FINAL LETTER OF OFFER

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

This Letter of Offer is sent to you as a shareholder(s) of SUBWAY FINANCE AND INVESTMENT COMPANY LIMITED. If you require any clarifications about the action to be taken, you may consult your stock broker or investment consultant or the Manager to the Offer or the Registrar to the Offer. In case you have recently sold your equity shares in the SUBWAY FINANCE AND INVESTMENT COMPANY LIMITED, please hand over this Letter of Offer and the accompanying Form of Acceptance cum Acknowledgement, Form of Withdrawal and Transfer Deed(s) to the Member of Stock Exchange through whom the said sale was affected.

OPEN OFFER BY

AJS Enterprises LLP having registered office at 108, Arihant Bldg., 32, 38,
Ahmedabad Street, Masjid Bandar East, Mumbai - 400009
Tel no.: 022-2348 0888, Fax no.: 022-2348 8889

and

AJS Nirman LLP having registered office at 108, Arihant Bldg., 32, 38,
Ahmedabad Street, Masjid Bandar East, Mumbai - 400009,
Tel no.: 022-2348 0888, Fax no.: 022-2348 8889

known as the **"Acquirers"**

to acquire up to 2,20,500 equity shares of Rs. 10 each fully paid up at an Offer Price of Rs. 31.50/- (Rupees Thirty One and Fifty Paisa Only) payable in cash inclusve of interest of Rs. 16.01/- (Rupees Sixteen and Paisa One only) per share representing 20.00% of the total issued, subscribed and paid up equity share capital and voting rights of the Target Company

Pursuant to Regulation 10 and Regulation 12 of Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 1997 and subsequent amendments thereof

Of

SUBWAY FINANCE AND INVESTMENT COMPANY LIMITED (the "SFIL" or the "Target Company")

Registered Office at 25, Ambalal Doshi Marg, (Hamam Street), Fort, Mumbai 400023 Tel.: 022-22651944/022-22672124 Fax No.: 022-22655782/ 022-22675280

ATTENTION:

1. The Offer is being made by the Acquirers pursuant to Regulations 10 and 12 of the Regulations for the purpose of substantial acquisition of Shares and voting rights of the Target Company accompanied with change in control and the management of Company consequent to the acquisition of total holding of the existing promoters by the Acquirers.
2. **The Offer is not a conditional Offer on any minimum level of acceptance.**
3. As on the date of this Final Letter of offer, the offer is not subject to any statutory and regulatory approvals, however, it will be subject to statutory approvals that may become applicable at a later date.
4. Shareholders who have accepted the Offer by tendering the requisite documents, in terms of the Public Announcement / Letter of Offer, can withdraw the same upto three working days prior to the date of closure of the Offer i.e. Saturday, April 9, 2011 can withdraw on or before Wednesday, April 6, 2011.
5. Regulation 26 of SEBI (SAST) Regulations, 1997 provides for an upward revision of the Offer Price / Offer Size at anytime, upto seven working days prior to the date of the closure of the Offer i.e. Saturday, April 9, 2011 can revise the same on or before Wednesday, March 30, 2011. In case of a revision in the Offer Price / Offer size, the Public Announcement for revision will be made in the same newspaper in which the original Public Announcement had appeared. In case of a revision in Offer Price, the same price shall be paid by the Acquirers for all the shares tendered anytime during the period the Offer is open and accepted under the Offer.
6. **No Competitive bid has been announced as on the date of this Letter of Offer.**
7. **A copy of Public Announcement, Letter of Offer, Form of Acceptance-cum-Acknowledgement and Form of Withdrawals are also available on SEBI's web-site: www.sebi.gov.in**

FOR PROCEDURE FOR ACCEPTANCE OF THIS OPEN OFFER PLEASE REFER SECTION 9 "PROCEDURE FOR ACCEPTANCE AND SETTLEMENT OF THE OFFER" (Page No. 19 to 22)

FORM OF ACCEPTANCE-CUM-ACKNOWLEDGEMENT AND FORM OF WITHDRAWAL ARE ENCLOSED WITH THIS LETTER OF OFFER.

All future correspondence, if any, should be addressed to the Manager / Registrar to the Offer at the following addresses:

Manager to the Offer	Registrar to the Offer
Intensive Fiscal Services Private Limited 131, C-wing, Mittal Tower, 13th floor, Nariman Point, Mumbai- 400021 Tel. Nos.:- 022 22870443/44/45 Fax No.:- 022 22870446 E-mail:- rishabh@intensivefiscal.com Contact Person:- Brijesh Parekh/Rishabh Jain SEBI Registration No.: INM000011112	**Sharex Dynamic (India) Private Limited** Unit-1, Luthra Ind. Premises, M Vasanji Marg, Andheri-Kurla Rd., Safed Pool, Andheri (East), Mumbai 400072. Tel No. 28515606/5644, Fax No.022 2851288. E mail: sharexindia@vsnl.com **Contact Person : Mr. B S Baliga** SEBI Registration No.: INR000002102
OFFER OPENS ON: MARCH 21, 2011	**OFFER CLOSES ON: APRIL 9, 2011**

SCHEDULE OF THE MAJOR ACTIVITIES OF THE OFFER

	Original		Revised	
Activity	**Date**	**Day**	**Date**	**Day**
Date of Public Announcement	December 16, 2010	Thursday	December 16, 2010	Thursday
Specified Date*	January 13, 2011	Thursday	January 13, 2011	Thursday
Last date for a Competitive Bid, if any	January 6, 2011	Thursday	January 6, 2011	Thursday
Date by which Letter of Offer will be dispatched to the Shareholders	January 27, 2011	Thursday	March 16, 2011	Wednesday
Date of opening of the Offer	February 4, 2011	Friday	March 21, 2011	Monday
Last date for Revising the Offer Price / Number of Equity Shares	February 11, 2011	Friday	March 30, 2011	Wednesday
Last date for Withdrawing acceptances tendered by shareholders	February 18, 2011	Friday	April 6, 2011	Wednesday
Date of closing of the Offer	February 23, 2011	Wednesday	April 9, 2011	Saturday
Date by which the acceptance/ rejection would be intimated and the corresponding payment for the acquired shares and/or share certificate for the rejected shares will be dispatched	March 10, 2011	Thursday	April 23, 2011	Saturday

**** "Specified Date" is only for the purpose of determining the Shareholders as on such date to whom the letter of offer would be mailed. It is clarified that all owners (registered or unregistered) of the Shares of the Target (except the Acquirers and Sellers who own the shares of the SFIL) are eligible to participate in the Offer any time before the closing of the Offer.***

Note: Duly Signed Application and Transfer Deed(s) together with share certificate(s) should be dispatched by Registered Post / Courier or hand delivered to the Registrar to the Offer at above address to arrive not later than 5.00 p.m. on Saturday, April 9, 2011.

RISK FACTORS

Risk Factors relating to the Proposed Offer

1. In the event of any litigation leading to stay on the Offer, or SEBI instructing that the Offer should not be proceeded with, thus the Offer process may be delayed beyond the Schedule of the Major Activities indicated in this Letter of Offer.

2. The Share Purchase Agreement (SPA) dated December 14, 2010 contains a clause to the effect that the SPA is subject to the provisions of the Regulations and in case of non-compliance of any provisions of the Regulations by the Acquirers or the Sellers, the SPA shall not be acted upon by the parties.

3. In case the shares tendered in the Offer by the shareholders are more than the shares to be acquired under the Offer, the acquisition of shares from each shareholder will be as per the provisions of Regulation 21 (6) of the SEBI (SAST) Regulations on a proportionate basis, in such a way that the acquisition from a shareholder shall not be less than the minimum marketable lot or the entire holding if it is less than the marketable lot. Market lot for the Target Company's share is 50 (Fifty) shares.

4. If the Acquirers are unable to make the payment to the shareholders who have accepted the Offer within 15 days of the date of closure of the Offer, then SEBI may, if satisfied that the non-receipt of requisite statutory approvals, that may become applicable prior to completion of the Offer, was not due to any willful default or neglect of the Acquirers or the failure of the Acquirers to diligently pursue the applications for such approvals, grant extension of time for the purpose, subject to the Acquirers agreeing to pay interest to the shareholders for delay beyond 15 days, as may be specified by SEBI from time to time. Further, shareholders should note that after the last date for withdrawing acceptances, the shareholders who have lodged the shares will not be able to withdraw them even if the acceptance of shares under the offer and dispatch of consideration gets delayed. The tendered shares and documents would be held by the Registrar to the Offer, till such time as the process of acceptance of tendered shares and payment of consideration is completed.

5. The transaction is subject to completion risks as would be applicable to similar transactions.

Probable risks involved in associating with the Acquirers

1. The Acquirers expressly disclaim any responsibility or obligation of any kind (except as required by applicable law) with respect to any decision by any Shareholder on whether to participate or not to participate in the Offer.

2 The Acquirers makes no assurance with respect to the continuation of the past trend in the financial performance of the Target Company. Association of the Acquirers with SFIL/taking control of SFIL by the Acquirers does not warrant any assurance with respect to the future financial performance of SFIL.

3. Post this Offer, the Acquirers will have significant equity ownership and control over the Target Company pursuant to Regulations 10 and 12 of Regulations.

4. The Acquirers have no prior experience in business areas of the Target Company.

5. The Acquirers also makes no assurances with respect to its investment/divestment decisions relating to its proposed shareholding in the Target Company.

6. The Acquirers have sufficient resources to fulfill the obligations of the Open Offer.

The indicative risk factors set forth above are in relation to the Offer and not in relation to the present or future business or operations of SFIL or any other related matters, and are neither exhaustive nor intended to constitute a complete analysis of the risks involved in participation or otherwise by a Shareholder in the Offer or in associating with the Acquirers. The Shareholders of SFIL are advised to consult their stock broker or investment consultant or tax advisor, if any, for further risks with respect to their participation in the Offer.

1. TABLE OF CONTENTS

1. DEFINITIONS

The following definitions apply through this document, unless the context requires otherwise:

1.	Acquirers	AJS Enterprises LLP and AJS Nirman LLP
2.	BSE	Bombay Stock Exchange Limited
3.	Book Value per share	Net worth / Number of equity shares issued
4.	Corrigendum	Corrigendum to Public Announcement of the Offer issued in newspapers on March 11, 2011 by the Manager, on behalf of the Acquirers
5.	EPS	Profit after tax / Number of equity shares issued
6.	Form of Acceptance/FOA	Form of Acceptance-cum-Acknowledgement
7.	Form of Withdrawal/FOW	Form of Withdrawal-cum Acknowledgement
8.	LOO or Letter of Offer or LOF	Offer Document
9.	Manager to the Offer or Merchant Banker	Intensive Fiscal Services Private Limited
10.	N.A.	Not Applicable
11.	Negotiated Price	Rs. 18/- (Rupees Eighteen Only) per fully paid-up equity share of face value of Rs.10/- each.
12.	Net worth	Equity Share capital plus Reserve & Surplus excluding Revaluation Reserve minus Debit Balance of P&L or Misc. Exp. not written off.
13.	Offer or The Offer	Open Offer for acquisition of 2,20,500 equity shares of Rs. 10/- each representing 20.00% of the total voting capital of Target Company at a price of Rs. 31.50/- (Rupee Thirty One and Fifty Paisa Only) per fully paid up equity share, payable in Cash inclusve of interest of Rs. 16.01/- (Rupees Sixteen and Paisa One only) per share.
14.	Offer Price	Rs. 31.50/- (Rupees Thirty One and Fifty Paisa Only) per share for fully paid equity shares of Rs. 10/- each, payable in Cash inclusve of interest of Rs. 16.01/- (Rupees Sixteen and Paisa One only) per share
15.	Persons eligible to participate in the Offer	Registered shareholders of Subway Finance and Investment Company Limited and unregistered shareholders who own the equity shares of Subway Finance and Investment Company Limited any time prior to the Offer closure other than the Parties to SPA i.e. Acquirers & the Sellers under SPA.
16.	Persons not eligible to participate in the Offer	Parties to the Share Purchase Agreement
17.	Public Announcement or "PA"	Announcement of the Open Offer by the Acquirers, which appeared in the newspapers on Thursday, December 16, 2010
18.	RBI	Reserve Bank of India
19.	Registrar or Registrar to the Offer	Sharex Dynamic (India) Private Limited
20.	Return on Net Worth	(Profit After Tax/Net Worth) *100

21.	SEBI	Securities and Exchange Board of India
22.	SEBI (SAST) Regulations, 1997 or Regulations	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 1997 and subsequent amendments thereto
23.	SEBI Act	Securities and Exchange Board of India Act, 1992
24.	Sellers and Outgoing Promoters	Kawaljit Singh Chawla
		Ajit Singh Chawla
		Jeet Machine Tools Ltd
		Priti Kaur Chawla
		Raminder Kaur Chawla
		Jagjit S Chawla HUF
		Balpreet K Chawla
25.	SPA	Share Purchase Agreement
26.	Specified Date	Thurday, January 13, 2011
27.	Target Company or SFIL	Subway Finance and Investment Company Limited
28.	PAT	Profit after Tax
29.	PACs	Persons Acting in Concert with the Acquirers; in this case none

2. DISCLAIMER CLAUSE

"IT IS TO BE DISTINCTLY UNDERSTOOD THAT FILING OF FINAL LETTER OF OFFER WITH SEBI SHOULD NOT IN ANY WAY BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED, VETTED OR APPROVED BY SEBI. THE FINAL LETTER OF OFFER HAS BEEN SUBMITTED TO SEBI FOR A LIMITED PURPOSE OF OVERSEEING WHETHER THE DISCLOSURES CONTAINED THEREIN ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE REGULATIONS. THIS REQUIREMENT IS TO FACILITATE THE SHAREHOLDERS OF SUBWAY FINANCE AND INVESTMENT COMPANY LIMITED TO TAKE AN INFORMED DECISION WITH REGARD TO THE OFFER. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR FINANCIAL SOUNDNESS OF THE ACQUIRERS OR THE COMPANY WHO'S SHARES ARE PROPOSED TO BE ACQUIRED OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE FINAL LETTER OF OFFER. IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE ACQUIRERS ARE PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THIS FINAL LETTER OF OFFER, THE MERCHANT BANKER IS EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE ACQUIRERS DULY DISCHARGES ITS RESPONSIBILITY ADEQUATELY. IN THIS BEHALF, AND TOWARDS THIS PURPOSE, THE MERCHANT BANKER, INTENSIVE FISCAL SERVICES PRIVATE LIMITED HAS SUBMITTED A DUE DILIGENCE CERTIFICATE DATED DECEMBER 27, 2010 TO SEBI IN ACCORDANCE WITH THE SEBI (SUBSTANTIAL ACQUISITION OF SHARES AND TAKEOVERS) REGULATIONS, 1997 AND SUBSEQUENT AMENDEMENTS THEREOF. THE FILING OF THE FINAL LETTER OF OFFER DOES NOT, HOWEVER, ABSOLVE THE ACQUIRERS FROM THE REQUIREMENT OF OBTAINING SUCH A STATUTORY CLEARANCES AS MAY BE REQUIRED FOR THE PURPOSE OF THE OFFER."

