

**EXPLICIT FINANCE
LIMITED**

29TH

**ANNUAL GENERAL
MEETING**

**FINANCIAL YEAR
2022-23**

BOARD OF DIRECTORS

Mrs. Swati Dave
(Resigned on 14-08-2023)
Mr. Avinash Mainkar
Mr. Gopal Dave
Mr. Jayesh Jain
(Resigned on 24-07-2023)
Mr. Pushparaj Mayekar
Mr. Jitendra Bhanushali
Mr. Rajesh Nanda
(Joined on 14.08.2023)
Ms. Hetal Bhanushali
(Joined on 14-08-2023)

AUDITORS

M/s S C Mehra & Associates LLP Chartered Accountants

REGISTRAR & TRANSFER AGENTS

Adroit Corporate Services Pvt. Ltd
17-20, Jaferbhoy Industrial Estate, Makwana Road, Marol Naka Andheri (E), Mumbai - 400 059.

REGISTERED OFFICE

305, Sohan Commercial Plaza, Opp, Shivsena Office, Vasai East Thane-401 210.
CIN No. L65990MH1994PLC076788
Email Id:- explicit_finance@rediffmail.com

CONTENTS

- Notice Of Annual General Meeting 01
- Directors Report And Management Discussion Analysis..... 13
- Report on Corporate Governance35
- Independent Auditors Report.....53
- Balance Sheet..... 63
- Statement of Profit And Loss Account 64
- Cash Flow Statement 65
- Notes to the Financial Statement 66
- NBFC Form
- Proxy Form..... 77

NOTICE

NOTICE is hereby given that the Twenty Ninth (29th) Annual General Meeting of the Members of EXPLICIT FINANCE LIMITED (the Company) will be held on Saturday, 30th September 2023 at 9.30 A.M. (IST) at 305, Sohan Commercial Plaza, Vasai (E), Palghar - 401210, to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2023 and the Statement of Profit and Loss of the Company for the financial year ended and the Reports of the Board of Directors and Auditors thereon.

It is proposed to pass the following resolution as an ordinary resolution:

“RESOLVED THAT the financials for the year ended March 31, 2023 along with Auditors Report thereupon as recommended by the Audit Committee of the Directors of the company and as approved and signed by the board of directors of the company and as enclosed in the Annual Report enclosed to the notice convening 29th Annual General Meeting of the company for the Financial Year ended March 31, 2023 are be and hereby adopted without any modification(s) and/or suggestion(s) by the members of the Company.”

2. To appointment of M/s. GMCS & Co., Chartered Accountants, (Firm Reg. No: 141236W), on place of retiring auditors M/s. S C Mehra & Associates LLP (Firm Rgn, No. 106156W/W100305) as Statutory Auditors of the Company for a term of five years starting from Financial Year 2023-24 up to the annual general meeting to be held for financial year March 31, 2028 and to authorize board to fix their remuneration as may be decided mutually.

This being the first five year term of the auditor Special resolution is not required hence it is proposed to pass the following resolution as an ordinary resolution :

“RESOLVED THAT pursuant to the provisions of Section 139 and other applicable provisions, if any, of the Companies Act, 2013 (“Act”) and the Companies (Audit and Auditors) Rules, 2014, as amended from time to time, M/s GMCS & Co, (**Regn. No.141236W**), Chartered Accountants, Mumbai be and is hereby appointed as Statutory Auditors of the Company, to hold office from the conclusion of this Annual General Meeting (“AGM”) till the conclusion of the Annual General Meeting to be held for financial year ended March 31, 2028”

FURTHER RESOLVED THAT the Board of Directors (“the Board”) is be and hereby authorised to fix its remuneration.

FURTHER RESOLVED THAT any Director of the Company and the Company Secretary of the Company is be and hereby authorised to do all such acts and deeds and to execute all such documents and to submit certified true copy of this resolution wherever required”.

Special Business:

3. To appoint Mr. Rajesh Nanda (DIN 06399927), as Managing Director of the Company for the term of five years and is not liable to retire by rotation and in this regard to consider and if thought fit, to pass, with or without modification (s), the following resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to provisions of Section 196, 197, 203 and other applicable provisions of the Companies Act, 2013 read with Schedule V thereof, the recommendations of Nomination & Remuneration Committee and the Board of Directors, the consent of Members of the Company be and is hereby accorded to the re-appointment of Mr. Rajesh Nanda (DIN 06399927) as Managing Director of the Company for the period of five years with effect from August 14, 2023, and is not liable to retire by rotation and on such terms and conditions as set out in this resolution and the explanatory statement annexed hereto and payment of such remuneration, as may be determined by the Board or a duly constituted Committee thereof, from time to time, within the maximum limits of remuneration for Managing Director as per the provisions of the Companies Act, 2013 and rules and regulations made thereunder and as applicable from time to time the same is approved by the Members of the Company as under:

REMUNERATION:

The minimum Salary shall be 1,00,000 Lacs per month with annual increments being determined and recommended by the Remuneration Committee and to be approved by the Board of Directors on a year to year basis but within the maximum limit permissible under the provisions of the Companies Act, 2013 and rules and regulations made thereunder and as applicable from time to time.

BONUS:

Bonus will be paid in accordance with the Company’s policy

PERQUISITES:

In addition to Salary as above, the Managing Director may be entitled to perquisites like accommodation (furnished or otherwise) or house rent allowance in lieu thereof, house maintenance allowance, as permissible under law together with reimbursement of expenses or allowances for utilities such as gas, electricity, water, furnishings, repairs and other allowances, medical reimbursement, club fees and leave travel concession for self and his family, personal accident insurance and such other perquisites as are payable in accordance with the rules of the Company or as may be agreed to by the Nomination and Remuneration Committee and/or Board of directors and Managing Director.

The above perquisites shall be evaluated as per the Income tax Rules wherever applicable. In the absence of such rules, perquisites will be evaluated at actual costs but shall be within the maximum limits of remuneration for Managing Director as per the provisions of the Companies Act, 2013 and rules and regulations made thereunder and as applicable from time to time

“RESOLVED FURTHER THAT for the purpose of giving effect to the aforesaid resolution, the Board of Directors of the Company and Company Secretary of the Company be and is hereby authorized to do all such acts, deeds and things, as it may in its absolute discretion deem necessary, proper or desirable and to settle any question, difficulty or doubt that may arise in the said regard”

4. To appoint Ms. Hetal Bhanushali (DIN 10266055) as an Independent Director of the Company and in this regard to consider and if thought fit, to pass, with or without modification (s), the following resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to the provision of Sections 149, 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Ms. Hetal Bhanushali (DIN 10266055), who was appointed as an Additional Director (Independent) pursuant to the provisions of Section 161(1) of the Companies Act, 2013, at Board Meeting held on August 14, 2023 and holds office up to the conclusion of this annual General Meeting as per the provisions of the Companies Act, 2013 The Director meets the criteria of independence as provided in Section 149(6) of the Companies Act, 2013 and who is eligible for appointment, be and is hereby appointed as an Independent Director of the Company for the term of five years and the term shall not be subject to retirement by rotation.”

RESOLVED FURTHER THAT any Director of the Company and Company Secretary of the Company be and is hereby authorized to do all such acts and deeds and to execute all such documents as may be required for the purpose and to submit a Certified True copy of this resolution as and when required.”

BY ORDER OF BOARD

GOPAL DAVE
DIN : 00334120

NOTES

- 1) **A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON POLL ON HIS / HER BEHALF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.** Pursuant to the provisions of Section 105 of the Companies Act, 2013, a person can act as a proxy on behalf of not more than fifty members and holding in aggregate not more than ten percent of the total share capital of the Company. Members holding more than ten percent of the total share capital of the Company may appoint a single person as proxy, who shall not act as a proxy for any other Member. The instrument of Proxy, in order to be effective, should be deposited, either in person or through post, at the Registered Office of the Company, duly completed and signed, not later than 48 hours before the commencement of the meeting. A Proxy Form is annexed to this Report. Proxies submitted on behalf of limited companies, societies, etc., must be supported by an appropriate resolution/letter of authority, as applicable authorizing their representative to attend and vote on their behalf at the AGM. A proxy shall not have a right to speak at the AGM and shall not be entitled to vote except on a Poll.
- 2) During the period beginning 24 hours before the time fixed for the commencement of the meeting and ending with the conclusion of the meeting, a member would be entitled to inspect the proxies lodged at any time during the business hours of the Company, provided that not less than three days of notice in writing is given to the Company.
- 3) Corporate Members intending to send their authorized representatives to attend the AGM, pursuant to Section 113 of the Companies Act, 2013, are requested to send to the Company, a certified copy of relevant Board Resolution together with the respective specimen signatures of those representative(s) authorised under the said resolution to attend and vote on their behalf at the meeting.
- 4) The Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Companies Act, 2013 will be available for inspection by Members at the AGM.
- 5) An Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 relating to the Special Business to be transacted at the Annual General Meeting (AGM) is annexed hereto.
- 6) All the documents referred to in the accompanying Notice and Explanatory Statement are open for inspection at the Registered Office of the Company during the business hours on all days except Saturdays, Sundays and Public Holidays, between 11.00 a.m. to 1.00 p.m. upto the date of ensuing Annual General Meeting and will also be available at the Meeting.
- 7) Brief Profile and other required information about the Directors proposed to be appointed/reappointed, as required under Regulations 26 (4) and 36 (3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") and as required under Secretarial Standard 2, pursuant to Section 118 (10) of the Act, issued by the Institute of Company Secretaries

of India, relating to Directors proposed to be appointed/re-appointed, is provided in the Annexure to this Notice.

- 8) Pursuant to Section 91 of the Companies Act, 2013 and Rule 10 of the Companies (Management and Administration) Rules, 2014 read with Regulation 42 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Register of Members and Share Transfer Books of the Company will remain closed from 24th September 2023 (Sunday) to 30th September 2023 (Saturday) (both days inclusive)
- 9) Members are requested to send all communication relating to share (Physical and Electronic) to the Company's Registrar and Share Transfer Agent at **Adroit Corporate Services Private Limited**, 17-20, Jafferbhoy Industrial Estate, Makwana Road, Marol, Andheri (East), Mumbai – 400059, Tel No.: 91-22-42270400, Email: info@adroitcorporate.com.
- 10) The Securities Exchange Board of India (SEBI) Vide its circular dated 20th April 2018 has mandated registration of Permanent Account Number (PAN) and Bank Account Details for all securities holders. Members holding shares in physical form are therefore, requested to submit their PAN and Bank Account details to the Company's Registrar and Transfer Agent ("RTA") i.e. M/s. Adroit Corporate Services Private Limited having its office at 17-20, Jafferbhoy Industrial Estate, Makwana Road, Marol, Andheri (East), Mumbai – 400 059 by sending a duly signed letter copy along with self- attested copy of PAN Card and original cancelled cheque. The original cancelled cheque should bear the name of the Member. In the alternative Members are requested to submit a copy of bank passbook/statement attested by the bank. Members holding shares in demat form are requested to submit the aforesaid information to their respective Depository Participant.
- 11) SEBI has recently amended relevant provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 to disallow listed companies from accepting request for transfer of securities which are held in physical form, with effect from 1st April, 2019. The shareholders who continue to hold shares and other types of securities of listed companies in physical form even after this date, will not be able to lodge the shares with company / its RTA for further transfer. They will need to convert them to demat form compulsorily if they wish to effect any transfer. Only the requests for transmission and transposition of securities in physical form, will be accepted by the listed companies / their RTAs.
- 12) Members holding shares in physical form are requested to consider converting their holdings to dematerialized form to eliminate all risks associated with physical shares and for ease of portfolio management. Members can contact the Company or Company's Registrar and Share Transfer Agents for assistance in this regard.
- 13) Members holding shares in the electronic form are advised to inform any changes in address / bank mandate / Email ID directly to their respective Depository Participants. The Company will not act on any direct request from such members for change/ deletion

in such bank details.

