

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
- For CDSL: 16 digits beneficiary ID,
 - For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - 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.