3 DETAILS OF THE OFFER

3.1 Background of the Offer

3.1.1 This open offer (the "Open Offer") is being made by the Acquirers to the equity shareholders of Subway Finance and Investment Company Limited ("SFIL" or the "Target Company"), a company incorporated and duly registered under the Companies Act, 1956, and having its registered office at 25, Ambalal Doshi Marg, (Hamam Street), Fort, Mumbai 400023 Tel.: 022-22651944/022-22672124 Fax No.: 022-22655782/ 022-22675280, pursuant to the Regulation 10 and Regulation 12 and in compliance with the SEBI (SAST) Regulations, 1997. The Acquirers proposes to do a substantial acquisition of shares of SFIL pursuant to the SPA and this offer and take over the management control of SFIL.

3.1.2 The Acquirers hereby makes this Offer to the shareholders of the Target Company (other than the parties to the SPA) to acquire up to 2,20,500 equity shares ("Shares") of the Target Company of face value of Rs.10/- each, representing in aggregate 20.00% of the paid up equity share capital and voting capital of the Target Company at a price of Rs. 31.50/- (Rupees Thirty One and Fifty Paisa Only) per fully paid up equity share ("Offer Price") payable in cash inclusve of interest of Rs. 16.01/- (Rupees Sixteen and Paisa One only) per share subject to the terms and conditions mentioned in the PA and in this Final Letter of Offer that will be circulated to the shareholders in accordance with the SEBI (SAST) Regulations, 1997, ("Letter of Offer") whose names appear on the register of members on the **Specified Date i.e. January 13, 2011.**

3.1.3 The Acquirers have entered into a Share Purchase Agreement (SPA) on December 14, 2010 with the Promoter Group of the Target Company (collectively referred hereinafter to as the 'Sellers') to acquire 6,81,525 fully paid up equity shares of Rs. 10/- each, representing 61.82% of the issued, subscribed, paid up and voting capital of Target Company at a price of Rs. 18/- (Rupees Eighteen Only) per share aggregating to Rs. 1,22,67,450/- (Rupees One Crore Twenty Two Lacs Sixty Seven Thousand Four Hundred and Fifty only) payable in cash.

3.1.4 **AJS Enterprises LLP** and **AJS Nirman LLP** are the only Acquirers in this open offer and there are no other Persons acting in concert (PAC's) with the Acquirers in respect of this Offer.

Details of the Sellers are as under:

	SELLERS			ACQUIRERS		
Sr. No.	**Name of the Shareholder**	**No. of Shares**	**% w.r.t. to the total paid up capital**	**Name of the Acquirer**	**No. of Shares**	**% w.r.t. to the total paid up capital**
1	Kawaljit Singh Chawla	3,39,300	30.78%	AJS Enterprises LLP	3,39,300	30.78%
2	Ajit Singh Chawla	1,33,200	12.08%	AJS Nirman LLP	3,42,225	31.04%
3	Jeet Machine Tools Ltd	1,08,000	9.80%			
4	Priti Kaur Chawla	67,500	6.12%			
5	Raminder Kaur Chawla	20,025	1.82%			
6	Jagjit S Chawla HUF	4,050	0.37%			
7	Balpreet K Chawla	9,450	0.86%			
	TOTAL	**6,81,525**	**61.82%**	**TOTAL**	**6,81,525**	**61.82%**

3.1.5 The salient features of the SPA are as under:-

a) The Acquirers will get voting rights of the Shares under SPA subsequent to transfer of these shares after certification of the Merchant Banker about the unconditional fulfillment of the provisions of the SEBI (SAST) Regulations by the Acquirers. The Acquirers will not apply for the registration of any equity shares of the Target Company, including the shares to be acquired from the Sellers under the SPA, in his name, unless and until their Merchant Banker has certified the unconditional fulfillment of the provisions of the SEBI (SAST) Regulations by the Acquirers.

b) The amount under SPA will be paid in two tranches: 1) Rs.40,89,150/- (Rupees Forty Lacs Eighty Nine Thousand One Hundred & Fifty Only) being the part consideration @ Rs.6/- per share on the signing of this Agreement & 2) Balance Rs.12/- per share will be paid after completion of all the formalities of open offer under SEBI (SAST) Regulations, 1997.

c) The Sellers shall provide and shall cause the Target Company to provide to the Acquirers his authorized representatives and advisers, full access to the Target Company its facilities, books, records and documents and provide all required materials, data and information necessary or as the Acquirers may require to investigate any facts or matters for conducting due diligence of any facts, matters, information relating to the business, affairs operations or prospects of the Target Company.

d) Subject to the fulfillment of the requirements under the SEBI (SAST) Regulations, including without limitations the obligation set forth in sub-regulations (7) of Regulation 22 of the SEBI (SAST) Regulations, the Acquirers shall have the right to appoint his nominees as directors of the Target Company after a period of 21 (Twenty One) days from the date of PA and upon exercise of such right by the Acquirers, the Sellers shall provide necessary assistance to the extent reasonably possible for appointment of the persons nominated by the Acquirers as directors of the Target Company including amendments to Articles of Association of the Target company and approval of shareholders of the Company, if required.

e) There is no non compete fee agreement between the Acquirers and the Sellers.

f) The Share Purchase Agreement, by its own terms, shall be effective only upon the certification by the Manager of the Offer that the formalities related to the Offer have been duly completed in compliance with the SEBI (SAST) Regulations as may be applicable to the transfer of the shares in favour of the Acquirers.

g) If the provisions of the SEBI (SAST) Regulations are not complied with, the SPA shall not be acted upon, either by the Sellers or the Acquirers.

i) Against the payment of the sale consideration, the Sellers as the legal and beneficial owners of the shares, shall sell, transfer, convey and deliver to the Acquirers and the Acquirers shall purchase and acquire from the Sellers shares free from all liens, encumbrances, all rights, title and interests of the Sellers in the shares together with all accrued benefits, rights and obligations attached thereto.

j) The Acquirers undertakes and covenants to take all steps and actions as may be necessary for compliance with the provisions of the Takeover Code. The Sellers agree to provide the Acquirers with all possible necessary support (within their control), for complying with the provisions of the Takeover Code relating to Open Offer as are applicable to the transaction envisaged herein.

k) In the event, if Acquirers fails to comply with the applicable provisions of the Takeover Code relating to the Public Offer, the SPA shall stand terminated and shall be null and void.

3.1.6 Apart from 6,81,525 (Six Lacs Eighty One Thousand Five Hundred and Twenty Five only) fully paid up equity shares which the Acquirers agreed to acquire in terms of SPA, the Acquirers do not hold any equity shares/ voting rights of SFIL made under the SEBI Act.

3.1.7 As per stock exchange filings made with the Bombay Stock Exchange Limited ("**BSE"**), the Sellers of the target Company includes the Promoter Group.

3.1.8 The Acquirers, the Sellers and the Target Company have not been prohibited by SEBI from dealing in securities, in terms of direction issued U/s 11B of SEBI Act, 1992 or under any other Regulation under the SEBI Act, 1992.

3.1.9 The shares of the Target Company are listed at Bombay Stock Exchange Limited, Mumbai (BSE) only.

3.2 Details of the proposed Offer

3.2.1 The Acquirers has made a Public Announcement on December 16, 2010 and a Corrigendum to the Public Announcement on March 11, 2011 in the following newspapers in accordance with the Regulation 15 and pursuant to Regulation 10 and 12 of SEBI (SAST) Regulations, 1997.

Publication	Language	Editions
The Financial Express	English	All Editions
Jansatta	Hindi	All Editions
Mumbai Lakshdeep	Marathi	Marathi Edition (Place where registered office is situated)

The Public Announcement is also available on the SEBI website at www.sebi.gov.in

3.2.2 Pursuant to the signing of SPA, the Acquirers is making this Open Offer under Regulations 10 & 12 of the SEBI (SAST) Regulations, 1997, to acquire 2,20,500 equity shares of Rs.10/- each representing 20.00% of the total issued, subscribed and paid up equity share capital and voting rights of the Target Company at a price of Rs. 31.50/- (Rupees Thirty One and Fifty Paisa Only) per fully paid-up equity share ("Offer Price") payable in cash inclusve of interest of Rs. 16.01/- (Rupees Sixteen and Paisa One only) per share subject to terms and conditions mentioned hereinafter.

3.2.3 This Offer is being made to all the shareholders of the Target Company (other than the parties to the SPA) and is not conditional upon any minimum level of acceptance. The Acquirers will acquire all the Shares of the Target Company that are validly tendered as per the terms of the Offer up to a maximum of 2,20,500 equity shares.

3.2.4 The Offer is not a competitive bid.

3.2.5 The Offer is subject to the terms and conditions set out herein and in the Letter of Offer that will be sent to the shareholders of the Target Company.

3.2.6 The Acquirers do not hold any equity shares in SFIL as on the date of the PA except as per the details given above in Para 3.1.3 and Para 3.1.4. Also the Acquirers have not acquired any shares of the Target Company after the date of Public Announcement till the date of this Final Letter of Offer.

3.2.7 This offer is not subject to any statutory and regulatory approvals, however it will be subject to statutory approvals that may become applicable at a later date (as mentioned in Point No. 8.2 of this Final Letter of Offer). In terms of Regulation 27 of the Regulations, if the statutory approvals are refused, the Offer would stand withdrawn.

3.2.8 The Manager to the Open Offer i.e. **Intensive Fiscal Services Private Limited** does not hold any shares in the Target Company as on the date of PA. They declare and undertake that they shall not deal in the shares of the Target Company during the period commencing from the date of their appointment as the Manager to the Open Offer till the expiry of 15 days from the date of closure of Open Offer.

3.2.9 The Offer is made to all the shareholders of SFIL except the Acquirers and the Sellers.

3.2.10 The Offer is not as a result of global acquisition resulting in indirect acquisition of the Target Company.

3.2.11 The consideration will be paid in cash. There is no differential price since entire consideration is payable in cash.

3.2.12 The Shares of the Target Company will be acquired by the Acquirers as fully paid up, free from all liens, charges and encumbrances and together with the rights attached thereto, including all rights to dividend, bonus and rights offer declared thereof.

3.2.13 As per the declaration from the Acquirers, an additional cost of Rs. 29,76,750 (Rupees Twenty Nine Lacs Seventy Six Thousand and Seven Hundred Fifty only) assuming full acceptance of the Offer due to increase in Offer Price will be borne by the Acquirers.

3.3 Object of the Acquisition / Offer

3.3.1 The Offer is being made pursuant to the SPA between the Acquirers and the Sellers as described in Para 3.1.3 and Para 3.1.4 above whereby the Acquirers intends to acquire 61.82% of the issued share capital from the Sellers. This has resulted in substantial acquisition of shares and change in control of the Target Company in terms of the SEBI (SAST) Regulations. Hence, this Open Offer is being made in compliance with Regulation 10 and Regulation 12 read with other applicable provisions of the SEBI (SAST) Regulations.

3.3.2 The Open Offer to the public shareholders of SFIL is for acquiring 20.00% of the total issued, subscribed and paid up equity share capital and voting rights of the Target Company in accordance with Regulation 10 & 12 of the SEBI (SAST) Regulations, 1997. After the completion of the proposed Open Offer, the Acquirers will achieve substantial acquisition of equity shares and voting rights accompanied with effective management control over the Target Company.

3.3.3 Presently, the Acquirers are exploring various business opportunities including acquisition such as infrastructure, trading and manufacturing in steel and engineering products. Accordingly they are intending to acquire the Target Company, an existing NBFC, including amendments to Articles of Association of the Target Company subject to approvals of shareholders of the Company and other statutory approvals/consents, as may be required. In the opinion of the Acquirers, the acquisition is in line with business strategy of vertical expansion. Accordingly the investment in Target Company will be strategic in nature. The Acquirers are contemplating to pursue the business activities in the Target Company in the lines where they have core expertise after considering the present business/market scenario. The Acquirers believes that acquisition of a Majority stake & Management Control in Target Company is in line with business strategy and is a step towards becoming a broad based and integrated player.