- 14) Nomination facility for shares is available for members. For members holding shares in physical form, the prescribed format can be obtained from the Company's Registrar and Share Transfer Agents, M/s. Adroit Corporate Services Private Limited. For members holding shares in electronic form, you are requested to approach your Depository Participant (DP) for the same.
- 15) In case of joint holders attending the Meeting, the member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote.
- 16) Members desirous of obtaining any information concerning the Financial Statements and operations of the Company are requested to send their queries to the Chief Financial Officer or the Company Secretary of the Company at least seven days prior to the Meeting so that the required information can be made available at the Meeting.
- 17) Pursuant to Section 101 and Section 136 of the Companies Act, 2013 read with the relevant Rules made thereunder, companies can serve Annual Reports and other communications through electronic mode to those Members who have registered their e-mail address with the RTA or with Depository Participant(s). Members holding shares in demat form are requested to register their e-mail address with their Depository Participant(s) only and member holding shares in Physical form are requested to register to RTA. Members of the Company who have registered their e-mail address are also entitled to receive such communication in physical form upon request.
- 18) The Notice of AGM, Annual Report and Attendance Slip are being sent in electronic mode to Members whose e-mail address is registered with the Company or the Depository Participant(s), unless the Members have registered their request for the hard copy of the same. Physical copy of the Notice of AGM, Annual Report and Attendance Slip are being sent to those Members who have not registered their e-mail address with the Company or Depository Participant(s). Members who have received the Notice of AGM, Annual Report and Attendance Slip in electronic mode are requested to print the Attendance Slip and submit a duly filled in Attendance Slip at the Registration Counter at the AGM.
- 19) A Route Map Showing the direction to reach the venue of Annual General Meeting is given at the end of this Notice as per the requirement of the Secretarial Standards-2 on General Meeting.

20) Pursuant Voting through electronic means

In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended from time to time and the provisions of Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is pleased to provide members, facility to cast their votes on all Resolutions set forth in the Notice of the Annual General Meeting ('AGM') using electronic voting system from a place other than the venue of the

AGM ('remote e-voting'), provided by Central Depository Services Limited (CDSL) and the business may be transacted through such voting.

Instructions and information relating to e-voting

- i. The voting period begins on Wednesday 27th September, 2023 at 9.00 a.m. and ends on Friday 29th September, 2023 at 5.00 p.m. During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the **cut-off date of Saturday 23rd September, 2023** may cast their vote electronically. The remote e-voting module shall be disabled by CDSL for voting thereafter.
- ii. Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- iii. The shareholders should log on to the e-voting website www.evotingindia.com.
- iv. Click on Shareholders.
- v. Now Enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- vi. Next enter the Image Verification as displayed and Click on Login.
- vii. If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- viii. If you are a first time user follow the steps given below:

	For Members holding shares in Demat Form and Physical Form
PAN	<p>Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> • Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field. • In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.
Dividend Bank Details OR Date of Birth (DOB)	<p>Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login.</p> <ul style="list-style-type: none"> • If both the details are not recorded with the depository or

	company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (v).
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- ix. After entering these details appropriately, click on “SUBMIT” tab.
- x. Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach ‘Password Creation’ menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is also to be used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for remote e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- xi. For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- xii. Click on the EVSN for Explicit Finance Limited on which you choose to vote.
- xiii. On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- xiv. Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- xv. After selecting the resolution you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
- xvi. Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- xvii. You can also take out print of the voting done by you by clicking on “Click here to print” option on the Voting page.
- xviii. If Demat account holder has forgotten the same password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- xix. Note for Non – Individual Shareholders and Custodians
 - Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporate.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should

be emailed to helpdesk.evoting@cdslindia.com.

- After receiving the login details a compliance user should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.
 - The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- xx. Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. iPhone and Windows phone users can download the app from the App Store and the Windows Phone Store respectively. Please follow the instructions as prompted by the mobile app while voting on your mobile.
- xxi. In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com

21) Any person, who acquires shares of the Company and becomes a member of the Company after dispatch of the Notice and who holds shares as on the cut-off date, may cast their votes as follows:

- a. For remote e-voting: The Shareholders can send in their request at evoting@cdslindia.com to obtain the login ID and password. However, if you are already registered with CDSL for remote e-voting then you can use your existing user ID and password for casting your vote. If you have forgotten your password, you can reset your password by using "Forgot User Details/ Password" or "Physical User Reset Password?" option available on www.evotingindia.com or contact CDSL at the following toll free no.: 1800-225-533.
- b. For Ballot: The Shareholders can send an email at explicit_finance@rediffmail.com for obtaining a duplicate Ballot form by mentioning their Folio No. / DP ID and Client ID. However, the duly completed Ballot Form should reach the Scrutinizer, not later than Friday, 29th September 2023, by 5.00 p.m. Ballot Form received after the aforesaid date and time shall be treated as invalid.

- 22) The voting rights of shareholders shall be in proportion to their equity shares of the paid up equity share capital of the Company as on the cut-off date i.e. 23rd September 2023. A Person, whose name is recorded in the register of beneficial owners maintained by the depositories as on the cut-off date, only shall be entitled to avail the facility of remote e-voting, voting through Ballot Form or voting at the Annual General Meeting. M/s Vishal Manseta, Company Secretaries has been appointed as the scrutinizer for providing facility to the members of the company to scrutinize the voting at the meeting and remote e-voting process in a fair and transparent manner.
- 23) The Scrutinizer shall, after the conclusion of voting at the Annual General Meeting, would first count the votes cast at the Meeting, thereafter unblock the votes cast through remote e-voting and Ballot voting in the presence of at least two (2) witnesses not in the employment of the Company and shall make and submit, not later than 3 (three) working days of the conclusion of the Annual General Meeting, a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.
- 24) A Member can opt for only one mode of voting i.e. either through remote e-voting or by Ballot. If a Member casts votes by both modes, then voting done through remote e-voting shall prevail and Ballot shall be treated as invalid.
- 25) The facility for voting, either through electronic voting or Ballot or polling paper shall also be made available at the Meeting and members attending the Meeting who have not already cast their vote by remote e-voting or by Ballot Form shall be able to exercise their rights at the Meeting.
- 26) Members who have cast their vote by remote e-voting or by Ballot Form prior to the Meeting may also attend the Annual General Meeting but shall not be entitled to cast their vote again.
- 27) The Results declared alongwith the Scrutinizer's Report shall be placed on the Company's website www.explicitfinace.net and on the website of CDSL immediately after the declaration of the Result by the Chairman or a person authorized by him in writing. The Results would be communicated to the BSE Limited The result of the voting, along with the Scrutinizer's Report shall also be displayed on the Notice Board of the Company at its Registered Office.

BY ORDER OF BOARD

GOPAL DAVE
DIN : 00334120

ANNEXURE TO AGM NOTICE

The Statement of disclosures pursuant to Secretarial Standard-2 on General Meetings and Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, is as under:

Name of the Director	Mr. Rajesh Nanda	Mr. Hetal Bhanushali
DIN	06399927	10266055
Date of Birth	22-06-1991	08-08-2002
Date of first appointment in the current designation	14-08-2023	14-08-2023
Qualification	Qualified	Qualified
Brief Resume	He has experience of more than a decade into the infra industry.	She has experience in legal and finance industry.
Experience (including expertise in specific functional area)/Brief Resume	He has experience of more than a decade into the infra industry.	She has experience in legal and finance industry.
Directorships and Committee member- ships held in other listing Companies as on 31.03.2022	Mr. Rajesh Nanda is not a Director on the Board of any other Listed company	Ms. Hetal Bhanushali is not a Director on the Board of any other Listed company
Inter-se relationship between directors	None	None
No. of Meetings of the Board entitled No. of meeting attended	Nil	Nil
Number of Shares held in the Company	Nil	Nil

Explanatory Statement

Item No 3.

Appointment of Mr. Rajesh Nanda as Managing Director

Mr. Rajesh Nanda is a Businessman having experience of more than a decade and in past has handled multiple ventures at same time proving his expertise in management. He also carries an edge in the field of finance with his sharp business senses which can add value to the company.

He is not disqualified to be the director and also does not hold position of Director in any other listed company in whatsoever manner.

None of the directors are interested in this agenda

Item No. 4

Appointment of Mr. Hetal Bhanushali as an Independent Director

As per provisions of the Companies Act, 2013 and rules and regulations made thereunder it is mandatory for the company to appoint women director. After resignation of Ms. Swati Dave from the post of Managing Director there was no women director in the company.

Ms. Hetal Bhanushali is an intelligent professional with expertise in the field of finance and legal which is a great value addition to the company in both fields. Her presence in the board of the company will help management to have a critical view in the various aspects when discussed in the meeting as well as to make sure good corporate governance and proper compliance environment is in place.

She is not disqualified to be the director and also does not hold position of Director in any other listed company in whatsoever manner.

None of the directors are interested in this agenda

BOARD'S REPORT

To,
The Members

Your Directors have pleasure in presenting their Twenty Ninth (29th) Annual Report on the business and operations of the company along with the Audited Financial accounts for the Financial Year ended 31st March, 2023..

FINANCIAL RESULTS

(Amount in Lacs)

Particulars	Year Ended 31 st March 2023	Year Ended 31 st March 2022
Total Revenue	2286.51	1227.93
Less: Operating Expenses & Provisions	2285.68	1255.36
Profit/(Loss) before Tax	0.83	(27.43)
Less: Provision for Taxation	0	0
Profit/(Loss) after Tax	0.83	(27.43)
Comprehensive Income/(Loss)	0	0
Profit/(Loss) After Tax (PAT) including Other	0.83	(27.43)
Earnings per Share (EPS) (Rs.)	0.01	(0.30)

REVIEW OF OPERATION

During the financial year under review total income of the Company is Rs. 2286.51 Lacs as compared to last year's total income of Rs 1227.93 Lacs. Company has earned profit of Rs. 0.83 lacs as compare to loss of Rs. 27.43 lacs of the previous year, before comprehensive income/(loss).

BUSINESS REVIEW

Explicit Finance Limited ("The Company") is a non-banking financial company engaged in Secondary capital market activities and also provide a wide range of services including: -

- Individual/Corporate Finance
- Loans against Shares and securities

- Loans against property
- Financial Consultancy Services

DIVIDEND

Due to insufficient profits the Board of Directors has not recommended any dividend.

MANAGEMENT DISCUSSION ANALYSIS REPORT

The Management Discussion and Analysis forms an integral part of this Report and gives details of the overall industry structure, economic developments, performance and state of affairs of your Company's various businesses, internal controls and their adequacy, risk management systems and other material developments during the financial year 2022-2023.

A. INDUSTRY STRUCTURE & DEVELOPMENT

RISKS AND CONCERNS

NBFC is amongst highly regulated sectors and is exposed to market risk and liquidity risk. In the present economic situation in country and globally all the financial institutions are at very heavy risk. The secondary market is also highly volatile and with unstable trends of market it is also pro risk area.

For controlling inflation RBI keeps on changing norms periodically which impacts working pattern and cash flow.

OPPORTUNITIES

Micro financing and unsecured consumer loans are emerging as new avenue and with increasing purchasing power and having direct nexus to working population the available consumer base is very huge and number of NBFC/Banks/Fis catering in the area are not sufficient to cater the demand resulting in favourable demand and supply ratio for NBFCs

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

Internal Control measures and systems are established to ensure the correctness of the transactions and safe guarding of the assets. Considering the size and nature of activities, the company has adequate internal control system covering both accounting and administrative control. In addition the internal audit is carried out periodically. The management ensuring an effective internal control system so that the financial statements and reports give a true and fair view and during the year under review no material or serious observation has been received from the Internal Auditors of the Company for inadequacy or ineffectiveness of such control.

B. HUMAN RESOURCES

The company always regards human resources as its most valuable asset and continuously evolves policies and process to attract and retain its substantial pool of managerial resources through friendly work environment that encourages initiatives by individuals and recognizes their performance.

C. CAUTIONARY NOTE

Certain Statements in the Management Discussion and Analysis describing the company's views about the industry, expectations, objectives, etc. may be understood 'forward looking statement' within the meaning of applicable laws and regulations. Factors like changes in Government regulations, tax laws and other factors such as industrial relations and economic developments etc. may further influence the company's operations or performance. Actual results may differ substantially or materially from those expressed or implied.

RESERVES

The reserves are transferred in accordance with statutory provisions(s)

SHARE CAPITAL

The Company had not issued any equity shares either with or without differential rights during the F.Y. 2022-2023 and hence, the disclosure requirements under Section 43 and Rule 4 (4) of the Companies (Share Capital and Debentures) Rules, 2014, are not applicable.

DEPOSITS

The Company has neither accepted nor renewed any deposits from public or members during the year under review under Section 73 of the Companies Act, 2013 read with Chapter V of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2014. There are no unclaimed deposits, unclaimed / unpaid interest, refunds due to the deposit holders or to be deposited to the Investor Education and Protection Fund as on 31st March, 2023.

DIRECTORS

In accordance with the provisions of the Companies Act, 2013 and articles of association of the Company

- a) Mr. Rajesh Nanda, (DIN: 06399927) (Managing Director)of the company, for a term of five years from August 14, 2023.
- b) Ms. Hetal Bhanushali (DIN : 10266055) is appointed as an Independent Director under category of additional director w.e.f. August 14, 2023.

The resolutions regularizing their appointment is in the notice convening 29th Annual General Meeting enclosed with this annual report.

