, 29th September 2005 (both days inclusive).
4. Shareholders are requested to forward their queries on the Accounts for the financial year ended 31st March, 2005 to the Registered Office of the Company at least 10 days in advance to enable the Company to keep the information ready at the meeting.
5. The Annual Reports and Attendance slips will not be distributed at the Annual General Meeting. Shareholders are requested to bring the same along with them.

BRIEF RESUME OF PERSON PROPOSED TO BE RE-APPOINTED AS DIRECTOR OF THE COMPANY AT THE ANNUAL GENERAL MEETING:

| | |
|---|--------------------------------------|
| Particulars | Mr. V. R. Yadav |
| Date of Birth | 17.01.1958 |
| Date of Appointment | 19.08.2002 |
| Qualifications | B.A., LL.B. |
| Expertise in specific functional areas | Administration & Legal Matters. |
| Directorship of other Companies | 1. Subway Leasing & Finance Limited. |
| Chairman/Member of the Committees of the board of the Companies on which he is a Director | Nil |

SUBWAY FINANCE & INVESTMENT COMPANY LIMITED

Regd. Office : 25, Ambalal Doshi Marg. (Hamam Street). Fort,
M U M B A I - 4 0 0 0 2 3 .

Ref. No.

Date

DIRECTORS' REPORT

Dear Members,

The Directors have pleasure in presenting their 22nd Annual Report on the business operations of the Company alongwith the Statement of Audited Accounts for the year ended 31st March 2005.

Financial Results:

| Particulars | Year Ended 31 st March 2005 | Year Ended 31 st March 2004 |
|---|---|---|
| Total Income | 17,95,693 | 12,24,049 |
| Profit before Interest, Depreciation & Taxation | 16,41,752 | 10,82,199 |
| Less: Interest | 9,94,839 | 5,12,325 |
| Profit before Depreciation & Tax | 6,46,913 | 5,69,874 |
| Less: Depreciation | 1,80,420 | 2,89,773 |
| Profit before Tax | 4,66,493 | 2,80,101 |
| Less: Provision for Tax | | |
| Current Tax | 1,87,112 | 79,137 |
| Deferred Tax | (5,158) | 12,539 |
| Net Profit after Tax | 2,84,539 | 1,88,425 |
| Balance brought forward from Last year | 34,80,430 | 33,30,005 |
| Transfer to Statutory Reserve | 57,000 | 38,000 |
| Balance carried forward to Balance Sheet | 37,07,969 | 34,80,430 |

Year under Review:

During the year under review, revenue from interest and other income generated from Truck on Hire have been increased remarkably from Rs. 12.24 Lacs to Rs.17.96 Lacs. Profit before Interest, Depreciation and Taxation stood at Rs.16.42 Lacs. After providing for Interest, depreciation and taxation of Rs. 9.95 Lacs, Rs. 1.80 Lacs and Rs. 1.82 Lacs respectively, the Company has registered a Net profit of Rs.2.84 Lacs as against Rs. 1.88 Lacs in the previous year.

Your Company is optimistic about its growth prospects for the current financial year.

Dividend:

Your Directors have not recommended payment of dividend for the year under review considering the need to improve the net worth of the Company.

Directors' Responsibility Statement:

Pursuant to Section 217(2AA) of the Companies Act, 1956, your Directors confirm the following:

- In the preparation of the annual accounts, the applicable standards have been followed.
- Your Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair

view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for that year,

- Your Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- Your Directors have prepared the attached Statement of Accounts for the year ended March 31, 2005 on a going concern basis.

Directors:

Mr. V. R. Yadav is liable to retire by rotation at the Annual General Meeting and being eligible, offers himself for re-appointment. Your Board recommends his re-appointment.

Auditors:

M/s. J. S. Bhatia & Co., Chartered Accountants, Auditors of the Company retires at the ensuing Annual General Meeting and is eligible for re-appointment. The Company has received a certificate from the Auditors to the effect that their appointment, if made, would be within the prescribed limits under Section 224(1B) of the Companies Act, 1956. The members are requested to appoint the Auditors and authorise the Board to fix their remuneration.

Auditors' Report:

Observations made in the Auditors' Report are self-explanatory and therefore, do not call for any further comments under Section 217(3) of the Companies Act, 1956.

Secretarial Compliance certificate:

Secretarial Compliance Certificate as required under section 383A(1) of the Companies Act, 1956 as amended by the Companies (Amendment) Act, 2000 issued by M/s Rathi & Associates, Company Secretaries is attached herewith.

Fixed Deposits:

During the year under review, the Company has not accepted or renewed any deposits within the meaning of Section 58A of the Companies Act, 1956 and the Companies (Acceptance of Deposits) Rules, 1975.

Particulars of Employees:

During the year under review, none of the employees of the Company was in receipt of remuneration aggregating Rs.24,00,000/- or more per annum, if employed throughout the year, or Rs.2,00,000/- or more per month, in case employed for part of the year. Hence, there are no particulars to be annexed to this report as required under Section 217 (2A) of the Companies Act, 1956 and the rules made thereunder.

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

The requirements of disclosures in terms of Section 217(1)(e) of the Companies Act, 1956, read with the Companies (Disclosures of the Particulars in the Report of the Board of Directors) Rules, 1988 pertaining to the conservation of energy and technology absorption are not applicable to the Company due to the very nature of the industry in which it operates.

During the year under review, there was no foreign exchange earnings and outgo.

Acknowledgements:

The Directors wish to express their gratitude to the bankers, clients and all the business associates for their continuous support to the Company and to the Shareholders for the confidence reposed in the Company's management. The Directors also convey their appreciation to the employees at all levels for their enormous personal efforts as well as collective contribution.

For and on behalf of the Board

Place: Mumbai

Date: 25th August, 2005

Director

Director