3.3.4 To the extent required and to optimize the value to all the shareholders, the Acquirers may subject to applicable shareholders' consent, enter into any compromise or arrangement, reconstruction, restructuring, merger, amalgamation, rationalizing and/or streamlining of various operations, assets, liabilities, investments, businesses or otherwise of the Target Company. Notwithstanding, the Board of Directors of the Target Company will take appropriate decisions in these matters in line with the requirements of the business and opportunities from time to time.

3.3.5 As of the date of this Final Letter of Offer, the Acquirers do not have any plan to dispose off or otherwise encumber any asset of the Target Company in the next two years except in the ordinary course of business of the Target Company.

3.3.6 The Acquirers intends to seek a reconstitution of the Board of Directors of the Target Company after successful completion of the Takeover.

3.3.7 **Disclosure in terms of Regulation 16 (ix)**

The Acquirers at present has no intention to sell, dispose of or otherwise encumber any significant assets of SFIL in the succeeding two years, except in the ordinary course of business of SFIL and its future policy for disposal of its assets, if any, will be decided by its Board of Directors, subject to the applicable provisions of the law and subject to the prior approval of the shareholders at a General Body Meeting of SFIL.

4 BACKGROUND OF THE ACQUIRERS

4.1 The Offer is being made by **AJS Enterprises LLP** and **AJS Nirman LLP**

A) AJS Enterprises LLP:

4.2 AJS Enterprises LLP was incorporated on November 01, 2010 with LLP identity no AAA-2673. The registered office is at 108, Arihant Bldg., 32, 38, Ahmedabad Street, Masjid Bandar East, Mumbai - 400009, Tel no.: 022-2348 0888, Fax no.: 022-2348 8889.

4.3 The partners in LLP are Mr. Jayesh Mehta and Mrs. Nisha Mehta. Mr. Jayesh Mehta, son of Amulakh Mehta, residing at 402, Ruchita tower, Juhu, Versova- Link Road, Mumbai – 400053 and Mrs. Nisha Mehta, wife of Jayesh Mehta residing at 402, Ruchita tower, Juhu, Versova- Link Road, Mumbai – 400053. None of the partners holds any stake in any of the Public Limited Company.

4.4 The initial contribution made by Mr. Jayesh Mehta and Mrs. Nisha Mehta are in the proportion of 60:40.

4.5 It being an LLP, its shares are not listed or traded on any Stock Exchange.

4.6 It is engaged in the business of engineering as well as manufacturing and trading in iron and steel.

4.7 Mr. Divyesh Mehta (Membership No. 44293), Partner of Vinod K. Mehta & Co., Chartered Accountants pratising at B-5, Satyam Shopping Centre, M. G. Road, Ghatkopar (East), Mumbai – 400 077, Tel No.:022-21024280 / 67255633, Fax No.:022-21024280 has certified vide certificate dated December 09, 2010, that the Net worth of AJS Enterprises LLP is Rs. 85,00,000/- (Rupees Eight Five Lacs Only) as on December 08, 2010 and Rs. 1,00,00,000 (Rupees One Crore Only) as on March 07, 2011.

B) AJS NIRMAN LLP

4.8 AJS Nirman LLP was incorporated on November 01, 2010 with LLP identity no AAA-2703. The registered office is at 108, Arihant Bldg., 32, 38, Ahmedabad Street, Masjid Bandar East, Mumbai - 400009, Tel no.: 022-2348 0888, Fax no.: 022-2348 8889.

4.9 The partners in LLP are Mr. Jayesh Mehta and Mrs. Nisha Mehta. Mr. Jayesh Mehta, son of Amulakh Mehta, residing at 402, Ruchita tower, Juhu, Versova- Link Road, Mumbai – 400053 and Mrs. Nisha Mehta, wife of Jayesh Mehta residing at 402, Ruchita tower, Juhu, Versova- Link Road, Mumbai – 400053. None of the partners holds any stake in any of the Public Limited Company.

4.10 The initial contribution made by Mr. Jayesh Mehta and Mrs. Nisha Mehta are in the proportion of 40:60.

4.11 It being an LLP, its shares are not listed or traded on any Stock Exchange.

4.12 It is engaged in the business of development of infrastructure work.

4.13 Mr. Divyesh Mehta (Membership No. 44293), Partner of Vinod K. Mehta & Co., Chartered Accountants pratising at B-5, Satyam Shopping Centre, M. G. Road, Ghatkopar (East), Mumbai – 400 077, Tel No.:022-21024280 / 67255633, Fax No.:022-21024280 has certified vide certificate dated December 09, 2010, that the Net worth of AJS Nirman LLP is Rs. 85,00,000/- (Rupees Eight Five Lacs Only) as on December 08, 2010 and Rs. 1,00,00,000 (Rupees One Crore Only) as on March 07, 2011.

4.14 The Acquirers have not acquired any equity shares earlier in SFIL prior to SPA dated December 14, 2010.

4.15 There is no other person/individual /entity acting in concert with the Acquirers for the purpose of this offer.

4.16 The Acquirers are not forming part of the present Promoter Group of the Target Company. As on the date of the PA and this Offer, there is no nominee Director of the Acquirers on the Board of Directors of the Target Company.

4.17 The Acquirers have sufficient resources to fulfill the obligation under this open offer.

4.18 The Acquirers have not been prohibited by SEBI from dealing in securities, in terms of directions issued under Section 11B of the SEBI Act, 1992, as amended (the 'SEBI Act') or any other Regulations made under the SEBI Act.

4.19 There is no other person/individual /entity acting in concert with the Acquirers for the purpose of this offer.

4.20 The provisions of Chapter II of SEBI (SAST) Regulations, 1997 are not applicable to Acquirers as they have never held the equity shares of SFIL in the past.

4.21 DISCLOSURE IN TERMS OF REGULATION 16 (IX)

a) The Acquirers does not have any plan to dispose of or otherwise encumber any assets of SFIL within two years from the date of closure of the offer except in the ordinary course of business of SFIL.

b) Further, the Acquirers undertakes that in the next two years they shall not sell, dispose off or otherwise encumber any substantial part of SFIL except with the prior approval of the SFIL shareholders.

4.22 The Acquirers undertakes to take necessary steps to facilitate compliance of the Target Company with the relevant provisions of the Listing Agreements and other applicable laws, within the time period mentioned therein or in accordance with such other directions as may be provided by the relevant stock exchanges. As of the date of this Final Letter of Offer, the Acquirers have confirmed that presently they don't have any intention to delist the Target Company from the Stock Exchanges in the next three years from the date of the Letter of Offer.

5. DISCLOSURE UNDER REGULATION 21(2)

Upon completion of the Offer, assuming full acceptances in the Offer and acquisition of shares under the SPA, the Acquirers will hold 90,20,25 shares constituting 81.82% of the total issued, subscribed and paid up equity share capital of the Target Company. It would result in falling the Public shareholding in the Target Company below the minimum level required as per the Listing Agreement entered with the Stock Exchange for the purpose of listing on continuous basis.

"As per Clause 40A of the Listing Agreement with the BSE, the Target Company is required to maintain at least 25% public shareholding on a continuous basis. In the event that the acquisition made in pursuance to the Offer results in the public shareholding of the Target Company falling below such minimum level, the Acquirers undertake that in accordance with Regulation 21(2) of SEBI (SAST) Regulations, 1997 the level of public shareholding in the Target Company will be brought back to the level specified for continuous listing in the listing agreement with the Stock Exchange within the specified time and in accordance with such other directions as may be provided by the stock exchanges as per the amended provisions of the securities Contract (Regulation) Act, 1956 and Securities Contracts (Regulation) Act, 1956 and Securities Contracts (Regulation) Rules, 1957".

"The Acquirers undertake to bring back public shareholding at minimum stipulated level i.e. atleast 25% within Stipulated period from the date of closure of public offer by a) issue of new shares by the Company in compliance with the provisions of the Companies Act, 1956 & Securities and Exchange Board of India (Disclosure and Investor Protection) Guidelines, 2000 or b) sale of its holdings through the secondary market in a transparent manner".

6. BACKGROUND OF THE TARGET COMPANY

6.1 The Target Company was incorporated as a public limited company, in the name of 'Subway Finance and Investment Company Limited' on February 19, 1983, under the Companies Act, 1956 and its registered office is situated at 25, Ambalal Doshi Marg, (Hamam Street), Fort, Mumbai 400023 Tel.: 022-22651944/022-22672124 Fax No.: 022-22655782/ 022-22675280. The corporate identification number (CIN) of the Target Company is L65990MH1983PLC029350.

6.2 SFIL is registered with the Reserve Bank of India (RBI) as a Non-Deposit Accepting-Non-Banking Financial Company (NBFC) vide the RBI Certificate of registration bearing No 13.00209 dated 03.03.1998.

6.3 As per declaration from the Target Company, they have complied with all the provsions of RBI Act, 1934.

6.4 As on the date of PA, the promoters of the Target Company are as per given in table 3.1.4 who collectively holds 6,81,525 fully paid up Equity Shares/Voting Right in the Target Company constituting 61.82% of the paid up Equity capital of the Company. The Board of Directors of Target Company are Mr. Umanath Agarwal, Mr. Kantilal Vakharia and Mr. Govindan Puthiya Manayamkuth.

6.5 The main objects clause of the Target Company, as per its memorandum of association, inter-alia includes:
1) "To invest the capital and other money of the company in the purchase or upon the security of shares, stocks, debentures etc. and to carry on business of financing industrial enterprises, trade and business"
2) "To advance, deposit or lend moneys to or with such person and on such terms as may seem expeditent to discount, buy, sell and deal in bills, notes, warranties, coupons, import entitlements and other negotiable etc."

6.6 The shares of the company are listed at Bombay Stock Exchange (BSE).

6.7 The target company has filed regulation 6(2), 6(4) and 8(3) of chapter II of the SEBI (SAST) Regulations, 1997 for the year 1997 to 2003 under SEBI Regularization scheme in March 2003 and thereafter for the year 2004 to 2010, all the disclosures were made timely. The Promoters (in the present case, the Sellers) of the Target Company have complied with the applicable provisions of the Chapter II of SEBI (SAST) Regulations, 1997 except for 7(1A) in the year 2000(twice), 2001(thrice) and 2003(twice) wherein there was a delay in filing. Also Seller Promoters have not complied with Regulation 11(1) in the year 2000-01. SEBI may initiate suitable action against the Promoters of the Target Company for the delay in the compliances/ non-compliances with the chapter II of the SEBI(SAST) Regulations, 1997.

6.8 As on the date of this PA, no partly paid-up shares, no outstanding instruments in the nature of warrants / fully convertible debentures / partly convertible debentures etc. which are convertible into equity at any later date. There are no shares under lock-in period.

6.9 As on the date of this PA, The authorized share capital of the Target Company is Rs. 1,15,00,000/- (Rupees One Crore and Fifteen Lacs only) divided into 11,50,000 (Eleven Lacs and Fifty thousand only) equity shares of Rs 10/- (Rupees Ten Only) each. The issued, subscribed and paid-up share capital of the Company is Rs. 1,10,25,000/- (Rupees One Crore Ten Lacs and Twenty Five Thousand Only) divided into 11,02,500 (Eleven Lacs Two Thousand and Five Hundred Only) equity shares of Rs 10/- each fully paid-up.

As on the date of PA, the share capital structure of the target company is as given under:

Paid-up Equity Shares of Target Company	No. of Shares/Voting Right	% of Share/Voting Rights
Total Issued Shares	11,02,500	100.00%
Less: Partly Paid up Shares	Nil	Nil
Total Voting Rights in Target Company	11,02,500	100.00%

6.10 The Current capital structure of the Company has been built up since inception as under:

A) <u>ALLOTMENT SINCE INCORPORATION</u>

The details of the build up of the Capital Structure of the Company are as follows:

Date of Allotment	No of shares issued		Cumulative Paid-Up Capital (Rs.)	Mode of Allotment	Identity of Allottees	Status of Compliance
	No.	%				
Initial Subscription	70	0	70	Initial Subscription	Subscribers	Done
28/01/1984	244,930	22.22	245,000	IPO	94,930 shares were allotted to Directors & their relatives and 150000 shares were allotted to public	Done
21/11/2006	8,57,500 (Bonus Issue)	77.78	11,02,500	Bonus Issue	To all the existing shareholder of the Company in the ratio of 7 Equity Shares for every two shares held	Done
TOTAL	**1,102,500**					

B) <u>DETAILS OF INCREASE IN AUTHORISED SHARE CAPITAL SINCE INCORPORATION OF THE COMPANY</u>

Date of Increase in Authorised Share Capital	From (Amt in Rs.)	To (Amt. in Rs.)	Actual Increase	Number of shares created
On Incorporation		1,00,000	N. A.	10,000
17/08/1983	1,00,000	25,00,000	24,00,000	2,40,000
29/09/2006	25,00,000	1,15,00,000	90,00,000	9,00,000
			Total Authorized Capital	**11,50,000**

6.11 Details of changes in the Shareholding of the Promoters

Subway Finance & Investment Company Limited - Datewise Capital Build up - Promoter Group