CHANGES IN KEY MANAGERIAL PERSONNEL (KMP'S) DURING THE YEAR 2022-2023

The CFO Ms. Taruna Ghanekar has resigned and Mr. Siddhesh patil has been appointed as CFO of the company.

Mr. Siddhesh patil has experience in Finance sector for more then a decade at the senior position and will be adding value to the organization with his expertise and experience going hand in hand.

The CFO of the Company has resigned and Company has appointed new CFO Mr. Sidarth Patil on 15-07-2023.

DIRECTOR'S RESPONSIBILITY STATEMENT

Pursuant to Section 134(3)(c) & 134(5) of the Companies Act, 2013, the Board of Directors of the Company hereby confirm that:

- i. in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- ii. the directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the loss of the company for that period;
- iii. proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- iv. proper annual accounts have been prepared on a going concern basis;

- v. internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively; and
- vi. proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

DECLARATION BY INDEPENDENT DIRECTOR

All Independent Directors have submitted the declaration of Independence, as required pursuant to Section 149(7) of the Act, stating that they meet the criteria of Independence as provided in section 149(6) of the Companies Act, 2013 and are not disqualified from continuing as Independent Directors.

EVALUATION OF DIRECTORS, COMMITTEE AND BOARD

Pursuant to the provisions of the Companies Act, 2013 and the Listing Regulations, the Board of Directors has carried out evaluation of the Board, its Committees and Individual Directors. The evaluation process has been explained in the Report on Corporate Governance, which forms part of this Board's Report.

Also, the Independent Directors, at their meeting reviewed the performance of the Board, its Chairman and Non-Executive Directors of the Company.

NUMBER OF BOARD MEETINGS HELD DURING THE PERIOD

A notice of the Board Meeting is circulated well in advance with Agenda, including detailed explanation to be discussed, to enable the Board to take an informed decision.

The intervening gap between the meetings was within the period prescribed under the Companies Act, 2013 and the Listing Agreement/Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. Further, 04 (Four) Board Meetings were held during the year ended 31st March 2023, the dates are 30-05-2022, 13-08-2022, 14-11-2022 and 14-02-2023. Detailed information on the Board Meetings with regard to attendance of each of the Directors thereat have been included in the Corporate Governance Report, which forms part of this Board Report.

Additionally, during the financial year ended 31st March 2023 a separate meeting of the Independent Directors was held on 14-02-2023, in compliance with the requirements of Schedule IV of the Companies

Act, 2013 and Regulation 25(3) and 25(4) of the Listing Regulations

Post the Independent Directors Meeting, the collective feedback of each of the Independent Director was scaled and measured on defined ratings, thereby covering the performance of Board as a whole, performance of the non-independent directors and performance of the Chairman.

COMMITTEES OF THE BOARD

The Board of Directors of your company has constituted various committees in compliance with the provisions of the Companies Act, 2013 and Listing Regulations.

- Audit Committee
- Nomination & Remuneration Committee
- Stakeholder Relationship Committee

All decisions pertaining to the constitution of Committees, appointment of members and fixing of terms of reference/ role of the committees are taken by the Board of Directors. A detailed note on the Board and its Committees is provided under the Corporate Governance Section in this Annual Report.

NOMINATION & REMUNERATION POLICY

The Board has, on the recommendation of the Nomination & Remuneration Committee framed a policy for selection and appointment of Directors, Senior Management and their remuneration. The appointment and Remuneration Policies stated in the Corporate Governance Report of the Company that forms part of the Annual Report.

PARTICULARS OF EMPLOYEES AND REMUNERATION

Information as required under the provisions of Section 197(12) of the Companies Act, 2013 and Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s)/amendment(s)/re-enactment thereof, for the time being in force), is set out in **Annexure-I** hereto, which forms part of this Board's Report.

DETAILS OF SUBSIDIARY/JOINT VENTURES/ASSOCIATE COMPANY

The Company does not have any subsidiary or associate company and has not entered into joint venture with any other company during the financial year ended 31st March 2023. Accordingly, a statement under the provisions of Section 129(3) of the Companies Act, 2013, containing salient features of the financial

statements of the Company's subsidiary(ies) in Form AOC-1 is not enclosed.

CORPORATE GOVERNANCE REPORT

As stipulated under the provision of Regulation 34 (3) read with Schedule V (c) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 a separate report on Corporate Governance Report forms integral part of this Board Report. The requisite compliance certificate as required under Part E of Schedule V of the Listing Regulation is issued by the Auditors, pertaining to the compliance of the conditions of Corporate Governance is Annexed thereto.

EXTRACT OF ANNUAL RETURN

The extract of the Annual Return pursuant to the provisions of Section 92 read with Rule 12 of the Companies (Management and Administration) Rules, 2014 is annexed herewith as **Annexure -II** to this report.

STATUTORY AUDITORS

M/s S C Mehara & Associates LLP, Chartered Accountants (FRN:106156W) were appointed as the Statutory Auditors of the Company in the 24th AGM held on 14th September, 2018 for a period of five years as per the provisions of Section 139 of the Companies Act, 2013.

As per the provisions of the Companies act, 2013 along with applicable rules and regulations for the appointment and term of Statutory Auditors of the Company can be appointed for a maximum of 10 years divided into the five years term at once (five consecutive years).

The statutory auditors have completed their first term of five years with financial year ending on March 31, 2023. The auditors have declared their unwillingness owing to their pre-occupation and on completion of first term to be re-appointed as Statutory Auditor of the Company.

The board has proposed appointment of M/s. GMCS & Co., Chartered Accountants, (Firm Reg. No: 141236W) as a statutory auditor of the company, for a term of five consecutive years starting from Financial Year 2023-24 till the Annual General Meeting for the year ended March 31, 2028.

The resolution proposing their appointment is annexed to the notice convening Annual General Meeting of the meeting along with this report.

AUDITORS' REPORT

Independent Auditor's Report

There are no qualifications, reservation or adverse remark or disclaimer in the Independent Auditor's Report provided by M/s. S C Mehra & Associates LLP, Chartered Accountants, for the F.Y. 2022-2023. The notes to accounts forming part of financial statements are self-explanatory and need no further clarification.

Secretarial Audit Report

Pursuant to Provision of Section 204 of the Companies Act, 2013 and Rules framed there under Board of Directors have appointed M/s. Vishal Manseta, Practicing Company Secretaries to conduct Secretarial Audit. The Secretarial Audit Report for the Financial Year ended 31st March 2023 forms the integral part of the Board Report as **Annexure-III**. There are no qualifications, reservation or adverse remark or disclaimer in Secretarial Audit Report.

Details in respect of frauds reported by auditors under sub-section (12) of section 143 other than those which are reportable to the central government

There are no such frauds committed by the Company which are reported by auditors.

PARTICULARS OF LOANS, GUARAUNTEES OR INVESTMENTS

Pursuant to Section 186 (11) of the Companies Act, 2013 read with Rule 11(2) of the Companies (Meetings of Board and its Powers) Rules, 2014, the loan made, guarantee given or security provided in the ordinary course of business by a Non- Banking Financial Company (NBFC) registered with Reserve Bank of India are exempt from the applicability of provisions of Section 186 of the Act.

PARTICULARS OF CONTRACTS OR ARRANGEMENTS MADE WITH RELATED PARTIES

All related party transactions that were entered into during the financial year were on arm's length basis and were in the ordinary course of the business. There are no materially significant related party transactions made by the company with Promoters, Key Managerial Personnel or other designated

persons which may have potential conflict of interest with the company at large. Accordingly disclosures of related party transactions in Form AOC-2 have not been furnished. All Related Party Transactions were placed before Audit Committee and Board for their approval. Your Company has formulated policy of Related Party Transaction which is also available on the website of the Company.

MATERIAL CHANGES AND COMMITMENT AFFECTING FINANCIAL POSITION OF THE COMPANY

No material changes and commitments which could affect the Company's financial position have occurred till date of this report.

TRANSFER OF AMOUNTS TO INVESTOR EDUCATION AND PROTECTION FUND

The Company does not have any funds lying unpaid or unclaimed for a period of seven years. Therefore there were no funds which were required to be transferred to Investor Education and Protection Fund (IEPF).

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

- **Conservation of Energy & Technology Absorption**

The Company is not engaged in manufacturing activities and therefore provisions relating to conservation of energy and technology absorption are not applicable to it. However, efforts are being made to minimize consumption of energy, wherever possible.

- **Foreign Exchange Earnings and Outgo**

During the year under review there were no Foreign Exchange earnings and outgo.

RISK MANAGEMENT POLICY

The Board of Directors of the Company has approved Risk Management policy and guidelines, wherein all material risks faced by the company are identified and assessed. Moreover in the said Risk Management Policy the Board has defined a structured approach to manage uncertainty, cultivating the same in their decision making pertaining to all business divisions and corporate functions. For each of the risks

identified, corresponding controls are assessed and policies and procedures are put in place for monitoring, mitigating and reporting on periodic basis.

CORPORATE SOCIAL RESPONSIBILITY

The provisions of Corporate Social Responsibility are not applicable to the company as company does not fall into ambit of the provisions of section 135 of Companies Act, 2013 and Companies (Corporate Social Responsibility Policy) Rules, 2014.

ADEQUACY OF INTERNAL FINANCIAL CONTROL WITH REFERENCE TO FINANCIAL STATEMENTS

In respect of internal financial control, the Board has adopted the policies and procedures for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the timely prevention and detection of frauds and errors, the accuracy and completeness of the accounting records and the timely preparation of reliable financial information. Further, the management regularly reviews the control for any possible changes and takes appropriate actions.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The details in respect of internal control systems and their adequacy are included in the Management Discussion and Analysis Report, which forms part of this report.

CHANGES IN NATURE OF BUSINESS, IF ANY

During the year under review there is no change in the nature of business of the Company.

VIGIL MECHANISM/WHISTLE BLOWER POLICY

In pursuant to the provisions of section 177(9) and (10) of the Companies Act, 2013, a Whistle Blower Policy / Vigil Mechanism for directors and employees to report genuine concerns has been established by the Company in order to maintain highest standards of ethical, moral and legal conduct, adopted Vigil Mechanism/Whistle Blower policy to provide an avenue to its employees to raise concerns of any violations of legal or regulatory requirements, incorrect or misrepresentations of any financial statements and reports, etc. The Audit committee of the company oversees the said mechanism from time to time. None of the Company personnel has been denied access to the Audit Committee. The Whistle Blower Policy of the Company is also available on the website of the Company www.explicitfinance.net

DISCLOSURE UNDER THE HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

The company has in place an Anti-Harassment policy in line with the requirements of the sexual harassment of women at the workplace (Prevention, Prohibition & Redressal) Act, 2013. Internal Complaints Committee (ICC) has been set up to redress complaints received regarding sexual harassment. All employees (permanent, contractual, temporary, trainees) are covered under this policy. During the year under review, company has not received any Sexual Harassment Complaints. Company has zero tolerance policy in case of sexual harassment at workplace and is committed to provide a healthy environment to each and every employee of the company.

RBI GUIDELINES

The company continues to comply with all the requirements prescribed by the Reserve Bank of India from time to time as applicable.

SIGNIFICANT ORDERS PASSED BY REGULATORS, COURTS OR TRIBUNALS IMPACTING GOING CONCERN AND COMPANY'S OPERATIONS

No orders have been passed by any Regulator or Court or Tribunal which can have an impact on the going concern status and the Company's operations in future.

COMPLIANCE WITH SECRETARIAL STANDARDS ON BOARD AND GENERAL MEETING

Pursuant to Clause 9 of the Revised Secretarial Standard-1(SS-1) and Standard-2 (SS-2), your company has complied with applicable Secretarial Standard issued by the Institute of Company Secretaries of India during the financial year under review.

ACKNOWLEDGEMENT

The Directors takes this opportunity to thank all their colleagues at Explicit Finance Ltd. for their professionalism and dedication to the task at hand. The board also wishes to place on record their appreciation for valuable support given by the Bankers, Clients and Shareholders.

For and on behalf of the Board of Directors

Gopal Dave
DIN : 00334120

ANNEXURE- I

Particulars of Employees

**Disclosure in Board's Report as per the provision Section 197 of the
Companies Act, 2013 read with Rule 5(1) of the Companies
(Appointment and Remuneration of Managerial Personnel) Rules, 2014
(as amended)**

Sr. No	Requirements	Disclosures	
1	Ratio of remuneration of each director to median remuneration of employees for the financial year	Chairman & Managing Director – NA	
2	Percentage increase in remuneration of each Director, CFO, CEO, Company Secretary or Manager, if any, in the financial year	KMP	% increase in remuneration
		Mrs. Swati Dave (Managing Director)	0%
		Mrs. Taruna Boble	0%
3	Percentage increase in median remuneration of employees in the financial year	10%	
4	Number of permanent employees on the rolls of the company	4 (Four)	
5	Average percentile increases already made in the salaries of employees other than the Managerial Personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration	The average increase in the salaries of employees was 10.00% and the average increase in the managerial remuneration during the last financial year was 0%.	
6	Affirmation that the remuneration is as per the remuneration policy of the company	Yes	

**ANNEXURE-II
FORM NO. MGT9**

EXTRACT OF ANNUAL RETURN as on financial year ended on 31st March 2023

Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company (Management & Administration) Rules, 2014.