Sr. No.	Date	Opening Balance Promoter Group	Opening Capital	Opening % holding-Promoter Group	Name of Promoter	No. of Shares Acquired	Mode of Acquisition (Memorandum/ IPO/FPO/Market Purchases/Preferential Allotment/Rights Issue/Bonus Shares/Inter-se-transfer etc.)	No. of Shares sold	Closing Capital	Closing % holding- -promoter group	Closing Holding Promoter Group	Increase/Decrease in percentage holding Promoter Group(+/-%)	Compliance status
	Opening Balance in the year 1997												
1	**1997**	**152,150**	**245,000**	**62.10%**	Kawaljit Singh Chawla	11,900			245,000	62.10%	152,150	0.00%	
					Ajit Singh Chawla	28,100							
					Priti Kaur Chawla	2,000							
					Jagjit Singh Chawla	11,000							
					Raminder Kaur Chawla	8,600							
					Jameet Singh Chawla	17,150							
					Frontier Leasing & Finance Ltd	24,000							
					Jeet Machine Tools Limited	24,000							
					Regent Leasing & Finance Ltd.	23,600							
					Balpreet kaur Chawla	1,800							
					Total	**152,150**							
2	30/09/2000	152,150	245,000	62.10%	Kawaljit Singh Chawla	10,000			245,000	66.18%	162,150	4.08%	**Complied with 7(1A) as per SEBI (SAST) Regulations, 1997 with a delay of 3735 days**
					Regent Leasing & Finance Ltd.		Inter se Transfer	10,000	245,000	62.10%	152,150	-4.08%	

					Priti Kaur Chawla	13,000			245,000	67.41%	165,150	5.31%	**Complied with 7(1A) as per SEBI (SAST) Regulations, 1997 with a delay of 3735 days. Regulations 11(1) of SEBI(SAST) Regulations, 1997 not complied with.**
					Regent Leasing & Finance Ltd.		Inter se Transfer	13,000	245,000	62.10%	152,150	-5.31%	
					Kiran Ajit Chawla	600			245,000	62.35%	152,750	0.24%	**Regulations 11(1) of SEBI(SAST) Regulations, 1997 not complied with.**
					Regent Leasing & Finance Ltd.		Inter se Transfer	600	245,000	62.10%	152,150	-0.24%	
3	29/03/2001	152,150	245,000	62.10%	Kawaljit Singh Chawla	12,000			245,000	67.00%	164,150	4.90%	**Complied with 7(1A) as per SEBI (SAST) Regulations, 1997 with a delay of 3555 days. Regulations 11(1) of SEBI(SAST) Regulations, 1997 not complied with.**
					Jameet Singh Chawla		Inter se Transfer	12,000	245,000	62.10%	152,150	-4.90%	**Complied with 7(1A) as per SEBI (SAST) Regulations, 1997 with a delay of 3555 days.**
					Jagjit Singh Chawla HUF	900	Off Market Purchase		245,000	62.47%	153,050	0.37%	**Regulations 11(1) of SEBI(SAST) Regulations, 1997 not complied with.**
4	17/08/2001	153,050	245,000	62.47%	Jameet Singh Chawla		Inter se Transfer	4,000	245,000	60.84%	149,050	-1.63%	
					Ajit Singh Chawla		Inter se Transfer	4,000	245,000	59.20%	145,050	-1.63%	
					Frontier Leasing & Finance Ltd		Inter se Transfer	4,000	245,000	57.57%	141,050	-1.63%	
					Kawaljit Singh Chawla	12,000	Inter se Transfer		245,000	62.47%	153,050	4.90%	**Complied with 7(1A) as per SEBI (SAST) Regulations, 1997 with a delay of 3399 days**
					Total								

						12,000		**12,000**					
5	07/01/2002	153,050	245,000	62.47%	Kawaljit Singh Chawla	12,000	Inter se Transfer		245,000	67.37%	165,050	4.90%	**Complied with 7(1A) as per SEBI (SAST) Regulations, 1997 with a delay of 3256 days**
					Frontier Leasing & Finance Ltd		Inter se Transfer	12,000	245,000	62.47%	153,050	-4.90%	**Complied with 7(1A) as per SEBI (SAST) Regulations, 1997 with a delay of 3256 days**
					Total	**12,000**		**12,000**					
6	31/3/2003	153,050	245,000	62.47%	Kawaljit Singh Chawla	12,000	Inter se Transfer		245,000	67.37%	165,050	4.90%	**Complied with 7(1A) as per SEBI (SAST) Regulations, 1997 with a delay of 2808 days**
					Raminder Kaur Chawla		Inter se Transfer	4,150	245,000	65.67%	160,900	-1.69%	
					Frontier Leasing & Finance Ltd		Inter se Transfer	7,000	245,000	62.82%	153,900	-2.86%	**Complied with 7(1A) as per SEBI (SAST) Regulations, 1997 with a delay of 2808 days**
					Jameet Chawla		Inter se Transfer	850	245,000	62.47%	153,050	-0.35%	
					Total	**12,000**		**12,000**					
7	Jun-06	153,050	245,000	62.47%	U R Agarwal - HUF	6,000	Transferred from Public to Promoter		245,000	64.92%	159,050	2.45%	
					Umanath Agarwal	6,000	Transferred from Public to Promoter		245,000	67.37%	165,050	2.45%	
					NAthalal N Parekh	1,000	Transferred from Public to Promoter		245,000	67.78%	166,050	0.41%	
					Total	**13,000**							
8	Dec-06	166,050	1,102,500	15.06%	NAthalal N Parekh			4,500	1,102,500	67.37%	742,725	-0.41%	
					Suman Agarwal	162,450	Transferred from Public to Promoter		1,102,500	82.10%	905,175	82.10%	
					Total	**162,450**		**4,500**					

9	Jun-10	905,175	1,102,500	82.10%	Suman Agarwal		Transferred from Promoter to Public	162,450	1,102,500	67.37%	742,725	-14.73%	
					Umanath Agarwal		Transferred from Promoter to Public	27,000	1,102,500	64.92%	715,725	-2.45%	
					U R Agarwal		Transferred from Promoter to Public	27,000	1,102,500	62.47%	688,725	-2.45%	
					Frontier Leasing & Finance Ltd			4,500	1,102,500	62.06%	684,225	-0.41%	
					Kiran Ajit Chawla			2,700	1,102,500	61.82%	681,525	-0.24%	
					Total			**223,650**					
10	9/12/2010	681,525	1,102,500	61.82%	Jagjit Singh Chawla			49,500	1,102,500	57.33%	632,025	-4.49%	N.A.
					Kawaljit Singh Chawla	24,750	Inter-se Transfer due to Shares Transmission		1,102,500	59.57%	656,775	2.24%	**Complied with 7(1A) as per SEBI (SAST) Regulations, 1997**
					Ajit Singh Chawla	24,750			1,102,500	61.82%	681,525	2.24%	**Complied with 7(1A) as per SEBI (SAST) Regulations, 1997**
11	9/12/2010	681,525	1,102,500	61.82%	Jameet Singh Chawla		Inter-se Transfer due to Shares Transmission	1,350	1,102,500	61.69%	680,175	-0.12%	N.A.
					Balpreet Singh Chawla	1,350			1,102,500	61.82%	681,525	0.12%	N.A.

The Target Company undertakes that there has been no change in Shareholding of the present promoter except as mentioned above. Also there has been wrong filing done in the past in which Umanath Agarwal & his relatives has been included in the Promoter Group in the year 2006, however the same has been rectified in the year 2010. This was due to clerical oversight, without any malafide intentions.

6.12 The composition of the Board of Directors of SFIL as on the date of Public Announcement is as follows:-

Sr. No	Name of Director	Type of Director	Experience	Qualification	Residential Address	Date of Appointment
1	Umanath Agarwal	Independent & Non Executive Director	20 years	B.Com (Hons), F.C.A., A.A.S.M., M.I.B.M.(U.K.)	E-21/503, Creek View, Eksar Road, Yogi Nagar, Borivali (West), Mumbai, 400091, Maharashtra, India.	29/4/2002
2	Kantilal Vakharia	Independent & Non Executive Director	32 Years	SSC	48,Sagar Darsan,81-83,, Bhulabai Desai ROAD,0PP. Breachcandy,Mumbai., Mumbai, 400026, Maharashtra, India	10/12/2005
3	Govindan Puthiya Manayamkuth	Independent & Executive Director	30 years	M.COM	Lt-31 2 Vijay Magar Marol, Maroshi Road Andheri East, Mumbai, 400059, Maharashtra, India	24/11/2008

6.13 As on date of this Final Letter of Offer, none of the above Directors represents the Acquirers on the Board of Directors of the Target Company.

6.14 There has been no merger / de-merger, spin-off during the past three years in SFIL.

6.15 The Brief Financials of SFIL are as under:-

(Figures in Lacs)

Profit & Loss Statement	Period ended 31.03.2008 (Audited)	Period ended 31.03.2009 (Audited)	Period ended 31.03.2010 (Audited)	Half Year ended 30.09.2010 (Unaudited)
Income from operations	23.72	28.97	11.71	4.81
Other Income	0.00	0.00	0.00	0.00
Total Income	**23.72**	**28.97**	**11.71**	**4.81**
Total Expenditure	1.69	3.72	2.31	0.63
Profit/ Loss before Depreciation, Interest and Tax	22.03	25.25	9.40	4.18
Depreciation	0.01	0.01	0.01	0.00
Profit/ Loss before Interest and Tax	22.02	25.24	9.40	4.18
Interest	6.28	11.50	0.73	0.04
Profit (Loss) before Tax	15.74	13.74	8.67	4.14
Provision for tax	3.90	4.41	2.65	0.00
Profit (Loss) after Tax (PAT)	**11.83**	**9.34**	**6.02**	**4.14**

(Figures in Lacs)

Balance Sheet Statement	Period ended 31.03.2008 (Audited)	Period ended 31.03.2009 (Audited)	Period ended 31.03.2010 (Audited)	Half Year ended 30.09.2010 (Unaudited)
Sources of Funds				
Paid up Share Capital	110.25	110.25	110.25	110.25
Reserves and Surplus(excluding Revaluation Reserve, if any)	47.58	56.93	62.94	67.08
Net worth	**157.83**	**167.18**	**173.19**	**177.33**
Loans Funds	139.47	16.36	0.77	0.81
Deferred Tax Liability	0.00	0.00	0.00	0.00
Total	**297.30**	**183.54**	**173.96**	**178.14**
Total Source of funds				

Application of Funds				
Net Fixed Assets	0.02	0.01	0.01	0.01
Investments	0.72	0.72	0.72	25.72
Net Current Assets	294.82	182.81	173.23	152.41
Bonus Shares Expenses	1.74	0.00	0.00	0.00
Total	**297.30**	**183.54**	**173.96**	**178.14**

(Figures in Lacs)

Other Financial Data	**Period ended**	**Period ended**	**Period ended**	**Half Year ended**
	31.03.2008	**31.03.2009**	**31.03.2010**	**30.09.2010**
	(Audited)	**(Audited)**	**(Audited)**	**(Unaudited)**
Total Income	23.72	28.97	11.71	4.81
Profit/ (Loss) After Tax	11.83	9.34	6.02	4.14
Equity Share Capital	110.25	110.25	110.25	110.25
Earning Per Share (Rupees)	1.07	0.85	0.55	0.38
Net worth	157.83	167.18	173.19	177.33
Return on Net worth (%)	7.50%	5.58%	3.47%	2.34%
Book Value Per Share (Rupees)	14.32	15.16	15.71	16.08

#As certified by Mr. J.S. Bhatia (Membership No 34290), Proprietor of J.S. Bhatia & Co., Chartered Accountants, practising at 14/15, Ashoka Centre, 2nd Floor, Lokmanya Tilak Marg, Mumbai 400001, Email: jaipalbhatiaca@yahoo.co.in, vide certificate dated December 10, 2010.

Reason for the fall/rise in the total income and profit after tax:

Financial Year 2009-10 to 2008-09
The Total Income and Profit After Tax has decreased in the year 2009-10 as compared to 2008-09 due to decrease in the interest income on loans.

Financial Year 2008-09 to 2007-08
Total income has increased when compared to the previous year's however PAT as a percentage of total income has decreased due to increase in interest paid.

6.16 **Accounting Policies & Notes forming part of Accounts followed by the Company:**

The financial statements are prepared under the historical cost convention, on an accrual basis and in accordance with the applicable accounting standards.

6.16.1 **Fixed Assets:-**

Fixed Assets are stated at cost, less accumulated depreciation. Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use.

6.16.2 **Depreciation:-**

Depreciation on Fixed Assets is provided on Written Down Method at the rates and in the manner specified in the Schedule XIV of the Companies Act 1956.

6.16.3 **Investments:-**

Long term investments are stated at cost. No provision for diminution in the value of the investments is made as such diminution is viewed as diminution other than permanent in nature.

6.16.4 **Revenue Recognition:-**

Interest is recorded on time basis. Dividend income on investments is accounted for when the right to receive the payment is established.

6.16.5 T**axation:-**

The provision for Current Tax is determined on the basis of taxable income for the current accounting year in accordance with the Income Tax Act, 1961.

Deferred Tax resulting from "timing difference" between book and taxable profit is accounted for using the tax rates and laws that are enacted or substantively enacted as on the balance sheet date. The deferred tax assets is recognized and carried forward to the extent that there is reasonable certainty that the asset will be realized in future.

6.16.6 **Retirement Benefits:-**

The gratuity liability is providing on cash basis.

6.16.7 **Segment Information:-**

Since the company is dealing in only one segment, i.e. financing, there is no reportable segment as per AS-17 on "segment reporting" issued by institute of Chartered Accountant of India.

6.17 Pre and Post-Offer shareholding pattern of the Target Company as on the date of PA is as per the following table:

Shareholders' Category	**Shareholding & voting rights prior to the agreement / acquisition & offer (A)**		**Shares / voting rights agreed to be acquired which triggered off the Regulations (B)**		**Shares/ voting rights to be acquired in open offer (assuming full acceptances) (C)**		**Shareholding / voting rights after the acquisition and offer i.e. (A) + (B) + (C) = (D)**	
	No	**%**	**No**	**%**	**No**	**%**	**No**	**%**
(1) Promoter Group a) Parties to Agreement (Sellers and outgoing Promoters)	681,525	61.82	(681,525)	(61.82)	-	-	-	-
b) Promoters other than (a) above	-	-	-	-	-	-	-	-
Total 1 (a+b)	**681,525**	**61.82**	**(681,525)**	**(61.82)**	**-**	**-**	**-**	**-**
(2) Acquirers								
AJS Enterprises LLP			3,39,300	30.78				
AJS Nirman LLP			3,42,225	31.04				
					220,500	20.00	902,025	81.82
Total 2			**681,525**	**61.82**	**220,500**	**20.00**	**902,025**	**81.82**
(3) Parties to agreement other than (1) (a) & (2)	-	-	-		-	-	-	-
Total 3	-	-	-	-	-	-	-	-
(4) Public (other than parties to agreement, Acquirers) ** a) FIs/MFs/FIIs/Banks								
b) Others	420,975	38.18	420,975	38.18	**(220,500)**	(20.00)	200,475	18.18
Total (4) (a+b)	**420,975**	**38.18**	**420,975**	**38.18**	**(220,500)**	**(20.00)**	**200,475**	**18.18**
Grand Total (1+2+3+4)	**1,102,500**	**100.00**	**1,102,500**	**100.00**	**-**	**-**	**1,102,500**	**100.00**

Note: The data within bracket or shown negative indicates sale of equity shares.

6.18 As per the Share Holding Pattern filed with BSE as on September 30, 2010 & available information, the number of shareholders in SFIL in public category as on date is 79 (Seventy Nine only).

6.19 Status of Corporate Governance compliances by SFIL: - Provisions of Clause 49 of the Listing agreement are not applicable to the Company as its Present paid up share capital is **Rs. 110.25 Lacs** only. **As per Circular No SEBI/CFD/DIL/CG/1/2004/12/10** dated October 29, 2004, issued by SEBI, the provisions under Clause 49 of the Listing Agreement is not applicable to the Target Company since the Paid up Capital is less than Rs. 300 lakhs and Networth is less than Rs. 2500 lakhs at any time in the history of the Target Company.

6.20 There are no litigation matters pending by and against the Company as on date of PA.

6.21 Details of Compliance Officer

Mr. Govinadan Puthiya Manayamkuth,
Compliance Officer,
25, Ambala Doshi Marg,
Hamam Street, Fort, Mumbai 400023.
Tel No: 022-22651944/022-22672124 and
Fax No: 022-22655782/022-22675280

6.22 SFIL has not declared any dividend in the last 5 years.

(**Source:** All the data about Target Company is provided by Subway Finance and Investment Company Limited.)

7. OFFER PRICE AND FINANCIAL ARRANGEMENTS

7.1 Justification of Offer Price

7.1.1 The equity shares of the Target Company are listed on BSE.

7.1.2 There has been no trading in the shares of the Target Company on BSE (Source: Website of BSE: www.bseindia.com) during 6 (Six) calendar months preceding the month in which this PA is being made. Based on the information available, the equity shares of the Target Company are infrequently traded on BSE within the meaning of explanation (i) to Regulation 20(5) of the SEBI (SAST) Regulations.

The annualized trading turnover during the preceding six calendar months (June 2010-November 2010) ending Novemer 30, 2010 in Bombay Stock Exchange is detailed below:-

Name of the Stock Exchange	Total Number of shares traded during the preceding 6 calendar months prior to the December, 2008	Total No. of Equity shares listed	Annualized trading turnover (as % of total number of listed shares
Bombay Stock Exchange	Nil	11,02,500	0.00
Source : www.bseindia.com			

7.1.3 Vide public announcement dated December 16, 2010, the Acquirers have made the Offer to the shareholders of SFIL at an Offer Price of Rs.18 (Rupees Eighteen Only) per fully paid up equity shares.

Therefore, the above offer Price as per PA of Rs. 18/- (Rupees Eighteen only) per share was justified in terms of Regulation 20(5) and the same has been determined after considering the following facts:

a)	Negotiated Price payable under the Agreement	Rs. 18/-	
b)	Highest price paid by the Acquirers for acquisition, if any, including by way of allotment in a public or rights or preferential issue during the twenty-six week period prior to the date of this PA	Not Applicable	
c)	**Other Parameters**	**For year ended 31.03.2010**	**For Half Year ended 30.09.2010**
	Net worth (in lakhs)	173.19	177.33
	Return on Net worth (%)	3.47	2.34
	Book Value Per Share (Rupees)	15.71	16.08
	Earnnings per Share (EPS)	0.55	0.38

#As certified by Mr. J.S. Bhatia (Membership No 34290), Proprietor of J.S. Bhatia & Co., Chartered Accountants, practising at 14/15, Ashoka Centre, 2nd Floor, Lokmanya Tilak Marg, Mumbai 400001, Email: jaipalbhatiaca@yahoo.co.in, vide certificate dated December 10, 2010.

7.1.4 The Offer price has been revised to Rs. 31.50 (Rupees Thirty One and Fifty Paise Only) per fully paid up equity share. The promoters of the Target Company had during the period between September 30, 2000 to March 31, 2001('triggered points') acquired the shares of the Target Company in excess of the limit as specified under regulation 10 and 11(1) of SEBI (SAST) Regulations, 1997, thereby, triggering open offer obligations. However, no open offer was made at that time. The Offer Price has been revised to Rs. 31.50 per fully paid up equity share being the consideration payable had the open offer was made at that time plus interest for delay in payment of consideration calculated @ 10% till April 23, 2011. The Equity Shares of the Target Company are infrequently traded during the period of 6 months preceding the dates of acquisition of shares by the promoters of the Target Company which resulted into triggering the open offer obligations. The Offer Price has been calculated considering the following;

(a) The highest price paid for the acquisition of shares made during the period September 30, 2000 to March 31, 2001 is Rs. 6.25/-;

(b) The highest price paid by the Acquirers or persons acting in concert with him for acquisitions, if any, including by way of allotment in a public or rights or preferential issue during the twenty-six week period prior to the date of public announcement - NIL;

c) The Price of Rs.15.16 per fully paid up equity share is calculated in accordance with regulation 20(5) considering book value for year ended March 31, 2000 of the Target Company i.e. preceding Financial Year of the triggered points. Interest of Rs. 16.01 per fully paid up equity shares calculated for the period from September 30, 2000 to April 23, 2011, the date of payment of consideration as per the revised schedule.

The total offer price comes to Rs. 31.17/- per share which has been rounded off to Rs. 31.50/- per share

7.1.5 The Manager to the Offer confirm that the offer price is justified in terms of Regulation 20 (5) of SEBI (SAST) Regulations.

7.1.6 In accordance with Regulation 20(5) of SEBI (SAST) Regulations, 1997, the revised offer price is calculated as follows:

Sr. No.	Name of the Parties	Date of the Transactions when open offer got triggered	Price at which the shares have been acquired/sold (in Rs.) (A)	Highest Price paid as per Regulation 20(5)(b)# (in Rs.) (B)	Book Value in the preceding Financial year (in Rs.)(C)	Offer Price calculation as per Regualtion 20 (5)	Inter est @ 10%	Total Price (D)
1	Priti Kaur Chawla	September 30, 2000	6.25	Nil	15.16	15.16	16.01	**31.17**
2	Kiran Ajit Chawla	September 30, 2000	6.25	Nil	15.16	15.16	16.01	**31.17**
3	Kawaljit Singh Chawla	March 29, 2001	4.56	Nil	15.16	15.16	16.01	**31.17**
4	Jagjit Singh Chawla HUF	March 29, 2001	6.05	Nil	15.16	15.16	16.01	**31.17**

#Regulation 20(5)(b) - the highest price paid by the Acquirers or person acting in concert with him for acquisitions, if any, including by way of allotment in a public or rights or preferential issue during the twenty-six week period prior to the date of the public announcement.

The highest price would be Rs. 31.17/- rounding upto Rs. 31.50/- per share.

7.1.7 There is no non-compete agreement between the Acquirers and the Target Company and any other entity as envisaged under Regulation 20(8) of the SEBI (SAST) Regulations. No additional payments are being made by the Acquirers as non-compete fees to the sellers.

7.1.8 The Acquirers shall not acquire any Shares in SFIL during the Offer Period except in compliance with the Regulations and the details of such acquisitions shall be disclosed to the Stock Exchange and to the Manager within 24 hours thereof in terms of Regulation 22(17) of the Regulations.

7.1.9 If the Acquirers acquires shares of the Target Company after the date of this Public Announcement and up to 7 working days prior to the closure of the Offer at a price higher than the Offer Price, then the highest price paid for such acquisition shall be payable for all the valid applications received under the Offer

7.2 Financial Arrangements

7.2.1 Assuming full acceptance, the total requirement of funds for the open Offer as per the revised price would be Rs. 69,45,750/- (Rupees Sixty Nine Lacs Forty Five Thousand Seven Hundred and Fifty only).

In accordance with Regulation 28 of the SEBI (SAST) Regulations, the Acquirers have deposited an amount of Rs.40,00,000 (Rupees Forty Lacs) with HDFC Bank being more than 100% of the total consideration payable, if calculated at the price of Rs. 18/-per share. However Offer Price has been revised to Rs. 31.50/- per share and total consideration comes to Rs. 69,45,750 (Rupees Sixty Nine Lacs Forty Five Thousand Seven Hundred and Fifty only). The amount presently lying in the Escrow Account is more than 55% of the revised total consideration payable to the shareholders and which is in line with the Regulation 28 and more than 25 % of the total consideration payable under the Offer post revision of Offer Price and Intensive Fiscal Services Private Limited, Manager to the Offer, has been authorized to realize the value of Escrow Account (s) in terms of SEBI (SAST) Regulations, 1997.

As per our instrcutions, Escrow Bank has created a Fixed Deposit – 15773590006459 of the amount lying in the Escrow Account and the Manager to the Offer has been solely authorized to operate and to realize the value lying in the Escrow Account in terms of the SEBI (SAST) Regulations. As per Regulation 16(xiv) of SEBI (SAST) Regulation, firm arrangement for financial resources required to implement the offer is already in place.

7.2.2 As per declaration from Mr. Divyesh Mehta (Membership No. 44293), Partner of Vinod K. Mehta & Co., Chartered Accountants practicing at B-5, Satyam Shopping Centre, M. G. Road, Ghatkopar (East), Mumbai – 400 077, Tel No.:022-21024280 / 67255633, Fax No.:022-21024280 vide certificate dated March 07, 2011, that the Acquirers of Subway Finance & Investment Company Limited have adequate financial resources available for meeting its obligations under the offer in full after revision of open offer price from Rs. 18/-(Rupees Eighteen Only) to Rs. 31.50/- (Rupees Thirty One and Paisa Fifty Only) which resultant in additional outgo of Rs. 29,76,750 (Rupees Twenty Nine Lacs Seventy Six Thousand and Seven Hundred Fifty Only). The Acquirers has made firm arrangement for the resources required to complete the Open Offer in accordance with the SEBI (SAST) Regulations, 1997. No borrowing from any Bank/ Financial Institution is being made for this purpose.

7.2.3 The total obligation for Acquisition of shares through Share Purchase Agreement (Acquisition of 6,81,525 fully paid up equity shares/voting capital of Rs 10/- each) and Acquisition of shares through Open offer (Acquisition of up to 2,20,500 fully paid up equity shares/voting capital of Rs. 10/- each) amounting to Rs. 1,92,13,200 (Rupees One Crore Ninty Two Lacs Thirteen Thousand Two Hundred only)/- would be financed through owned funds and no borrowing is sought by the Acquirers.

7.2.4 The Manager to the Offer, Intensive Fiscal Services Private Limited, hereby confirm that firm arrangements for funds and money for payment through verifiable means are in place to fulfil the Offer obligation under the SEBI (SAST) Regulations, 1997. The Acquirers has adequate net worth for fulfilling the obligation for the Offer and the consideration for shares purchased through Share Purchase Agreement.

7.2.5 Mr. Divyesh Mehta (Membership No. 44293), Partner of Vinod K. Mehta & Co. located at B-5, Satyam Shopping Centre, M. G. Road, Ghatkopar (East), Mumbai – 400 077, Tel No.:022-21024280 / 67255633, Fax No.:022-21024280 has certified vide certificate dated December 09, 2010, that the Net worth of AJS Enterprises LLP and AJS Nirman LLP are Rs. 85,00,000/- (Rupees Eight Five Lacs Only) and Rs. 85,00,000/- (Rupees Eight Five Lacs Only) respectively as on December 08, 2010, totalling to a combined networth of Rs. 1,70,00,000 (Rupees Once Crore and Seventy Lacs only) & Rs. 1,00,00,000/- (Rupees One Crore Only) and Rs. 1,00,00,000/- (Rupees One Crore Only) respectively, totalling to a combined total Networth of Rs. 2,00,00,000 (Rupees Two Crore Only) as on March 07, 2011.

7.2.7 The Acquirers has duly empowered Intensive Fiscal Services Private Limited, Manager to the Offer, to operate and realize the Escrow Account kept separately with bank account in terms of the SEBI (SAST) Regulations, 1997. The Manager to the Offer is satisfied about the ability of the Acquirers to implement the Offer in accordance with the SEBI (SAST) Regulations as firm financial arrangements are in place to fulfill the obligations under the SEBI (SAST) Regulations.

8. TERMS AND CONDITIONS OF THE OFFER

8.1 Persons eligible to participate in the Offer:-

8.1.1 Registered shareholders of SFIL and unregistered shareholders who own the equity shares of SFIL any time prior to the date of Closure of the Offer, other than the parties to the SPA, i.e. Acquirers and Sellers.