I. REGISTRATION & OTHER DETAILS:

1	CIN	L65990MH1994PLC076788
2	Registration Date	24-02-1994
3	Name of the Company	EXPLICIT FINANCE LIMITED
4	Category/Sub-category of the Company	Public Ltd/ Company Limited by Shares
5	Address of the Registered office & contact details	305, Sohan Commercial Plaza, Vasai (E), Palghar - 401210
6	Whether listed company	Listed
7	Name, Address & contact details of the Registrar & Transfer Agent, if any.	M/s Adroit Corporate Services Private Limited 17-20, Jafferbhoy Industrial Estate, Makhwana Rd, Marol Andheri (East) Mumbai (M.H.) -400 059 Tel: 022-42270400

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

(All the business activities contributing 10 % or more of the total turnover of the company shall be stated)

S. No.	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the company
1	Finance & Investment activities	649 2	100 %

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

S N	Name and address of the Company	CIN/GL N	Holding/ Subsidiary / Associate	% of shar es held	Applica ble Sectio n
	N.A	N.A	N.A	N.A	N.A

IV. SHAREHOLDING PATTERN

(Equity share capital breakup as percentage of total equity)

Category of Shareholders	No. of Shares held at the beginning of the year [As on 31-March-2022]				No. of Shares held at the end of the year [As on 31-March-2023]				% Change during the year
	Demat	Physical	Total	% of	Demat	Physical	Total	% of Total	
A. Promoters									
(1) Indian									
a) Individual/ HUF	1,75,800	-	1,75,800	1.90%	1,75,800	-	1,75,800	1.90%	0.00%
b) Central Govt	-	-	-	-	-	-	-	-	-
c) State Govt(s)	-	-	-	-	-	-	-	-	-
d) Bodies Corp.	9,45,000	-	9,45,000	10.20%	9,45,000	-	9,45,000	10.20%	0.00%
e) Banks / FI	-	-	-	-	-	-	-	-	-
Sub Total (A) (1)	11,20,800	-	11,20,800	12.09%	11,20,800	-	11,20,800	12.09%	0.00%
(2) Foreign									
a) NRI Individuals	-	-	-	-	-	-	-	-	-
b) Other Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corp.	-	-	-	-	-	-	-	-	-
d) Any other	-	-	-	-	-	-	-	-	-
Sub Total (A) (2)	-	-	-	-	-	-	-	-	-
TOTAL (A)	11,20,800	-	11,20,800	12.09%	11,20,800	-	11,20,800	12.09%	0.00%
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	-	-	-	-	-	-	-	-	-
b) Banks / FI	-	-	-	-	-	-	-	-	-
c) Central Govt	-	-	-	-	-	-	-	-	-
d) State Govt(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIs	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-

i) Others (specify)	-	-	-	-	-	-	-	-	-
Sub-total (B)(1):-	-	-	-	-	-	-	-	-	-
2. Non-Institutions									
a) Bodies Corp.									
i) Indian	51,06,887	1,11,000	52,17,887	56.30%	50,99,915	1,11,000	52,10,915	56.23%	-0.08%
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs.2 lakh	8,35,573	11,72,099	20,07,672	21.66%	8,48,383	11,59,599	20,07,982	21.67%	0.00%
ii) Individual shareholders holding nominal share capital in excess of Rs 2 lakh	4,31,366	4,48,300	8,79,666	9.49%	7,72,091	1,03,500	8,75,591	9.45%	-0.04%
c) Others (specify)									
Non Resident Indians	1,625	9,200	10,825	0.12%	2,725	9,200	11,925	0.13%	0.01%
Overseas Corporate Bodies	-	-	-	-	-	-	-	-	-
Foreign Nationals	-	-	-	-	-	-	-	-	-
Clearing Members	505	-	505	0.01%	-	-	-	-	-0.01%
HUF	30,245	-	30,245	0.33%	40,387	-	40,387	0.44%	0.11%
Trusts	-	-	-	-	-	-	-	-	-
Foreign Bodies - D R	-	-	-	-	-	-	-	-	-
Sub-total (B)(2):-	64,06,201	17,40,599	81,46,800	87.46%	67,63,501	13,83,299	81,46,800	87.91%	0.00%
Total Public (B)	64,06,201	17,40,599	81,46,800	87.91%	67,63,501	13,83,299	81,46,800	87.91%	0.00%
C. Shares held by Non-Promoter Non-Public									
Total	75,27,001	17,40,599	92,67,600	100.00%	78,84,301	13,83,299	92,67,600	100.00%	0.00%

Sr. No.	Name of the shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares	No. of shares	% of total shares
1	Angelica Trading Pvt Ltd				
	At the beginning of the year	13,75,000	14.84	13,75,000	14.84
	Date wise Increase / Decrease in Shareholding during the year	-	-	-	-
	At the end of the year	13,75,000	14.84	13,75,000	14.84
2	Brij Plantation Pvt Ltd				
	At the beginning of the year	12,30,000	13.27	12,30,000	13.27
	Date wise Increase / Decrease in Shareholding during the year	-	-	-	-
	At the end of the year	12,30,000	13.27	12,30,000	13.27
3	Transdeal Securities Pvt Ltd.				
	At the beginning of the year	12,25,000	13.22	12,25,000	13.22
	Date wise Increase / Decrease in Shareholding during the year	-	-	-	0.00
	At the end of the year	12,25,000	13.22	12,25,000	13.22
4	Tungareshwar Foodproducts Pvt Ltd				
	At the beginning of the year	12,25,000	13.22	12,25,000	13.22
	Date wise Increase / Decrease in Shareholding during the year	-	-	-	0.00
	At the end of the year	12,25,000	13.22	12,25,000	13.22
5	Deepali Salunke				
	At the beginning of the year	3,44,800	3.72	3,44,800	3.72
	Date wise Increase / Decrease in Shareholding during the year	-	-	-	0.00
	At the end of the year	3,44,800	3.72	3,44,800	3.72
6	Vijay Rane				
	At the beginning of the year	75,790	0.50	75,790	0.50
	Date wise Increase / Decrease in Shareholding				

	during the year				
	At the end of the year	75,790	0.50	75,790	0.50
7	Pramod M				
	At the beginning of the year	69,335	0.46	69,335	0.46
	Increase / Decrease in Shareholding during the year				
	At the end of the year	69,335	0.46	69,335	0.46
8	Mudra Impex P Ltd				
	At the beginning of the year	65,900	0.43	65,900	0.43
	Date wise Increase / Decrease in Shareholding during the year				
	At the end of the year	65,900	0.43	65,900	0.43
9	Lata Rane				
	At the beginning of the year	61,099	0.40	61,099	0.40
	Date wise Increase / Decrease in Shareholding during the year				
	At the end of the year	61,099	0.40	61,099	0.40

V INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment. (Am. Rs./Lacs)

Particulars	Secured Loans	Unsecured	Deposits	
Indebtedness at the beginning of the financial year				
i) Principal Amount	Nil	Nil	Nil	
ii) Interest due but not paid	Nil	Nil	Nil	
iii) Interest accrued but not due	Nil	Nil	Nil	
Total (i+ii+iii)	-	-	-	
Change in Indebtedness during the financial year				
* Addition	Nil	Nil	Nil	
* Reduction	Nil	Nil	Nil	
Net Change	-	-	-	
Indebtedness at the end of the financial year				

i) Principal Amount	Nil	Nil	Nil	
ii) Interest due but not paid	Nil	Nil	Nil	
iii) Interest accrued but not due	Nil	Nil	Nil	
Total (i+ii+iii)	-	-	-	

VI REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and/or Manager: Name of the Managing Director:- Mrs. Swati Dave

Sr	Particulars of Remuneration	Total
1	Gross salary	3 Lacs
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	-
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	
2	Stock Option	-
3	Sweat Equity	-
4	Commission	-
	- as % of profit	
	- others, specify	
5	Others, please specify	
	Total (A)	3 Lacs
	Ceiling as per the Act	
	- as % of profit	
	- others, specify	
6	Others, please specify	

VII PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees	Authority [RD / NCLT/ COURT]	Appeal made, if any (give details)
THERE ARE NO PENALTIES OR PUNISHMENT LEVIED ON THE COMPANY AND/OR DIRECTORS DURING THE FINANCIAL YEAR 2022-23					

ANNEXURE- III
Secretarial Audit Report

(For the Financial year ended 31st March, 2023)

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies
(Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,

The Members,

Explicit Finance Limited

305, Sohan Commercial
Plaza, Vasai (E), Palghar -
401210

I have examined:

- a) all the documents and records made available to us and explanation provided by EXPLICIT FINANCE LIMITED (“the listed entity”),
- b) the filings/ submissions made by the listed entity to the stock exchanges,
- c) website of the listed entity,
- d) any other document/ filing, as may be relevant, which has been relied upon to make this certification,

I have conducted audit of the EXPLICIT FINANCE LIMITED for the year ended March 31, 2023 (“Review Period”) in respect of compliance with the provisions of :

- a. the Securities and Exchange Board of India Act, 1992 (“SEBI Act”) and the Regulations, circulars, guidelines issued thereunder; and
- b. the Securities Contracts (Regulation) Act, 1956 (“SCRA”), rules made thereunder and the Regulations, circulars, guidelines issued thereunder by the Securities and Exchange Board of India (“SEBI”);

The specific Regulations, whose provisions and the circulars/ guidelines issued thereunder, have been examined, include:-

- a) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
 - 1) Appointment of company secretary was intimated after 30 days;
 - 2) Intimation of outcome of Board meeting after 30 minutes;

- b) Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
- c) Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;*
- d) Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018;
- e) Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;
- f) Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;*
- g) Securities and Exchange Board of India (Issue and Listing of Non- Convertible and Redeemable Preference Shares) Regulations, 2013;*
- h) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
- i) Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018;
- j) Securities and Exchange Board of India (Registrar to an issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- k) Securities and Exchange Board of India (Mutual Funds) Regulations, 1996;
- l) Securities and Exchange Board of India (Investment Advisors) Regulations, 2013;
- m) Securities and Exchange Board of India (Portfolio Managers) Regulations, 2020;

*The Regulations were not applicable during the review period.

- (a) The Company has complied with the provisions of the above Regulations and circulars/ guidelines issued thereunder, except in respect of matters specified below:-

Sr. No.	Compliance Requirement (Regulations/ circulars / guidelines including specific clause)	Deviations	Observations/ Remarks of the Practicing Company Secretary
NIL			

- (b) The Company has maintained proper records under the provisions of the above Regulations and circulars/ guidelines issued thereunder insofar as it appears from my/our examination of those records.
- (c) The following are the details of actions taken against the listed entity/its promoters/ directors/material subsidiaries either by SEBI or by Stock Exchanges (including under the Standard Operating Procedures issued by SEBI through various circulars) under the aforesaid Acts/ Regulations and circulars/ guidelines issued thereunder:

Sr. No	Observations of the Practicing Company Secretary in the previous reports	Observations made in the secretarial compliance report for the year ended March 31, 2022	Actions taken by the listed entity, if any	Comments of the Practicing Company Secretary on the actions taken by the listed entity
NIL				

- (d) The Company has taken the following actions to comply with the observations of previous reports:

NIL

- (e) The reporting under clause 6(A) and 6 (B) of SEBI circular No. CIR/CFD/CMD1/114/2019 dated October 18,2019 on "Registration of statutory auditors from listed entities and their material Subsidiaries" is not applicable during the review period.

For Vishal N. Manseta
(Practicing Company Secretary)

Date : August 26, 2023
Place : Mumbai
UDIN : A025183E000869609

(Vishal N. Manseta)
M. No : 25183
CP No :8981
PRC No : 1584/2021

Note : This report is to read with our letter of even date is annexed as "Annexure A" and forms an integral part of this report.