8.1.2 None of the existing shares of SFIL are under any lock-in requirements as per SEBI guidelines.

8.2 Statutory Approvals

8.2.1 As of the date of this Letter of Offer, there are no statutory approvals required to acquire the equity shares tendered pursuant to this Offer. If any statutory approvals are required or become applicable, the Offer would be subject to the receipt of such other statutory approvals. The Acquirers will not proceed with the Offer in the event that such statutory approvals that are required are refused in terms of Regulation 27 of the SEBI (SAST) Regulations, 1997.

8.2.2 The transfer of Shares being acquired through the SPA as well as the shares received and accepted under the Offer, shall be subject to compliance with the requirements as set out by Reserve Bank of India vide circulars DNBS (PD) CC No. 11/02.01/99-2000 dated November 15, 1999, paragraph A(5) (iii) Of Circular DNBS (PD) CC No. 12/02.01/99-2000 dated January 13, 2000 and paragraph 2(ii) of Circular DNBS (PD) CC No. 63/02.02/2005-06 and circular DNBS (PD) C.C. No. 82/03.02.02/2006-07,dated October 27,2006. These circulars require the Acquirer, the transferors in the SPA and the Target Company, to Issue a Public Notice, 30 days prior to effecting the transfer of ownership by sale of shares or transfer of control with or without sale of shares. Thus in accordance with the cicular, the Acquirers jointly with the Parties to the SPA and the Target Company have issued Public notice dated December 18, 2010 and the Acquirers undertakes that it shall transfer to itself the shares acquired through SPA as well as the shares to be acquired in Open Offer only after 30 days of such Public Notice or after completing all the formailities related to the Open Offer whichever is later.

8.2.3 The Offer is subject to the receipt of approval, if required, from Reserve Bank of India (RBI) under the Foreign Exchange Management Act, 1999 (FEMA) for the acquisition of equity shares by the Acquirer from non-resident persons, who validly tender their Equity Shares under the Offer. In case of acceptances from non residents, than Acquirer shall make requisite applications to RBI after closure of the Offer. No other approval is required to be obtained from Banks/Financial Institutions for the Offer. However, No approvals are required from Financial Institutions/Banks for the Offer.

8.2.4 The open offer would be subject to all other statutory approvals that may become applicable at a later date before the completion of the open offer.

8.2.5 In case of delay in receipt of the above statutory approvals, SEBI has the power to grant extension of time to the Acquirers for the payment of consideration to the shareholders of the Target Company, subject to the Acquirers agreeing to pay interest for the delayed period as directed by SEBI in terms of Regulation 22(12) of the SEBI (SAST) Regulations, 1997. Further, if the delay occurs on account of wilful default by the Acquirers in obtaining the requisite approvals, Regulation 22(13) of the SEBI (SAST) Regulations, 1997 will also become applicable.

8.2.6 The Acquirers shall complete all procedures relating to the Offer within a period of 15 days from the date of closing of the offer.

8.2.7 If the Acquirers fails to obtain the requisite approvals in time due to willful default or neglect or inaction or non action on his part, the amount lying as the demand deposit kept separately for the open offer shall be forfeited in the manner provided in Regulation 28(12)(e) of SEBI(SAST) Regulations.

8.3. Others

8.3.1 Accidental omission to dispatch the LOF to any member entitled to the Open Offer or non receipt of the LOF by any member entitled to the Open Offer shall not invalidate the Open Offer in any manner whatsoever. The Offer is subject to the terms and conditions set out herein and in the LOF that would be sent to the shareholders of SFIL as on the Specified date.

8.3.2 A letter of offer (the "Letter of Offer" or "LOF") specifying the detailed terms and conditions of this Offer along with the Form of Acceptance cum Acknowledgement (the "Form of Acceptance", or the "FOA"), the Form of Withdrawal (FOW) and Transfer Deed (TD)/Delivery Instruction Slip will be dispatched to all the shareholders, (other than the parties of the SPA) whose names appear on the register of members of the Target Company at the close of business hours on **Thursday, January 13, 2011** (the "Specified Date"). A copy of the Letter of Offer (including Form of Acceptance cum acknowledgement/withdrawal) will be available on SEBI's website (http://www.sebi.gov.in) during the period the Offer is open and shareholders can also apply by downloading such forms from the website.

8.3.3 Unaccepted Share/ Shares Certificates, Share Transfer Forms and other documents, if any, will be returned by registered post at the shareholder(s) / unregistered owner(s) sole risk.

8.3.4 Consideration for equity shares accepted would be paid by crossed account payee cheques / demand drafts / pay orders/electronic Clearing System (ECS) and sent by registered post to the address of the first shareholder(s) / unregistered owner(s) at their sole risk.

8.3.5 Equity shares that are subject to any charge, lien or encumbrance are liable to be rejected.

9. PROCEDURE FOR ACCEPTANCE AND SETFLEMENT

9.1. Shareholders who are holding the equity shares of the Target Company and wish to avail of and accept the Offer shall send / deliver the Form of Acceptance along with all the relevant documents, to **Sharex Dynamic (India) Private Limited**, the Registrar to the Offer so that the same are received on or before the closure of the Offer, to/at the collection center of the Registrar to the Offer given below, in accordance with the procedures as specified in this Letter of Offer and the Form of Acceptance cum Acknowledgement. The relevant documents should not be sent to the Sellers, the Acquirers, the Target Company or the Manager to the Offer.

All eligible owners of the equity shares of the Target Company, registered or unregistered who wish to avail and accept the Offer can hand deliver the Form of Acceptance along with all the relevant documents between 11.00 am to 5.00 pm from Monday to Saturday. The centre will be closed on Sundays and Public holidays.

Contact Person	Address	Tel. No.	Fax No.	E-mail ID
Mr. B S Baliga	**Sharex Dynamic (India) Pvt. Ltd.** Unit 1, Luthra Ind. Premises, Andheri-Kurla Road, Safed Pool, Andheri (East), Mumbai-400072.	022–28515606/44	022 – 28512885	sharexindia@vsnl.com

Neither the Share Certificate(s) nor Transfer Deed(s)/Delivery Instruction Slip nor the Form of Acceptance should be sent to the Sellers or the Acquirers or the Target Company or the Manager to the Offer. Delivery made by Registered Post would be received on all days except Sundays and Public Holidays.

9.2. **Shareholders should send all the relevant documents mentioned below**

Shareholders who wish to tender their shares under this Offer should enclose the following documents duly completed:

a) **For Equity Shares held in Physical Form:**

(i) Registered shareholders should enclose:

- ✓ Form of Acceptance cum Acknowledgement duly completed & signed in accordance with the instructions contained therein, by all shareholders whose names appear in the share certificate(s)
- ✓ Original share Certificates
- ✓ Valid share transfer Form(s) duly signed as transferors by all registered shareholders (in case of joint holdings) in the same order and as per specimen signatures registered with the Target Company and duly witnessed at the appropriate place.

In case of non receipt of the aforesaid documents, but receipt of the original share certificate(s) and transfer deed(s) duly signed, the Offer shall be deemed to be accepted.

(ii) Unregistered owners should enclose:

- ✓ Form of Acceptance cum Acknowledgement duly completed & signed in accordance with the instructions contained therein.
- ✓ Original share Certificate(s)
- ✓ Broker contract note.
- ✓ Valid share transfer form(s) as received from the market. The details of the buyer should be left blank failing which; the same will be invalid under the Offer. Unregistered shareholders should not sign the transfer deed.

All other requirements for valid transfer will be preconditioned for acceptance. No indemnity is required from unregistered shareholders. All other requirements for valid transfer will be precondition for acceptance.

Notwithstanding that the signature(s) of the transferor(s) has/have been attested, if the signature(s) of the transferor(s) differs from the Specimen signature(s) recorded with the Target Company or are not in the same order, such shares are liable to be rejected under the Offer even if the Offer has been accepted by bonafide owner of such shares.

b) **For Equity Shares held in Demat Form:**

The Registrar to the Offer has opened a Special Depository Account, with Arcadia Share & Stock Brokers Private Limited registered with Central Depository Services (India) Limited (CDSL) styled 'SFICL OPEN OFFER' whose details are as under:

Depository Name	CDSL
DP Name	ARCADIA SHARE & STOCK BROKERS PRIVATE LIMITED
DP ID Number	12034400
Beneficiary Account Number	00749863

Shareholders having their beneficiary account with National Securities Depository Limited (NSDL) have to use Inter depository delivery instruction slip for the purpose of crediting their shares in favour of the Special Depository Account with Central Depository Services (India) Limited (CDSL).

Beneficial Owners should enclose:

- **Form of Acceptance-cum-Acknowledgement** duly completed and signed in accordance with the instructions contained therein, by all the beneficial owners whose names appear in the beneficiary account, as per the records of the respective depository
- **Photocopy of the delivery instruction** in "Off-Market" mode or counterfoil of the delivery instruction in "Off-Market" mode, duly acknowledged by DP in favour of the special depository account.

For each delivery instruction, the beneficial owner should submit a separate Form of Acceptance. All beneficial owners maintaining accounts with NSDL are required to fill in an additional inter depository slip, maintained with the DP while giving instructions to their respective DPs.

In case of non receipt of the aforesaid documents, but receipt of the shares in the special depository account, the Offer shall be deemed to be accepted. The Form of Acceptance-cum-Acknowledgement for which corresponding shares have not been credited to the special depository account as on the date of closure of the Offer will be rejected.

9.3. Shareholders should also provide all relevant documents, which are necessary to ensure transferability of shares in respect of which the application is being sent failing which the tender would be considered invalid and would be liable to be rejected. Such documents may include (but not be limited to)

- Duly attested death certificate and succession certificate (for single shareholder) in case the original shareholder has expired.
- Duly attested power of attorney if any person apart from the shareholder has signed acceptance form or transfer deed(s).
- No objection certificate from any lender, if the shares in respect of which the acceptance is sent, were under any charge, lien or encumbrance.
- In case of companies, the necessary certified corporate authorizations (including board and/ or general meeting resolutions).

9.4. The share certificate(s), share transfer form, Form of Acceptance-cum-Acknowledgement and other documents, if any should be sent only to the Registrar to the Offer. They should not be sent to the Manager to the Offer or the Acquirers or the Target Company. The above-mentioned documents can be sent by hand delivery on all days except Sundays and public holidays.

9.5. In case of unregistered owners or shareholders who have not received the Letter of Offer, they may send their consent to the Registrar to the Offer, on a plain paper stating the Name & Address of the First Holder, Name(s) & Address(es) of Joint Holder(s) if any, Number of Shares held, Number of Shares offered, Distinctive Numbers, Folio Number, together with the Original Share Certificate(s), valid Share Transfer Deeds and the original Contract Note(s) issued by the Broker through whom they acquired their shares, along with the documents as mentioned above, so as to reach the Registrar to the Offer on or before the closure of the Offer, or in the case of beneficial owners, they may send the application in writing to the Registrar to the Offer, on a plain paper stating the Name, Address, Number of Shares held, Number of Shares offered, DP name, DP ID, beneficiary account number and a photocopy of the delivery instruction in "Off-Market" mode or counterfoil of the delivery instruction in the "Off-Market" mode, duly acknowledged by the DP, in favour of the aforesaid special depository account, so as to reach the Registrar to the Offer on or before the closure of the Offer. No indemnity is required from the unregistered owners.

9.6. Shareholders of Target Company who have sent their equity shares for transfer should submit the Form of Acceptance duly completed and signed, copy of the letter to Target Company (for transfer of said shares) and acknowledgement received thereon and valid share transfer form. Shareholders of the Target Company who have sent their shares for dematerialisation need to ensure that the process of getting shares dematerialized is completed well in time so that the credit in the Escrow Account should be received on or before the closure of the Offer, else the application would be rejected.

9.7. The application should be signed by all the shareholders as per the registration details available with the Target Company and should be sent to the Registrar to the Offer in an envelope clearly marked **'SFICL OPEN OFFER'**.

9.8. Non-Resident shareholders and Overseas Corporate Bodies, while tendering their equity shares under the Offer, should submit the previous RBI Approvals (specific or general) that they would have been required to submit to acquire the equity shares of the Target Company. In case the previous RBI Approvals are not submitted, the Acquirers reserves the right to reject such equity shares tendered. While tendering the shares under the Offer, Non resident shareholders will also be required to submit a Tax Clearance Certificate from Income Tax Authorities, indicating the amount of tax to be deducted by the Acquirers under the Income Tax Act, 1961 ('Income Tax Act'), before remitting the consideration. In case the aforesaid Tax Clearance Certificate is not submitted, the Acquirers will deduct tax at the rate as may be applicable to the category of the shareholder under the Income Tax Act, on the entire consideration amount payable to such shareholder.

As per the provisions of Section 196(D1)2 of the Income Tax Act, 1961, no deduction of tax at source shall be made from any income by way of capital gains arising from transfer of securities referred to in Section 115AD of the Income Tax Act payable to Foreign Institutional Investor ('FII') as defined in Section 115AD of the Income Tax Act, 1961.

9.9. In case of delay in receipt of statutory approvals, SEBI has the power to grant extension of time to Acquirers for payment of consideration to shareholders, subject to the Acquirers agreeing to pay interest for the delayed period, as directed by SEBI in terms of Regulation 22(12) of the SEBI (SAST) Regulations.

9.10. In case the number of shares validly tendered in the Offer by the shareholders of Target Company are more than the shares to be acquired under the Offer (i.e. 2,20,500 equity shares) then the Acquirers shall accept the Offers received from the shareholders on a proportionate basis as per Regulation 21(6) of the SEBI (SAST) Regulations in consultation with the Manager to the Offer, taking care to ensure that the basis of acceptance is decided in a fair and equitable manner and does not result in non-marketable lots provided that acquisition of equity shares from a shareholder shall not be less than the minimum marketable lot or the entire holding, if it is less than the marketable lot. The marketable lot of the Target Company is 50 (Fifty only) equity shares, in case of physical mode and 1 (One) equity share in case of dematerialized mode. The rejected applications/ documents will be sent by Registered Post.

9.11. In case of acceptance on a proportionate basis, the unaccepted share certificates, transfer forms and other documents, if any, will be returned by registered post at the shareholders' / unregistered owners' sole risk to the sole / first shareholder.

9.12. In terms of Regulation 22(5A) of the SEBI (SAST) Regulations, the shareholders desirous of withdrawing their acceptances tendered in the Offer can do so up to three working days prior to the date of closure of the Offer. The withdrawal option can be exercised by submitting the Form of Withdrawal as enclosed in the Letter of Offer. The shareholders are advised to ensure that the Form of Withdrawal should reach the Registrar to the Offer at the collection centre mentioned in the Letter of Offer or above as per the mode of delivery indicated therein on or before the last date of withdrawal i.e. April 6, 2011.

9.13. The withdrawal option can be exercised by submitting the Form of Withdrawal enclosing with it Copy of the Form of Acceptance-cum- Acknowledgement. In case of non receipt of Form of Withdrawal, the withdrawal option can be exercised by making an application on plain paper so as to reach the Registrar to the Offer either by hand delivery or by registered post on or before April 6, 2011 along with the following details:

In case of Physical Shares: Name, Address, distinctive numbers, folio nos., number of shares tendered/withdrawn.

In case of Dematerialized Shares: Name, Address, number of shares tendered/withdrawn, DP name, DP ID, Beneficiary account number and a photocopy of the delivery instruction in "Off-Market" mode or counterfoil of the delivery instruction in "Off-Market" mode, duly acknowledged by the DP in favour of the Special Depository Account.

The shares withdrawn by the shareholders would be returned by the Registered post.

9.14. Shareholders wish to partially withdraw their tenders, should also enclose valid share transfer form(s) for the remaining equity shares (i.e. shares not withdrawn) duly signed as transferors by all registered shareholders (in case of joint holdings) in the same order and as per specimen signatures registered with the Target Company and duly witnessed at the appropriate place.

9.15. The withdrawal of shares will be available only for the share certificates/ shares that have been received by the Registrar to the Offer.

9.16. The intimation of returned shares to the shareholders will be at the address as per the records of the Target Company.

9.17. In case of partial withdrawal of shares tendered, if the original share certificates are required to be split, the same will be returned on receipt of share certificates from the Target Company.

9.18. Partial withdrawal of tendered shares can be done only by the registered shareholders / beneficial owners. In case of partial withdrawal, the earlier Form of Acceptance-cum- Acknowledgement will stand revised to that effect.

9.19. In case of shareholders holding Shares in dematerialised form, the bank details of the Shareholder as per the records of the Depository participant will be incorporated in the cheque/demand draft. In case of shareholders holding shares in physical form, it is desirable that shareholders provide bank details in the Form of Acceptance cum Acknowledgment, so that same can be incorporated in the Cheque / Demand Draft/Pay Order.

9.20. The consideration to those shareholders whose shares or share certificates and/or other documents are found complete, valid and in order will be paid by crossed account payee Cheques/Demand Drafts/Pay Order, through Electronic Clearing Services (‘ECS’), Direct Credit (‘DC’), National Electronic Funds Transfer (‘NEFT’), Real Time Gross Settlement (‘RTGS’) at specified centres where clearing houses are managed by the Reserve Bank of India.

9.21. For those shareholders, who have opted for physical mode of payment and shareholders whose payment consideration is not credited by electronic mode due to technical error or incomplete/ incorrect bank account details, payment consideration will be made by crossed account payee Cheques/Demand Drafts. Such considerations in excess of Rs. 1500/- or unaccepted Share Certificate(s), transfer deed(s) and other documents, if any, will be returned by registered post/speed post at the shareholders’/ unregistered owners’ sole risk to the sole/first shareholder/unregistered owner. The Acquirers is required to deduct tax at source, as may be applicable. All dispatches involving payment of a value upto Rs.1,500/- will be made under certificate of posting at the shareholders sole risk.

9.22. The payment consideration for shares accepted under the Offer may be made through Electronic Clearing Services (ECS), Direct Credit (‘DC’) or Real Time Gross Settlement (‘RTGS’) at specified centres where clearing houses are managed by the Reserve Bank of India or through warrants/ Demand Drafts. Shareholders who opt for receiving consideration through ECS/RTGS/DC are requested to give the authorization for ECS/RTGS/DC in the Form of Acceptance cum Acknowledgment and provide the Indian Financial System Code (IFSC) and enclose a photocopy of cheque/ along with the Form of Acceptance cum Acknowledgment.

9.22.1. **Electronic Clearing System (ECS)** :- Payment of consideration would be done through ECS for applicants having an account at any of the following 68 centers: Ahmedabad, Bangalore, Bhubaneshwar, Kolkata, Chandigarh, Chennai, Guwahati, Hyderabad, Jaipur, Kanpur, Mumbai, Nagpur, New Delhi, Patna, Thiruvananthapuram (managed by RBI); Baroda, Dehradun, Nashik, Panaji, Surat, Trichy, Trichur, odhpur, Gwalior, Jabalpur, Raipur, Calicut, Siliguri (Non-MICR), Pondicherry, Hubli, Shimla (Non-MICR), Tirupur, Burdwan (Non-MICR), Durgapur (Non-MICR), Sholapur, Ranchi, Tirupati (Non-MICR), Dhanbad (Non-MICR), Nellore (Non-MICR) and Kakinada (Non-MICR) (managed by State Bank of India); Agra, Allahabad, Jalandhar, Lucknow, Ludhiana, Varanasi, Kolhapur, Aurangabad, Mysore, Erode, Udaipur, Gorakpur and Jammu (managed by Punjab National Bank); Indore (managed by State Bank of Indore); Pune, Salem and Jamshedpur (managed by Union Bank of India); Visakhapatnam (managed by Andhra Bank); Mangalore (managed by Corporation Bank); Coimbatore and Rajkot (managed by Bank of Baroda); Kochi/Ernakulum (managed by State Bank of Travancore); Bhopal (managed by Central Bank of India); Madurai (managed by Canara Bank); Amritsar (managed by Oriental Bank of Commerce); Haldia (Non-MICR) (managed by United Bank of India); Vijaywada (managed by State Bank of Hyderabad); and Bhilwara (managed by State Bank of Bikaner and Jaipur). This mode of payment of considerations would be subject to availability of complete bank account details including the MICR code as appearing on a cheque leaf, from the Depositories. The payment of consideration through ECS is mandatory for shareholders having a bank account at any of the abovementioned 68 centers, except where the applicant, being eligible, opts to receive payment through direct credit or RTGS.

9.22.2. **Direct Credit (DC):-** Applicants having bank accounts with the same bank through which payment consideration shall be made shall also be eligible to receive consideration through direct credit in their respective bank accounts as mentioned in the FOA.

9.22.3. **Real Time Gross Settlement (RTGS):-** Applicants having a bank account at any of the RBI managed centres and whose payment consideration exceeds Rs. 1 Lakh, have the option to receive refund through RTGS. Such eligible applicants who indicate their preference to receive consideration through RTGS are required to provide the IFSC code in the FOA. In the event the same is not provided, payment consideration shall be made through other electronic modes or by cheques, pay orders or demand drafts payable.

9.22.4. **NEFT (National Electronic Fund Transfer)** – Payment of consideration shall be undertaken through NEFT wherever the shareholders bank has been assigned the Indian Financial System Code (IFSC), which can be linked to a Magnetic Ink Character Recognition (MICR), if any, available to that particular bank branch. IFSC Code will be obtained from the website of RBI as on a date immediately prior to the date of payment of consideration, duly mapped with MICR numbers. Wherever the shareholder has registered their nine digit MICR number and their bank account number while opening and operating the demat account, the same will be duly mapped with the IFSC Code of that particular bank branch and the payment of consideration will be made to the applicants through this method. The process flow in respect of consideration by way of NEFT is at an evolving stage and hence use of NEFT is subject to operational feasibility, cost and process efficiency.

9.23. For all other applicants, including those applicants whose payment consideration is not credited by ECS/Direct Credit due to technical errors or incomplete/incorrect bank account details or due to unavoidable reasons, payment consideration will be dispatched through Speed Post/Registered Post. Such payment consideration will be made by cheques, pay orders or demand drafts payable at par at places where the address of the shareholder is registered.

9.24. In case of payment consideration is rejected through the ECS/Direct Credit facility, the Registrar to Offer would endeavour to dispatch the payment consideration within 3 working days of such rejection.

9.25. The bank account details for ECS/ Direct Credit/RTGS will be directly taken from the depositories' database or from the details as mentioned by the shareholders in the FOA.

9.26. The Registrar to the Offer will hold in trust the Shares / Share Certificates, Transfer Deed(s), Shares lying in credit of the special depository account, Form of Acceptance cum Acknowledgement, if any, and the transfer form(s) on behalf of the shareholders of the Target Company who have accepted the Offer, till the cheques / drafts for the consideration and / or the unaccepted shares / share certificates are dispatched / returned.

9.27. Unaccepted share certificates, transfer forms and other documents, if any, will be returned by registered post at the shareholders'/unregistered owners' sole risk to the sole/first shareholder as per the details furnished in the Form of Acceptance-cum-Acknowledgement. Shares held in demat form to the extent not accepted will be credited back to the beneficial owners' depository account with the respective depository participant as per the details furnished by the beneficial owner in the Form of Acceptance.

10 GENERAL

10.1 The Form of Acceptance and instructions contained therein are integral part of the Letter of Offer.

10.2 Neither the Acquirers nor the Manager nor the Registrar nor the Company will be responsible for any loss in transit or delay in receipt of the completed Form of Acceptance, Share certificate(s), Share transfer deed(s) and copy of delivery instructions or other documents.

10.3 The Offer Price is denominated and payable in Indian Rupees only.

10.4 All the communication in connection with the Form of Acceptance should be addressed to the Registrar to the Offer as mentioned above, with full name of the sole / first applicant, folio number, number of equity shares tendered, date of lodgment of the Form of Acceptance and other relevant particulars.

10.5 If there is any upward revision in the Offer Price (in terms of Regulation 26) by the Acquirers till the last day of revision i.e. March 30, 2011 viz., at any time upto seven working days prior to the date of Closure of the Offer i.e. April 9, 2011, the same would be informed by way of Public Announcement in the same newspapers where original Public Announcement had appeared. Such revised offer price would be payable to all the shareholders who tender their shares in the Offer.

10.6 If there is any competitive bid:-

10.6.1 The Public Offers under all the subsisting bids shall close on the same date.

10.6.2 As the Offer Price can not be revised during 7 working days prior to the closing date of the offers / bids, it would, therefore, be in the interest of shareholders to wait till the commencement of that period to know the final Offer Price of each bid and tender their acceptance accordingly.

10.7 Wherever necessary, the financial figures are rounded off to nearest Lacs or Crores.

10.8 In terms of Regulation 22 (5A), shareholders shall have the option to withdraw acceptance tendered earlier, by submitting the Form of Withdrawal enclosed with the LOO, so as to reach Registrars to the Offer on or before 17:00 hours upto three working days prior to the date of Closure of the Offer, i.e. April 9, 2011.

10.9 Alternatively, a copy of Public Announcement, Letter of Offer, Form of Acceptance cum Acknowledgement and Form of Withdrawal cum Acknowledgement can be obtained from SEBI's official website: www.sebi.gov.in

10.10 The Manager to the Offer i.e. Intensive Fiscal Services Private Limited does not hold any shares in SFIL as on the date of PA and provisions of Regulation 16(via), 24(1)(e) and 24(5A) are duly complied with.

11 DOCUMENTS FOR INSPECTIONS

The following documents are regarded as material documents and are available for inspection at the office of the Manager to the Offer at 131, C-wing, Mittal Tower, 13th floor, Nariman Point, Mumbai-400021, **Contact Person**: Mr. Brijesh Parekh/Mr. Rishabh Jain from 10.30 a.m. to 1.00 p.m. on any working day, except Saturdays, Sundays and Holidays until the closure of the Offer.

11.1 Certificate of Incorporation, Certificate of Commencement Memorandum of Association and Articles of Association of Subway Finance & Investment Company Limited.

11.2 Memorandum of Understanding between Lead managers i.e. Intensive Fiscal Services Private Limited & Acquirers.

11.3 Undertaking from the Acquirers, stating full responsibility for all information contained in the PA and the Letter of Offer.

11.4 Partnership Deed and Supplementary Deed of AJS Enterprises LLP and AJS Nirman LLP.

11.5 Annual Reports SFIL for the years ended March 31, 2008, 2009 and 2010 and unaudited but certified financial data for six month ended on September 30, 2010.

11.6 Mr. Divyesh Mehta (Membership No. 44293), Partner of Vinod K. Mehta & Co. located at B-5, Satyam Shopping Centre, M. G. Road, Ghatkopar (East), Mumbai – 400 077, Tel No.:022-21024280 / 67255633, Fax No.:022-21024280 has certified vide certificate dated December 09, 2010, that the Net worth of AJS Enterprises LLP and AJS Nirman LLP are Rs. 85,00,000/- (Rupees Eight Five Lacs Only) and Rs. 85,00,000/- (Rupees Eight Five Lacs Only) respectively as on December 08, 2010, totalling to a combined networth of Rs. 1,70,00,000 (Rupees One Crore and Seventy Lacs only) & Rs. 1,00,00,000/- (Rupees One Crore Only) and Rs. 1,00,00,000/- (Rupees One Crore Only) respectively, totalling to a combined total Networth of Rs. 2,00,00,000 (Rupees Two Crore Only) as on March 07, 2011.