N

Annexure-A

To
The Members,
Explicit Finance Limited
305, Sohan Commercial Plaza,
Vasai (E), Palghar - 401210

Our report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as applicable to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Account of the company.
4. Where ever required, we have obtained the management representation about the compliance of laws, rules and regulations and happening of events, etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

For Vishal N. Manseta
(Practicing Company Secretary)

Place: Mumbai
Date: 26-08-2023

Vishal N. Manseta
M. No : 25183
C.P. No: 8981
PRC No.: 1584/2021

REPORT ON CORPORATE GOVERNANCE

The Report is in compliance with the principles of Corporate Governance as prescribed by The Securities and Exchange Board of India (SEBI) (Listing Obligations and Disclosure Requirements) Regulations, 2015.

1. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

- Ensure that quantity, quality and frequency of financial and managerial information, which management shares with the Board are fully in control of the Company's affairs.
- Ensure that the Board exercises its fiduciary responsibilities towards Shareholders and Creditors, thereby ensuring high accountability.
- Ensure that the extent to which the information is disclosed to present and potential investors is maximized.
- Ensure that the Board, the employees and all concerned are fully committed to maximizing long-term value to the Shareholders and the Company through ethical business conduct.

2. BOARD OF DIRECTORS & BOARD MEETINGS

a. Composition:

Board of Directors ("the Board") facilitates effective fulfillment of the Board's tasks and provides leadership and guidance to the Company's management and helps in supervising the performance of the Company and helps achieving goals. The Board is comprised of experienced professionals drawn from diverse fields.

The composition of the Board complies with the provisions of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. As on 31st March, 2023 the Board comprised of Six Directors, out of which 2 (Two) are Executive Directors, 1 (One) is a Non-Executive Non Independent Director and 3 (Three) are Independent, Non-Executive Directors.

b. Board Meetings:

During the Financial Year 2022-2023, 4 (Four) Board Meetings were held on 30-05.2022, 13-08-2022, 14-11-2022 and 14-02-2023.

c. The composition of the Board, Directorships/Membership of Committee of other Companies as on 31st March 2023, no. of meetings held and attended during the financial year are as under:

Name of director	Designation & Category	Relation with other directors	Number of shares held by the director	Number of Board Meeting attended	Attendance of previous AGM held on 30 th September, 2023	Directorship in another Public Ltd. Companies*	Directorship in another listed entities & category
Mrs. Swati Dave	Managing Director, Executive	Spouse of Gopal Dave	Nil	4	Yes	-	-
Mr. Avinash Mainkar	Executive Director		72,800	4	Yes	-	-
Mr. Jayesh Jain	Non-Executive, Independent Director		NIL	4	Yes	-	-
Mr. Gopal Dave	Non-Executive, Non Independent Director	Spouse of Swati Dave	103,000	4	Yes	-	-
Mr. Pushpraj Mayekar	Non-Executive, Independent Director		NIL	4	Yes	-	-
Mr. Jitendra Bhanushali	Non-Executive, Independent Director		NIL	4	Yes	-	-

*As required under Regulation 26 of the SEBI (Listing Obligations and Disclosure Requirements), Regulation 2015, it does not include directorship in Foreign Companies, companies registered under Section 8 of the Companies Act, 2013 and private limited companies.

The Board periodically reviews the compliance report of all laws applicable to the Company. All the Directors have made necessary disclosures about the directorships and committee positions they occupy in other companies.

None of the Directors on Board is Member of Board level committees and Chairman of such committees, across all other public/Listed Ltd. companies in which he or she is a director.

d. Particulars of Directors seeking appointment and re-appointment:

As required under Regulation 36(3) of the SEBI Listing Regulations, particulars of Director(s) seeking re- appointment at the forthcoming Annual General Meeting (AGM) are given in the Annexure to the Notice convening the said AGM.

e. Code of Conduct:

The Company has adopted a Code of Conduct for its Board Members and Senior Management and has posted the Code on the website of the Company in terms of Regulation 17 (5) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations). The Managing

Director has affirmed the compliance of the Code of Conduct by the Board Members and Senior Management for the year under review. A declaration to this effect signed by the Managing Director, Mrs. Swati Dave forms part of this report.

f. Board Independence:

Based on the confirmation/disclosures received from the Directors, 3 Non-Executive Directors are independent in terms of Section 149(6) of the Companies Act, 2013 and Regulation 16(1) (b) of the Listing Regulations.

There are no material pecuniary relationships or transactions between the Independent Directors and the Company. Company does not pay any compensation and sitting fees to Non-Executive Directors.

g. Directors' Induction &Familiarization:

The Independent Directors are familiarized, with the Company, their duties, roles and responsibilities, the nature of the industry, the business model of the Company, in line with the "Familiarization programme of Independent Directors", the details of which can be viewed at company's website and the web link for the same is: <http://www.explicitfinance.net>

h. Board Evaluation:

During the financial year under review, the Board of Directors/Independent Directors/Nomination and Remuneration Committee (as applicable) has carried out an annual evaluation of its own performance, performance of all individual Directors including Independent Directors, the performance of its Committees and the evaluation of Chairman of the Board, in terms of provisions of the Companies Act, 2013 and Regulation 25(3) and (4) of the Listing Regulations.

Separate exercise was carried out to evaluate the performance of individual Directors including the Board Chairman who were evaluated on parameters such as attendance, contribution at the meetings and otherwise, independent judgment, safeguarding of minority shareholders interest etc. The performance evaluation of the Independent Directors was carried out by the entire Board, excluding the Director being evaluated. The performance

evaluation of the Chairman and the Non-Independent Directors was carried out by the Independent Directors who also reviewed the performance of the Board as a whole.

i. Matrix/Table Containing Skills, Expertise and Competencies of the Board of Directors:

The Board Members are from diversified areas having the required knowledge. Competency, skills, and experience to effectively discharge their responsibilities. The range of experience of the Board Members includes in the areas of Banking & Finance, Taxation and Legal.

The broad policies are framed by the Board of Directors. All strategic decisions are taken by the Board after due deliberation between the Board Members which consists of Managing Director, Executive Directors, Non-Executive Director and, Independent Directors The Company has identified and broadly categorized its Core Skills, Expertise and Competencies as mentioned hereunder:

Matrix/Table of Core Skills, Expertise and Competencies of Board of Directors as Whole

Particulars	Detailed List of Core Skills, Expertise and Competencies
Core Skills	Strategic policy formulation and advising, Regulatory framework knowledge, financial performance, advising on Risk mitigation and Compliance requirements
Expertise	Knowledge of, Commercial acumen and able to guide in building the right environment for Human Assets Development
Competencies	Strategic Leadership, execution of policies framed by the Board, identifying the growth areas for expanding the business in India and advising on Business Risks & environment.

j. Board Confirmation on Independent director:

In the opinion of the board, the independent directors fulfill the condition specified in SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015 and are independent of the management.

3. AUDIT COMMITTEE

The audit committee comprised of

1. Mr. Jayesh Jain - Chairman & Non-Executive, Independent Director
2. Mr. Gopal Dave - Member & Non Executive, Non Independent
3. Mr. Pushpraj Mayekar - Member & Non-Executive, Independent Director

The Audit Committee comprises of experts specializing in accounting / financial management. All the members of the Audit Committee are 'financially literate'. Moreover, the Audit Committee has members, who have 'accounting or related financial management expertise'.

Statutory Auditors are also invited to attend the meetings.

a. Meetings & Attendance

The Audit Committee has four (4) meetings during the Financial Year 2022-2023 and were held on the following dates:

1. 30-05-2022
2. 13-08-2022
3. 14-11-2022
4. 14-02-2023

All the members have attended all the meetings.

b. The terms of reference of the Audit Committee are in line with Section 177 of the Companies Act, 2013 and Regulation 18 of the Listing Regulations.

The terms of reference of audit committee are briefly described as follows:

The terms of reference of the Audit Committee were enlarged by the Board in order to cover the matters specified under revised Regulation 18 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Section 177 of the Companies Act, 2013. This Committee has powers and roles comprising of Financial Reporting and disclosure, recommendation of appointment/removal of Auditors, reviewing of company's results, evaluation of Independent Directors performances, and other powers as mentioned in the Regulation 18(3) Part C of Schedule II of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and section 177 of The Companies Act, 2013.

4. NOMINATION AND REMUNERATION COMMITTEE (NRC)

Remuneration Committee comprised of

- | | | |
|-------------------------|---|---|
| 1. Mr. Pushpraj Mayekar | - | Chairman & Non-Executive, Independent Director |
| 2. Mr. Jayesh Jain | - | Member & Non-Executive, Independent Director |
| 3. Mr. Gopal Dave | - | Member and Non-Executive Non-Independent Director |

The Nomination and Remuneration Committee Meetings were held on 30-05-2022, 13-08-2022, 14-11-2022 and 14-02-2023 which were attended by all the members.

a. The terms of reference and role of the Nomination & Remuneration Committee as per the provisions of Section 178 of the Companies Act, 2013 and Regulation 19 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations) are as under:

Nomination and Remuneration Committee formulates criteria for determining qualifications, positive attributes and independence of a director and recommend to the board of directors a policy relating to, the remuneration of the directors, key managerial personnel and other employees, formulating criteria for evaluation of performance of independent directors and the board of directors, identifying

persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the board of directors their appointment and removal, and such other roles as per section 178 of the Companies Act, 2013, Regulation 19 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

b. Remuneration of Executive Directors:

Remuneration of Rs. 3,00,000/- was paid to the Managing Director for the financial year 2022-2023.

The Company currently does not pay any compensation and sitting fees to Non-Executive Directors. The Company currently has no stock option plans for any of its Directors and hence it does not form part of the remuneration package payable to the Managing Director. During the year under review, none of the Directors was paid any performance linked incentive. No Severance fees is payable to him on termination of employment.

There is no pecuniary relationship or transactions of the Non-Executive Directors vis-a-vis the Company and as per the present criteria.

c. Performance evaluation criteria for Independent Directors

One of the key functions of the Board is to monitor and review the Board evaluation framework. The Board works with the Nomination and Remuneration Committee to lay down the evaluation criteria for the performance evaluation of Executive/Non-Executive/Independent Directors. The questionnaire of the survey is a key part of the process of reviewing the functioning and effectiveness of the Board and for identifying possible paths for improvement.

The following are the criteria on the basis of which the Directors are evaluated:

- 1) Knowledge to perform the role.
- 2) Time and Level of Participation.
- 3) Performance of Duties and Level of Oversight.
- 4) Professional Conduct and Independence.

d. Appointment and Remuneration Policy

The Committee has adopted a Charter which, inter alia, deals with the manner of selection of Board of Directors, CEO & Managing Director, Key Managerial Personnel and their remuneration. This Policy is accordingly derived from the said Charter.

This Committee has powers to recommend/ approve remuneration, Identification of Persons who are qualified to become director, Recommend to the board their appointment and removal, approve remuneration of Non- Executive Directors.

• Criteria of selection of Non-Executive Directors

The Non-Executive Directors shall be of high integrity with relevant expertise and experience so as to have a diverse Board with Directors having expertise in the fields of marketing, finance, taxation, law, governance and general management.

In case of appointment of Independent Directors, the Committee shall satisfy itself with regard to the independent nature of the Directors vis-à-vis the Company so as to enable the Board to discharge its function and duties effectively

The Committee shall ensure that the candidate identified for appointment as a Director is not disqualified for appointment under Section 164 of the Companies Act, 2013. The Committee shall consider the following attributes / criteria, whilst recommending to the Board the candidature for appointment as Director.

- 1) Qualification, expertise and experience of the Directors in their respective fields;
- 2) Personal, Professional or business standing;
- 3) Diversity of the Board

In case of re-appointment of Non-Executive Directors, the Board shall take into consideration the performance evaluation of the Director and his engagement level.

- **CEO & Managing Director - Criteria for selection / appointment**

For the purpose of selection of the CEO & MD, the Committee shall identify persons of integrity who possess relevant expertise, experience and leadership qualities required for the position and shall take into consideration recommendation, if any, received from any member of the Board.

The Committee will also ensure that the incumbent fulfills such other criteria with regard to age and other qualifications as laid down under the Companies Act, 2013 or other applicable laws.

- **Remuneration for the CEO & Managing Director**

At the time of appointment or re-appointment, the CEO & Managing Director shall be paid such remuneration as may be mutually agreed between the Company (which includes the Nomination and Remuneration Committee and the Board of Directors) and the CEO & Managing Director within the overall limits prescribed under the Companies Act, 2013.

The remuneration of the CEO & Managing Director comprises only of fixed component. The fixed component comprises salary, allowances and perquisites.

- **Remuneration Policy for the Senior Management Employees**

In determining the remuneration of the Senior Management Employees (i.e. KMPs and Executive Committee Members) the Committee shall ensure the relationship of remuneration and performance benchmark is clear.