11.7 Certificate from the Statutory Auditors of SFIL for Financial Ratios for years ended March 31, 2008, 2009 and 2010 and six month ended September 30, 2010.

11.8 Certificate from the Auditors of Acquirers stating the Networth of the Acquirers and also stated that the funds with the acquirers are sufficient enough to meet the obligations of the Open Offer.

11.9 Letter from HDFC Bank Ltd., Fort, Mumbai confirming the amount of 40,00,000/- (Rupees Forty Lacs only) kept in the Escrow Account with a lien marked in favour of Manager to the Offer and Fixed Deposit has been made of the same amount.

11.10 A copy of the Share Purchase Agreement between the Acquirers and the Sellers dated December 14, 2010 for acquisition of 6,81,525 equity shares, which triggered the Open Offer.

11.11 Published copy of the PA, which appeared in the newspapers on December 16, 2010 and copy of the Corrigendum which appeared in the newspaper on March 11, 2011.

11.12 Undertaking from the Acquirers that if he acquires any Shares of the Target Company after the date of the Public Announcement till the closure of the offer, they shall inform Stock Exchange and the Manager within 24 hours.

11.13 Undertaking from the Acquirers for unconditional payment of the considerations within 15 days of closure to all the Shareholders of the target company whose applications are accepted in the Open Offer.

12. DECLARATION BY THE ACQUIRERS

12.1 We have made all reasonable inquiries, accept responsibility for, and confirm that this Letter of Offer contains all information with regard to the Offer, which is material in the context of the issue, that the information contained in this Letter of Offer is true and correct in all material respects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which makes this document as a whole or any of such information or the expression of any such opinions or intentions misleading in any material respect.

12.2 Acquirers are solely responsible for ensuring compliance with the Regulations. All information contained in this document is as on date of the Public Announcement, unless stated otherwise.

12.3 We hereby declare and confirm that all the relevant provisions of Companies Act, 1956 and all the provisions of SEBI (Substantial Acquisition of Shares and Takeover) Regulations, 1997 have been complied with and no statements in the Offer document is contrary to the provisions of Companies Act, 1956 and SEBI (Substantial Acquisition of Shares and Takeover) Regulations 1997.

For AJS Enterprises LLP

For AJS Nirman LLP

Place: Mumbai
Date: March 11, 2011

13. ENCLOSURES

1. Form of Acceptance cum Acknowledgement
2. Form of Withdrawal cum Acknowledgement
3. Blank Share Transfer Deed(s).

FORM OF ACCEPTANCE-CUM-ACKNOWLEDGEMENT

(All terms and expressions used herein shall have the same meaning as ascribed thereto in the Letter of Offer)

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

(Please send this Form with enclosures to the Registrar to the Offer)

OFFER OPENS ON: Monday, March 21, 2011
OFFER CLOSES ON: Saturday, April 9, 2011
Please read the Instructions overleaf before filling-in this Form of Acceptance

From:

FOR OFFICE USE ONLY	
Acceptance Number	
Number of equity shares offered	
Number of equity shares accepted	
Purchase consideration (Rs.)	
Cheque/Demand Draft/Pay Order No.	

Tel No: Fax No: Email:

To,
Acquirer,
C/o Sharex Dynamic (India) Private Limited (REGISTRAR),
Unit 1, Luthra Ind. Premises,
Andheri-Kurla Road, Safed Pool, Andheri (East),
Mumbai- 400072.

Sub.: Open Offer to acquire 2,20,500 equity shares of Rs. 10/- each, representing 20.00% of the voting capital of Subway Finance & Investment Company Limited at a price of Rs. 31.50/- (Rupees Thirty One and Fifty Paisa only) per share by AJS Enterprise LLP and AJS Nirman LLP.

Dear Sir,

I/We refer to the Letter of Offer dated _____________ 2011 for acquiring the equity shares held by me/us in Subway Finance & Investment Company Limited.

I/We, the undersigned, have read the Letter of Offer and understood its contents including the terms and conditions as mentioned therein.

FOR SHARES HELD IN PHYSICAL FORM:

I/We accept the Offer and enclose the original share certificate (s) and duly signed transfer deed (s) in respect of my/our shares as detailed below:

S. No.	**Folio No.**	**Certificate No.**	**Distinctive No(s)**		**No. of Shares**
			From	**To**	
Total Number of Equity Shares					

(In case of insufficient space, please use additional sheet and authenticate the same)

FOR SHARES HELD IN DEMAT FORM:

I / We hold the shares in dematerialized form and had executed an 'off-market' transaction for crediting the shares to the **'SFICL OPEN OFFER'** as per the following particulars:

Depository Name	CDSL
DP Name	ARCADIA SHARE & STOCK BROKERS PRIVATE LIMITED
DP ID Number	12034400
Beneficiary Account Number	00749863

Please find enclosed a photocopy of the depository delivery instruction(s) duly acknowledged by DP. The particulars of the account from which my / our shares have been tendered are as follows:

DP Name	**DP ID**	**Client ID**	**Beneficiary Name**	**No. of shares**

I/We confirm that the equity shares of the Target Company, which are being tendered herewith by me/us under the Offer, are free from lien, charges and encumbrances of any kind whatsoever.

I/We note and understand that the original share certificate(s) and valid share transfer deed(s) will be held in trust for me/us by the Registrar to the Offer until the time the Acquirers pay the purchase consideration as mentioned in the Letter of Offer. I/We also note and understand that the Acquirers will pay the purchase consideration only after verification of the documents and signatures.

I / We authorize the Acquirers to accept the equity shares so offered or such lesser number of equity shares that the Acquirers may decide to accept in consultation with the Manager to the Offer and in terms of the said Letter of Offer and I / we further authorize the Acquirers to apply and obtain on our behalf split of share certificate(s) as may be deemed necessary by them for the said purpose. I further authorize the Acquirers to return to me / us, equity share certificate(s) in respect of which the Offer is not found / not accepted, specifying the reason thereof.

I/We authorize the Acquirers or the Registrar to the Offer to send by Registered Post (under UCP if less than Rs. 1,500/-) the draft / cheque in settlement of the amount to the sole / first holder at the address mentioned below:

So as to avoid fraudulent encashment in transit, Shareholder(s) may provide details of bank account of the first / sole Shareholder and the consideration cheque or demand draft will be drawn accordingly.

So as to avoid fraudulent encashment in transit, the shareholder(s) holding shares in physical form should provide details of bank account of the first/sole shareholder and the consideration cheque or demand draft will be drawn accordingly. For shares that are tendered in demat form, the Bank account as obtained from the beneficiary position (download to be provided by the depositories) will be considered and the draft/cheque will be issued with the said Bank particulars, and not any details provided herein.

Shareholders have an option to receive the consideration through ECS/RTGS/Direct credit. I/We [Put tick (✓) mark]

☐ Opt for ECS/RTGS/Direct credit

☐ Not Opt for ECS/RTGS/Direct credit

Shareholders those who opt to receive the consideration through ECS/RTGS/Direct Credit of Reserve Bank of India are requested to provide photo copy of Cheque alongwith following Bank Account Details:

Name of the Bank		Branch	
Account Number		Savings/Current/Others (please specify)	
9 Digit MICR Code	☐☐☐☐☐☐☐☐☐	IFSC Code (RTGS)	☐☐☐☐☐☐☐☐

The Permanent Account Number (PAN / GIR No.) allotted under the Income Tax Act, 1961 is as under:

	1st Shareholder	**2nd Shareholder**	**3rd Shareholder**
PAN / GIR No.			

Yours faithfully,

Signed and Delivered:

	FULL NAME (S)	**SIGNATURE (S)**
First/Sole Shareholder		
Second Shareholder		
Third Shareholder		

Note: Incase of joint holdings, all holders must sign. A corporation must affix its Common Seal.

Address of First/Sole Shareholder:

____

Place:
Date:

All queries in this regard to be addressed to the Registrar to the Offer quoting your Folio No.

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Serial No.

Acknowledgement Slip

Sharex Dynamic (India) Private Limited (REGISTRAR),
Unit 1, Luthra Ind. Premises,
Andheri-Kurla Road, Safed Pool, Andheri (East),
Mumbai- 400072.
Tel no.: 022–28515606/44
Fax no.: 022 – 28512885
E-mail: sharexindia@vsnl.com

Received from Mr. / Ms. ___________________________________

Address: ____

____

Folio Number__________ DP ID________ Client ID________

Number of Certificate(s) enclosed ____________

Certificate Number(s) ______________________

Total number of Share(s) enclosed ____________

Signature of Official and Date of Receipt	Stamp of Registrar to the Offer

Demat Shares: Copy of delivery instruction for ______________ number of shares enclosed.

Note: All future correspondence, if any should be addressed to Registrar to the Offer at the address mentioned above.

FORM OF WITHDRAWAL
(All terms and expressions used herein shall have the same meaning as ascribed thereto in the Letter of Offer)

OFFER OPENS ON: Monday, March 21, 2011
OFFER CLOSES ON: Saturday, April 9, 2011

From:

Tel No.: Fax No.: E-mail:

To,
Acquirer,
C/o Sharex Dynamic (India) Private Limited (REGISTRAR),
Unit 1, Luthra Ind. Premises,
Andheri-Kurla Road, Safed Pool, Andheri (East),
Mumbai- 400072.

Sub.: Open Offer to acquire 2,20,500 equity shares of Rs. 10/- each, representing 20.00% of the voting capital of Subway Finance & Investment Company Limited at a price of Rs. 31.50/- (Rupees Thirty One and Fifty Paisa only) per share by AJS Enterprise LLP and AJS Nirman LLP.

Dear Sir,

I/We refer to the Letter of Offer dated _____________2011 for acquiring the equity shares held by me/us in **Subway Finance & Investment Company Limited.**

I/We have read the procedure for withdrawal of equity shares tendered by me/us in the Offer as mentioned in the Letter of Offer and unconditionally agree to the terms and conditions mentioned therein.

I/We hereby consent unconditionally and irrevocably to withdraw my/our equity shares from the Offer and I/We further authorise the Acquirers to return to me/us, the tendered equity share certificate(s)/ share(s) at my/our sole risk.

I/We note that upon withdrawal of my/our equity shares from the Offer, no claim or liability shall lie against the Acquirers /Manager to the Offer/ Registrar to the Offer.

I/We note that this Form of Withdrawal should reach the Registrar to the Offer at the collection center mentioned in the Letter of Offer on or before the last date of withdrawal i.e April 6, 2011.

I / We note the Acquirers / Manager to the Offer / Registrar to the Offer shall not be liable for any postal delay / loss in transit of the shares held in physical form and also for the non-receipt of shares held in the dematerialized form in the DP account due to inaccurate / incomplete particulars/ instruction

FOR SHARES HELD IN PHYSICAL FORM:
The particulars of tendered original Share certificate(s) and duly signed transfer deed(s) and the shares we wish to withdraw are detailed below.
(Please enclose the Xerox copy of Acknowledgement received for 'Form of Acceptance')

Folio No.	**Certificate No.**	**Distinctive No(s)**		**No. of Equity Shares**
		From	**To**	
	Tendered:			
	Withdrawn:			
Total Number of Equity Shares				

(In case of insufficient space, please use additional sheet and authenticate the same)

I/We note and understand the terms of withdrawal of acceptance and request you to return the original Share certificate(s) and valid Share transfer deed(s) will be held in trust for me/us by you and authorize you not to remit the consideration as mentioned in the Letter of Offer.

FOR SHARES HELD IN DEMAT FORM:
I / We hold the following shares in dematerialized form and had executed an 'off-market' transaction for crediting the shares to the **''SFICL OPEN OFFER'**. Please find enclosed a photocopy of the depository delivery instruction(s) duly acknowledged by DP. The particulars of the account from which my / our shares have been tendered are as follows:

DP Name	**DP ID**	**Client ID**	**Beneficiary Name**	**No. of shares**

I / We note that the shares will be credited back only to that Depository Account, from which the shares have been tendered and necessary standing instructions have been issued in this regard.

I/We authorize the Acquirers to reject the shares so offered which it may decide in consultation with Registrar to the Offer and in terms of the Letter of Offer.

I/We confirm that the particulars given above are true and correct.

Yours faithfully,
Signed and Delivered

	FULL NAME (S)	SIGNATURE (S)
First/Sole Shareholder		
Second Shareholder		
Third Shareholder		

Note: Incase of joint holdings, all holders must sign. A corporation must affix its Common Seal.

Address of First/Sole Shareholder:

____

____

____

Place:

Date:

- Tear along this line -

Serial No.

Acknowledgement Slip

Sharex Dynamic (India) Private Limited (REGISTRAR),
Unit 1, Luthra Ind. Premises,
Andheri-Kurla Road, Safed Pool, Andheri (East),
Mumbai- 400072.
Tel no.: 022–28515606/44
Fax no.: 022 – 28512885
E-mail: sharexindia@vsnl.com

Received Form of withdrawal from Mr. / Ms. ___________________________________

Address: ____

____

Folio Number_________ DP ID __________Client ID_________

Number of Shares Tendered __________

Number of Shares Withdrawn ____________

Signature of Official and Date of Receipt	Stamp of Registrar to the Offer

Note: All future correspondence, if any should be addressed to Registrar to the Offer at the address mentioned above.

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