The Managing Director will carry out the individual performance review based on the criticality of roles played and responsibility shouldered, overall experience and personal traits, annual increments are determined based on individual performance

5. STAKEHOLDERS RELATIONSHIP COMMITTEE

In compliance with the provisions of section 178 of the Companies Act, 2013 and Regulation 20 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board has constituted Stakeholders Relationship Committee and the terms of reference of said Committee are as follows:

To look into the redressal of complaints of security-holders on matters relating to transfer of shares,

dematerialization of shares, non-receipt of annual report, non-receipt of dividend, matters relating to issue of new share certificates etc.

To look into matters that can facilitate better security—holders services and relations.

To consider and approve issue of share certificates on requests for duplicate certificates, consolidation of folios etc. To do all such acts, deeds, matters and things as may be necessary or expedient for performing any of the above acts.

The details of composition of the Committee are as under:

Name of the Director	Category	No. of Meeting/ Attended
Mr. Jayesh Jain	Chairman of Committee & Non-Executive Independent Director	4/4
Mr. Avinash Mainkar	Member & Executive Director	4/4
Mr. Pushpraj Mayekar	Member & Non-Executive Independent Director	4/4

The Stakeholders Relationship Committee has Four (4) meetings during the Financial Year 2022-2023 and were held on 30-05-2022, 13-08-2022, 14-11-2022 and 14-02-2023 which were attended by all the members.

There were no investors complaints received during the year. There were no requests for share transfer/transmission/deletions of names etc. pending as on 31st March 2023 and all such requests were processed and delivered within prescribed time of lodgment with the Company.

Mr. Avinash Mainkar, Company Secretary has been designated as the Compliance Officer of the Company as per the requirement of the Securities and Exchange Board of India (Listing Obligations & Disclosure Requirements) Regulations, 2015.

6. SEPARATE MEETING OF INDEPENDENT DIRECTORS

During the financial year under review, in Compliance with the requirements of Schedule IV of the Companies Act, 2013 and Regulation 25(3) and 25(4) of the Listing Regulations, a separate meeting of Independent Directors was held, on 14-02-2023 *inter alia* to:

1. Review the performance of Non-Independent Directors and the Board as a whole;
2. Review the performance of the Chairperson of the Company taking into account the views of the Executive Director and the Non-Executive Director;
3. Assess the quality, quantity and functions of flow of information between the Company management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

7. GENERAL BODY MEETINGS

Financial Year	Day & Date of the Meeting	No. of Special Resolution(s) passed	Special Resolutions passed
2019-20	Wednesday 30 th September, 2020 at 9.30 A.M. at 305, Sohan Commercial Plaza, Vasai (E), Palghar – 401210	-	No special resolutions passed.
2020-21	Thursday 30 th September, 2021 at 9.30 A.M. at 305, Sohan Commercial Plaza, Vasai (E), Palghar – 401210	-	No special resolutions passed.
2021-2022	Thursday 30 th September, 2022 at 9.30 A.M. at 305, Sohan Commercial Plaza, Vasai (E), Palghar - 401210	-	No special resolutions passed.

During the financial year under review, no special resolution was passed through Postal Ballot.

8. MEANS OF COMMUNICATIONS

The Company has promptly reported all material information including Quarterly Results and press releases to the BSE Ltd. where the Company's securities are listed. The quarterly results were communicated to the shareholders by way of advertisement in a national daily and in a vernacular language newspaper. Also same are posted on our website: www.explicitfinance.net Further, all other price sensitive and other information is sent to the Stock Exchange where shares of the Company are listed, enabling them to display the same on their website.

The Company has made no presentation to any Institutional Investors/Analysts during the financial year. Management Discussion and Analysis is covered as part of this Annual Report.

Further, Company has in place the (Prohibition of Insider Trading) Regulations, 2015 which came in to force from 15th May, 2015. Accordingly the Directors have approved and adopted the 'Code of internal procedures and conduct for regulating, monitoring and reporting of trading by insiders' in terms of SEBI (Prohibition of Insider Trading) Regulations, 2015("Code"). Company Secretary is the Compliance Officer for the purpose of this Code.

9. General Shareholder Information

A) Annual General Meeting

Day, Date and Time	Saturday 30 th September, 2023 at 9.30 A.M.
Venue	305, Sohan Commercial Plaza, Vasai (E), Palghar - 401210

B) Financial Year:

The Company follows April- March as its financial year. The results for every quarter are declared within prescribed time as per the Regulation 33 of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015.

C) Book Closure:

The book closure period is from Sunday September 24, 23 till Saturday September 30, 2023.

D) Dividend :

The Company has not declared any dividend for the year ended March 31, 2023.

E) Listing on Stock Exchange:

The Company's shares are listed on Bombay Stock Exchange Limited (BSE), Phiroze Jeejeebhoy Towers, Dalal Street, Fort, Mumbai – 400 001.

The company has paid the listing fees for the financial year 2023-24 for the stock exchange on which Company's shares are listed.

F) Stock Code:

BSE Security Code	530571
ISIN	INE335G01019
CIN Number	L65990MH1994PLC076788

G) Market Price Data

Month	High (Rs.)	Low (Rs.)
April 2022	4.33	2.97
May 2022	3.53	2.84
June 2022	4.66	3.09
July 2022	3.09	2.46

August 2022	2.65	2.24
September 2022	4.18	2.65
October 2022	4.46	2.95
November 2022	4.43	2.69
December 2022	4.46	3.51
January 2023	4.44	3.80
February 2023	4.77	4.09
March 2023	-	-

H) Registrar and Transfer Agent

Adroit Corporate Services Private Limited is the Registrar and Transfer Agent of the Company.

I) Share Transfer System

The application for Transfer, Transmission and issue of duplicate shares are received at the office of Registrar and Share Transfer Agent. If the Transfers & Transmission documents are in order, the Transfers & Transmission of shares in physical form is processed with prescribed time from the date of receipt of documents complete in all respect.

J) Distribution of Shareholding

Distribution range of Shares	Share holders		Share holdings	
	Number	%	No. of Shares	%
Upto-5000	1483	65.10	327498	3.53
5001-10000	379	16.64	327169	3.53
10001-20000	181	7.95	286489	3.09
20001-30000	59	2.59	152460	1.65
30001-40000	45	1.98	162028	1.75
40001-50000	29	1.27	136495	1.47
50001-100000	51	2.24	370633	4.00
100001 & Above	51	2.24	7504828	80.98
Total	2278	100	9267600	100

K) Shareholding pattern as on March 31, 2023

Sr. No.	Categories	No. of shares	% of Shareholding
1	Promoter and promoter group	11,20,800	12.09

2	Private Corporate Bodies	52,10,915	56.23
3	Residential Individual	28,95,498	31.24
4	NRI/OCBs/HUF	40,387	0.44
5	Mutual Fund/Bank/FII	0	0
6	Corporate Body –Broker	0	0
7	Clearing Member	0	0
Total		92,67,600	100.00

L) Dematerialization of Shares:

Your Company's Shares are traded compulsorily in electronic form and company has established connectivity with both the depositories. i.e National Securities Depository Limited (NSDL) and Central Depository Service (India) Limited (CDSL).

As on 31st March, 2023, 85.078 of shares have been held in Dematerialized form and rest are in physical form. All promoter shareholding are in dematerialized form (100%)

M) Outstanding GDR's/ADRs/Warrants/Convertible Instruments and their impact on Equity

The Company has not issued any GDR's /ADRs / Convertible Instruments.

N) **Address for correspondence**

Shareholders, beneficial owners and depository participants (DPs) are requested to send /deliver the documents/Correspondence relating to the Company's share transfer activity etc. to Adroit Corporate Services Private Limited as our Registrar and Transfer Agent of the Company at the following addresses:

Adroit Corporate Services Private Limited. Unit: Explicit Finance Limited.

17-20, Jaferbhoy Industrial Estate, 1st Floor, Makwana Road,

Marol Naka, Andheri (East), Mumbai-400 059

Tel No.: 42270400

Email:info@adroitcorporate.com

For the benefit of shareholders, documents will continue to be accepted at the following registered office of the Company:

Explicit Finance Ltd.

305, Sohan Commercial Plaza, Vasai (E), Palghar - 401210

10. OTHER DISCLOSURES

a. RELATED PARTY TRANSACTIONS

The transactions with related parties as per Ind AS - 24 are set out in Notes to accounts under Note no. 24 forming part of financial statements. All transactions entered into with Related Parties as defined

under the Companies Act, 2013 and Regulation 19 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 during the financial year were in the ordinary course of business and on an arm's length pricing basis. There were no materially significant transactions with related parties during the financial year which were in conflict with the interest of the Company.

The Company has framed Related Party Transaction Policy and is placed on the Company's website and the web link for the same is: www.explicitfinance.net

b. DETAILS OF NON-COMPLIANCE(S) BY THE COMPANY

Company has complied with the requirements of the Stock Exchange/SEBI and/or Statutory Authority on all matters related to capital markets during last three years. There are no penalties imposed on the company by the Stock Exchanges or SEBI or any authorities.

c. WHISTLE BLOWER POLICY/VIGIL MECHANISM

The Company has formulated Whistle Blower Policy for vigil mechanism as defined under Regulation 22 of SEBI Listing Regulations for directors and employees to report unethical behavior, fraud or violation of the code of conduct of the Company. The policy provides adequate safeguards against victimization of director(s) /employee(s) who avail the mechanism. During the year under review, no employee was denied access to the Audit Committee. During the year under review, there were no instances of whistle blower reported.

d. COMPLIANCE

The Company has complied with the mandatory requirements in terms of the Corporate Governance guidelines. Adoption of discretionary requirement of SEBI Listing Regulations is being reviewed by the company from time to time.

e. SUBSIDIARY COMPANIES:

The Company does not have any material non-listed Indian subsidiary company in terms of Regulation 16 of the Listing Regulations.

f. COMMODITY PRICE RISK/ FOREIGN EXCHANGE RISK AND HEDGING

The Company did not engage in hedging activities.

g. CERTIFICATE UNDER REGULATION 34(3) OF SEBI LISTING REGULATION

Company has obtain a certificate pursuant to the Regulation 34(3) read with Schedule V of the Listing Regulations M/s Vishal Manseta, Practicing company secretaries confirming that none of the directors on the board of the company have been debarred or disqualified from being appointed or continuing as directors of companies by Securities and Exchange Board of India or the Ministry of Corporate Affairs or any other statutory authorities. The said certificate forms part of this report.

h. FEES PAID TO STATUTORY AUDITORS

The total fees incurred by the company for services rendered by Statutory Auditors and its affiliates entities is given below.

(Amount in Rs.)

Particulars	F.Y. 2022-23
Audit Fees (Excluding GST)	50,000
Any Other Fess/Charges	Nil
Total	50,000

i. DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

The company has in place an Anti-Harassment policy in line with the requirements of The sexual harassment of women at the workplace (Prevention, Prohibition & Redressal) Act, 2013. Internal Complaints Committee (ICC) has been set up to redress complaints received regarding sexual harassment. All employees (permanent, contractual, temporary, trainees) are covered under this policy. During the year under review, company has not received any Sexual Harassment Complaints.

- j. There is no Non-Compliance of any requirement of Corporate Governance Report as per Part C of Schedule V of the SEBI Listing Regulations.

11. REVIEW OF LEGAL COMPLIANCE REPORTS

During the year, the Board periodically reviewed compliance report with respect to the various laws applicable to the company, as prepared and placed before it by the management.

For & on behalf of the Board of Directors

Mumbai, dated 14th August, 2023

Gopal Dave
Director
DIN: 00334120

MD/CFO Certificate

To,

The Board of Directors Explicit Finance Ltd.

Subject: Compliance Certificate as required under Regulation 17(8) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015:

We, Swati Dave, Managing Director along with CFO of Explicit Finance Limited hereby certify that:

- A. We have reviewed financial statements and the cash flow statement of the Company for the financial year ended 31st March 2023 and that to the best of our knowledge and belief:
1. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 2. these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- B. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year, which are fraudulent, illegal or violative of the Company's code of conduct.
- C. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- D. We have indicated to the auditors and the Audit Committee that there is no:
- i. Significant changes in internal control over financial reporting during the year;
 - ii. Significant changes in accounting policies during the year requiring disclosure in the notes to the financial statements; and
 - iii. Instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

Swati Dave

Director

DIN: 03299627

Date May 30, 2023

DECLARATION OF COMPLIANCE WITH CODE OF CONDUCT

As required under Schedule V (D) of the Securities & Exchange Board of India (Listing Obligation and Disclosures Requirement) Regulation 2015, all the Members of the Board of Directors and the Senior Management Personnel have confirmed compliance with the Code of Conduct for the year ended 31st March, 2023.

Swati Dave
Managing Director
DIN: 03299627

**CERTIFICATE BY THE PRACTICING COMPANY SECRETARY
ON CORPORATE GOVERNANCE**

To,
The Members of
Explicit finance Limited

I have examined the compliance of conditions of Corporate Governance by Goenka Diamond & Jewels Limited, for the year ended on March 31, 2023, as stipulated under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

In my opinion and to the best of my information and according to the explanations given to me, and the representations made by the management I certify that the company has generally complied with conditions of Corporate Governance as stipulated.

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

VISHAL N MANSETA
Practicing Company Secretary

Place : Mumbai
Date : August 28, 2023
Udin : A025183E000876792

C.P. No. : 8981 ACS
No. : 25183
PRC No :1584/2021

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

**To,
The Members of
Explicit Finance Limited**

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Explicit finance Limited (hereinafter referred to as 'the Company'), produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Based on the documents / information provided to me and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) done by me, as considered necessary and explanations furnished to me by the Company & its officers, I hereby certify that none of the Directors on the Board of the Company as stated below for the financial year ended on March 31, 2023 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs (MCA) or any such other Statutory Authority: -

Ensuring the eligibility of directors for the appointment or continuity of Directors on the Board is the responsibility of the management of the Company. My responsibility is to express an opinion on these based on verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

**For Vishal N. Manseta
(Practicing Company Secretary)**

Place : Mumbai
Date : August 28, 2023
UDIN : A025183E000877001

**Membership No.: A25183
CP No.: 8981
PRC No : 1584/2021**

INDEPENDENT AUDITOR'S REPORT ON IND AS FINANCIAL STATEMENTS

To
The Members of
Explicit Finance Limited

Opinion

We have audited the standalone financial statements of **Explicit Finance Limited** ("the Company"), which comprise the balance sheet as at 31st March 2023, and the statement of Profit and Loss, and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2023, and profit/loss, and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have determined the matter described below to be key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the standalone Ind AS financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the standalone Ind AS financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis of our audit opinion on the accompanying standalone Ind AS financial statements.

<i>Key Audit Matter</i>	<i>How our audit addressed the key audit matter</i>
<p>1) Impairment of financial assets (expected credit losses) :- <i>Ind AS 109 requires the Company to recognize impairment loss allowance towards its financial assets (designated at amortised cost and fair value through other comprehensive income) using the expected credit loss (ECL) approach. Such ECL allowance is required to be measured considering the guiding principles of Ins AS 109 including :-</i></p> <p><i>Unbiased, probability weighted outcome under various scenarios;</i></p> <p><i>Time value of money;</i></p> <p><i>Impact arising from forward looking macro-economic factors and;</i></p> <p><i>Availability of reasonable and supportable information without undue costs;</i></p>	<p><i>We read and assessed the Company's accounting policies for impairment of financial assets and their compliance with Ind AS 109</i></p> <p><i>We tested the criteria for staging of loans on their past due status to check compliance with requirements of Ind AS 109. Tested a sample of performing (stage 1) loans to assess whether any loss indicators were present requiring them to be classified under stage 2 or 3 and vice versa.</i></p> <p><i>We have evaluated the reasonableness of the Management estimates by understanding the process of ECL estimation and tested the controls around data extraction and validation</i></p> <p><i>Tested the ECL model, including assumptions and underlying computation</i></p>

<p><i>Applying these principles involves significant estimation in various aspects, such as;</i></p> <p><i>Grouping of borrowers based on homogeneity by using appropriate statistical techniques;</i></p> <p><i>Staging of loans and estimation of behavioral life;</i></p> <p><i>Determining macro-economic factors impacting credit quality of receivables;</i></p> <p><i>Estimation of losses for loan products with no/minimal historical defaults.</i></p> <p><i>Considering the significance of such allowance to the overall financial statements and the degree of estimation involved in computation of expected credit losses, this area is considered as a key audit matter.</i></p>	<p><i>Assessed the floor/minimum rates of provisioning applied by the Company for loan products with inadequate historical defaults</i></p> <p><i>Audited disclosure included in the Ind AS financial statements in respect of expected credit losses.</i></p>
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Information other than the Financial Statements and Auditors’ Report thereon

The Company’s Board of Directors are responsible for the preparation of the other information. The other information comprises the information included in the Board’s Report including Annexure(s) to Board’s Report, but does not include the Financial Statements and our auditor’s report thereon.

Our opinion on the Financial Statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the Financial Statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Standalone Financial Statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Standalone Financial Statements

The Company’s Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 (“the Act”) with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate implementation and maintenance of accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company’s ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so. Those Board of Directors are also responsible for overseeing the Company’s financial reporting process.

Auditor’s Responsibilities for the Audit of the standalone Ind AS Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor’s report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SA’s will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements. (Refer appendix to our report of even date)

Report on Other Legal and Regulatory Requirements

As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the **Annexure – 1** a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

As required by Section 143(3) of the Act, we report that:

- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account
- d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e) On the basis of the written representations received from the directors as on 31st March, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2023 from being appointed as a director in terms of Section 164 (2) of the Act.
 - f) As proviso to rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable for the Company only with effect from 1 April 2023 reporting under Rule 11(g) of the Companies reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 is not applicable.
- g) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A".
- h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company does not have any pending litigations which would impact its financial position.
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
 - iv. The Management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ('Intermediaries'), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ('Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf of the ultimate beneficiaries.
 - v. The Management has represented, that, to the best of its knowledge and belief, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ('Funding Parties'), with the understanding, whether recorded in writing or otherwise, that the Company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the funding party ('Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf of the ultimate beneficiaries.
 - vi. Based on audit procedures which we considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under subclause (i) and (ii) contain any material mis-statement.

- vii. The company has not declared or paid any dividend during the year in contravention of the provisions of section 123 of the Companies Act, 2013.

For S C Mehra & Associates LLP

Firm Regn. No. 106156W/W100305

Chartered Accountants

CA DEEPAK M. OZA

Partner

Membership No. 045890

Place : Mumbai

Date : 30th May, 2023

UDIN : 23045890BGVFHU4912

Annexure – 1 to our report of even date

Re: Explicit Finance Limited (“the company”)

In our opinion, and on the basis of such checks of the books and records as we considered appropriate and according to the information and explanations given to us during the normal course of audit, which were necessary to the best of our knowledge and belief, we report that:

- (1)
 - (a) The Company has maintained proper records showing full particulars including quantitative details and situation of its fixed assets.
 - (b) The Management has physically verified certain assets during the year in accordance with a program of verification, which in our opinion provides for physical verification of the fixed assets at reasonable intervals. According to the information and explanations given to us no material discrepancies were noticed on such verification. During the year, Company has not disposed of any substantial / major part of fixed assets.
 - (c) There is no immovable properties are held by the company hence this clause is not applicable.
- (2)
 - (a) The Company is registered non banking financial company and main business is to grant and obtain loans and advances and apart from this company invest surplus funds in shares and securities and in view of the same there is no trading activity carried on during the year, hence there is no closing stock as on 31st March 2023.
 - (b) As company does not deal in trading activity, therefore procedures of physical verification of inventory by the management is not required.
 - (c) As company does not deal in trading activity, therefore maintaining proper records of inventory is not required.
- (3) According to the information and explanation given to us, the company has not granted any loans, secured or unsecured to companies, firms, limited liability partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013. As the company is NBFC, Loan and advances given in the normal course of business have not been considered here for reporting. Accordingly, the provision of clause 3(iii)(a), (b) and (c) of the order are not applicable to company and hence not commented upon.
- (4) In our opinion and according to the information and explanations given to us, the company has wherever applicable complied the provisions of Section 185 and Section 186 of the Companies Act, 2013 in respect of loans, investments, guarantees and security.
- (5) According to the records of the company and information and explanations given to us, the company has not accepted any deposit as per directive issued by Reserve Bank of India and the provision of the section 73 to 76 or any other relevant provision of the Companies Act 2013 and rules framed there under.
- (6) To the best of our knowledge and as explained, the company is engaged in Non Banking Financial Company and not dealt in any sale of goods, hence the Central Government has not prescribed the maintenance of cost records by the company under sub – section (1) of section 148 of the Companies Act, 2013 for any of its products.
- (7)
 - (a) According to the records of the company and information and explanations given to us in respect of statutory dues and other dues, the company has been generally regular in depositing undisputed statutory dues including Income Tax, sales tax, goods & services tax , wealth tax, service tax, duty of custom, duty of excise, value added tax, cess and any other statutory dues with the appropriate authorities during the year.
 - (b) According to the information and explanation provided by the management and the records examined by us, there are no dues of Sales tax, Wealth tax, Goods & Service tax, Customs duty, Excise duty, Value Added Tax, Cess which have not been deposited on account of any dispute.

- (8) According to records of the company, the company has not borrowed funds from financial institutions, banks, government or issued debentures till 31st March 2023. Hence, in our opinion, the question of reporting on default in repayment of dues to financial institutions or banks or debenture holders does not arise.
- (9)
- a. In our opinion and according to the information and explanation provided by the management and the records examined by us, the Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.
 - b. According to the information and explanation provided by the management and the records examined by us and on the basis of our audit procedures, we report that the Company has not been declared wilful defaulter by any bank or financial institution or any other lender.
 - c. According to the information and explanation provided by the management and the records examined by us, the Company has not obtained any term loans during the year. Hence, reporting under clause 3(ix)(c) of the said Order is not applicable to the Company.
 - d. According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the financial statements of the Company, we report that no funds raised on short-term basis have been used for long-term purposes by the Company.
 - e. According to the information and explanation provided by the management and the records examined by us, the Company does not have any subsidiaries, associates or joint ventures. Hence reporting under clause 3(ix)(e) of the said Order pertaining to meeting the obligations of the subsidiaries, joint ventures and associate companies is not applicable to the Company.
 - f. According to the information and explanation provided by the management and the records examined by us, the Company does not have any subsidiaries, associates or joint ventures. Hence reporting under clause 3(ix)(f) of the said Order pertaining to raising of loans on the pledge of securities held in its subsidiaries, joint ventures and associate companies is not applicable to the Company
- (10)
- a. The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under paragraph 3(x)(a) of the Order is not applicable.
 - b. The Company has not made preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) during the year under review and hence reporting under paragraph 3(x)(b) of the Order is not applicable to the Company
- (11)
- a. To the best of our knowledge, no fraud by the Company and no material fraud on the Company has been noticed or reported during the year.
 - b. No report under section 143(12) of the Companies Act, 2013, has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and up to the date of this report.
 - c. We have taken into consideration the whistle blower complaints received by the Company during the year (and up to the date of this report), while determining the nature, timing and extent of our audit procedures.
- (12) According to records of the company, the company is not covered under the category of Nidhi company, therefore provision of clause 3(xi) of the order are not applicable to the company and hence not commented upon.

- (13) According to the information and explanations given to us, the company has complied with Section 177 and 188 of Companies Act, 2013 in respect of transactions with related parties and details have been disclosed in the financial statements as required by the applicable accounting standards.
- (14) To the best of our knowledge and belief and according to information and explanations given to us the company has not made any preferential allotment or private placements of shares or fully or partly convertible debentures during the year. Hence the provisions of Section 42 of the Companies Act, 2013 do not apply.
- (15) To the best of our knowledge and belief and according to the information and explanations given to us, the company has wherever applicable complied with provisions of Section 192 of the Companies Act, 2013 in respect of any non cash transactions entered with directors or persons connected with him.
- (16) The company is registered Non Banking Financial Company and the company is holding certificate of registration vide registration number 13.00685 under Section 45-IA of the RBI Act, 1934.
- (17) The Company has not incurred cash losses during the financial year covered by our audit and in the immediately preceding financial year
- (18) There has been no resignation of the statutory auditors of the Company during the year.
- (19) On the basis of the financial ratios, aging and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the standalone financial statements, our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report, that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due
- (20)
- a. There are no unspent amounts towards Corporate Social Responsibility (CSR) on other than ongoing projects requiring a transfer to a fund specified in Schedule VII to the Companies Act in compliance with second proviso to sub-section (5) of section 135 of the said Act. Accordingly, reporting under paragraph 3(xx)(a) of the Order is not applicable for the year.
 - b. In respect of ongoing projects, the Company has transferred unspent Corporate Social Responsibility (CSR) amount as at the end of the previous financial year, to a special account within a period of 30 days from the end of the said financial year in compliance with the provision of section 135(6) of the Act.
 - c. In respect of ongoing projects, the Company has not transferred the unspent Corporate Social Responsibility (CSR) amount as at the balance sheet date out of the amounts that was required to be spent during the year, to a special account till the date of our report. However, the time period for such transfer i.e. 30 days from the end of the financial year as permitted under section 135(6) of the Act, has not elapsed till the date of our report.

For S C Mehra & Associates LLP
Firm Regn. No. 106156W/W100305
Chartered Accountants

CA DEEPAK M. OZA
Partner
Membership No. 045890
Place : Mumbai
Date : 30th May, 2023
UDIN : 23045890BGFVHU4912

Annexure – 2 to our report of even date

Re: Explicit Finance Limited (“the company”)

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)

We have audited the internal financial controls over financial reporting of **Explicit Finance Limited** (“the Company”) as of 31st March 2023 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls:

The Company’s management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors’ Responsibility:

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company’s internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting:

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that:

- (1) Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- (2) Provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and

- (3) Provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements

Inherent Limitations of Internal Financial Controls over Financial Reporting:

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion:

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March 2023, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Explanatory Paragraph:

We also have audited, in accordance with the standard on Auditing issued by the Institute of Chartered Accountants of India, as specified under section 143(10) of the Act, the financial statement of Explicit Finance Limited, which comprises the Balance Sheet as at 31st March 2023, and the related statement of Profit & Loss and Cash Flow Statement for the year then ended, and summary of significant accounting policies and other explanatory information, and our report dated 27th May 2023 and expressed an unqualified opinion thereon.

For S C Mehra & Associates LLP

Firm Registration No.: 106156W/W100305
Chartered Accountants

CA DEEPAK M. OZA

Partner
Membership No.045890

Place : Mumbai
Date : 30th May 2023
UDIN : 23045890BGFVHU4912

Appendix to our report of even date

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

For S C Mehra & Associates LLP

Firm Registration No.: 106156W/W100305
Chartered Accountants

CA DEEPAK M. OZA

Partner

Membership No.045890

Place : Mumbai

Date : 30th May 2023

UDIN : 23045890BGVFHU4912

Explicit Finance Limited
Balance sheet as at 31 March 2023

(Rupees in lacs)

Partuculars	Note no.	As at 31 March 2023	As at 31 March 2022
ASSETS			
Non-current assets			
Property, plant and equipment	2	0.75	0.30
Financial assets			
- Loans and Advances	3	575.68	565.80
Current assets			
Inventories	4	52.46	149.46
Financial assets			
- Trade and other receivables	5	0.00	0.00
- Cash and cash equivalents	6	159.13	71.23
- Loans and Advances	7	0.00	0.00
Assets for current tax (net)	7A	4.20	4.66
TOTAL		792.22	791.45
EQUITY AND LIABILITIES			
Equity			
Equity Share capital	8A	926.76	926.76
Other equity	8B	(137.34)	(138.17)
Non-current liabilities			
Financial liabilities			
- Borrowings	9	0.00	0.00
- Other financial liabilities	10	0.00	0.00
Deferred tax liabilities (Net)	11	0.00	0.00
Current liabilities			
Financial liabilities			
- Trade and other payables	12	2.80	2.86
- Other financial liabilities	13	0.00	0.00
Provisions	14	0.00	0.00
TOTAL		792.22	791.45
See accompanying notes to the financial statements	1 to 30		

In terms of our report of even date

For M/s. S C Mehra & Associates LLP
Chartered Accountants
Firm Registration No. 106156W/W100305

For and on behalf of the Board of Directors

Deepak Oza
Partner
M. No. 045890

Avinash Mainkar
Director
DIN: 01986289

Swati Dave
Director
DIN : 03299627

Place: Mumbai
Date:30.05.2023

Explicit Finance Limited
Statement of Profit and loss for the year ended 31st March 2023

(Rupees in lacs)

Particulars	Note no.	For the year ended 31 March 2023	For the year ended 31 March 2022
Revenue from operations	15	2,231.14	1,157.75
Other income	16	55.36	70.18
Total revenue		2,286.51	1,227.93
Expenses			
Purchase of Shares	17	2,147.19	994.87
Changes in Inventories	18	97.00	39.07
Employee benefit expense	19	14.37	15.85
Finance cost	20	0.83	0.00
Depreciation and amortisation expense	2	0.33	0.10
Other expense	21	25.96	205.47
Total expenses		2,285.68	1,255.36
Profit/ (loss) before exceptional items and tax		0.83	(27.43)
Exceptional items		-	-
Profit/ (loss) before tax		0.83	(27.43)
Tax expense			
a) Current tax	14	-	-
b) Deferred tax	11	-	-
Profit/ (loss) for the year		0.83	(27.43)
Other comprehensive income		-	-
Total comprehensive income for the year <i>(Profit/ loss + other comprehensive income)</i>		0.83	(27.43)
Earnings per equity share	22		
a) Basic and Diluted		0.01	(0.30)
See accompanying notes to the financial statements	1 to 30		

In terms of our report of even date

For M/s. S C Mehra & Associates LLP
Chartered Accountants
Firm Registration No. 106156W/W100305

For and on behalf of the Board of Directors

Deepak Oza
Partner
M. No. 045890

Avinash Mainkar
Director
DIN: 01986289

Swati Dave
Director
DIN : 03299627

Place: Mumbai
Date:30.05.2023

Explicit Finance Limited
Statement of Cash Flow for the year ended 31 March 2023

(Rupees in lacs)

	Particulars	As at	As at
		31.03.2023	31.03.2022
A.	Cash flows from operating activities:		
	Profit for the year before tax and other comprehensive income after interest, depreciation and Exceptional items	0.83	(27.43)
	Adjustments:		
	Depreciation and amortization expense	0.33	0.10
	Dividend Income	(0.18)	(1.24)
	Changes in operating assets and liabilities;		
	Trade receivables	0.00	0.00
	Inventories	97.00	39.08
	Trade payables, other liabilities and provisions	(0.06)	(3.24)
	Other current liabilities	0.00	(34.90)
	Loans and advances	(9.42)	60.67
	Provisions	0.00	-
	Cash generated from operating activities before taxes	88.50	32.94
	Net cash generated from operating activities	88.50	32.94
B.	Cash flows from investing activities:		
	Purchase of property, plant and equipment	(0.78)	0.00
	Proceeds from sale of Non Current Investments	0.00	0.00
	Dividend Income	0.18	1.24
	Net cash used in investing activities	-0.6	1.24
C.	Cash flows from financing activities:		
	Net cash used in financing activities	-	-
	Net decrease in cash and cash equivalents during the year	87.90	34.18
	Cash and cash equivalents at the beginning of the year	71.23	37.05
	Cash and cash equivalents at the end of the year	159.13	71.23
		87.90	34.18

In terms of our report of even date

For M/s. S C Mehra & Associates LLP
Chartered Accountants
Firm Registration No. 106156W/W100305

For and on behalf of the Board of Directors

Deepak Oza
Partner
M. No. 045890

Avinash Mainkar Swati Dave
Director Director
DIN: 01986289 DIN : 03299627

Place: Mumbai
Date:30.05.2023

Explicit Finance Limited

1. Corporate Information and Significant Accounting Policies

A. General Information

Explicit Finance Limited is a public company incorporated under the provisions of the Companies Act, 2013 and listed with BSE Ltd. The Company is NBFC duly registered with RBI.

B. Basis of preparation of financial statement

I. Compliance with Ind AS

Financial statements have been prepared in accordance with the Indian Accounting Standards (hereafter referred to as the "Ind AS") as notified by the Ministry of Corporate Affairs pursuant to Section 133 of Companies Act, 2013 (the "Act") read with the

II. Historical cost convention:

The financial statements have been prepared on a historical cost basis.

III. Rounding of amounts:

All the amounts disclosed in the financial statements and notes are presented in Indian Rupees and have been rounded off to the

IV. Current and Non-current classification:

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle (twelve months) and other criteria set out in the schedule III to the act.

C. Property, Plant and Equipment

Property, plant and equipment are stated at cost less accumulated depreciation and impairment losses, if any. Cost includes purchase price and expenditures directly attributable to bringing them into working condition for its intended use.

Depreciation on property, plant and equipments is provided under the written down value method over the useful lives of assets as prescribed in Schedule II to the Companies Act 2013 ("Act"), and management believes that useful life of assets are same as those prescribed in Schedule II to the Act. The residual values are not less than 5% of the Original cost of the asset. The assets residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period. Gain or losses arising from derecognition of property, plant and equipment are measured as difference between the net disposal proceeds and the carrying amount of the assets and are recognized in the statement of profit and loss when the asset is derecognised.

D. Inventories:

Inventories are valued at lower of cost or Market value computed on FIFO basis.

E. Revenue Recognition (to change as per last year BS)

1. Recognition of Dividend:- Income Dividend from investments are recognised in the Statement of Profit and Loss when the right to receive payment is established.

2. Recognition of Interest Income :-Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding.

F. Employee Benefits

Eligible Employees receive benefit from Provident Fund which is a defined benefit plan both the employees and the company make monthly contribution to the Provident Fund equally to specified percentage of the covered employee salary and contribution to Government Administered Fund however Provident Fund Act is not applicable to the Company as on date

G. Income tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax payable or receivable is the best estimate of the tax amount expected to be paid or received after considering uncertainty related to income taxes, if any. It is measured using

H. Earnings per share

(i) Basic earnings per share

Basic earnings per share is calculated by dividing:

- the profit attributable to owners of the Company
- by the weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements in equity shares issued during the year and excluding treasury shares

(ii) Diluted earnings per share Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

- the after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and
- the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all

I. Use of estimates and Judgements

The estimates and judgements used in the preparation of financial statements are continuously evaluated by the management and are based on historical experience and various other assumptions and factors that the management believes to be reasonable under existing circumstances. Difference between actual results and estimates are recognized in the period in which the results are known/materialized. The said estimates are based on the facts and the events, that existed as at the reporting date, or that date but provide additional evidence about conditions existing on the reporting date.

I. Impairment of non financial assets:

Assessment is done at each Balance Sheet date to evaluate whether there is any indication that a non financial asset may be impaired. An asset's recoverable amount is the higher of an asset's fair value less costs of disposal and its value in use. It is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or a groups of assets. Where the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account, if no such transactions can be identified, an appropriate valuation model is used.

II. Depreciation/amortization and useful lives of property, plant and equipment/intangible assets:

Property, plant and equipment are depreciated over the estimated useful lives of the assets, after taking into account their estimated residual value. Management reviews the estimated useful lives and residual values of the assets annually in order to determine the amount of depreciation to be recorded during any reporting period. The useful lives and residual values are based on the Company's historical experience with similar assets and take into account anticipated technological changes. The

III. Recoverability of trade receivables:

Judgments are required in assessing the recoverability of overdue trade receivables and determining whether a provision against those receivables is required. Factors considered include the credit rating of the counter party, the amount and timing of anticipated future payments and any possible actions that can be taken to mitigate the risk of non-payment.

IV. Provisions and contingent liabilities:

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost. Contingent Liabilities are disclosed in respect of possible obligations that arise from past events but their existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of

J. Functional and Presentation currency

These financial statements are prepared in Indian rupees; the national currency of India, which is functional currency of the

Note 2**Property, Plant and Equipments**

(Rupees in lacs)

Particulars	Air Conditioner	TOTAL
Gross block		
As at 1st April 2021	0.30	0.30
Additions/Revaluation surplus	-	-
Disposals/Adjustments	-	-
As at 31st March 2022	0.30	0.30
As at 1st April 2022	0.30	0.30
Additions/Revaluation surplus	0.79	0.79
Disposals/Adjustments	-	-
As at 31st March 2023	1.08	1.08
Accumulated Depreciation		
As at 1st April 2021	0.07	0.07
Charge for the year	0.11	0.11
Disposals/Adjustments	-	-
As at 31st March 2022	0.18	0.18
As at 1st April 2022	0.18	0.18
Charge for the year	0.33	0.33
Disposals/Adjustments	-	-
As at 31st March 2023	0.51	0.51
Net Block		
As at 31st March 2022	0.30	0.30
As at 31st March 2023	0.75	0.75

Notes to Balance sheet

3. Loans and Advances - Non Current

(Rupees in lacs)

Particulars	As at	As at
	31.03.2023	31.03.2022
<u>a. Security and Other deposits</u>		
Unsecured, considered good	0.00	0.00
<u>b. Other loans and advances</u>		
Secured, considered good	205.65	80.16
Unsecured, considered good	370.03	485.64
Total	575.68	565.80

4. Inventories

(Rupees in lacs)

Particulars	As at	As at
	31.03.2023	31.03.2022
Stock In Trade	52.46	149.46
Total	52.46	149.46

5. Trade and Other Receivables

(Rupees in lacs)

Particulars	Outstanding for following periods from due date of payments as at 31.03.2023					
	Less than 6 months of payments	6 months – 1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed trade receivables- considered good	0.00	0.00	0.00	0.00	0.00	-
Undisputed trade receivables- considered doubtful	0.00	0.00	0.00	0.00	0.00	-
Disputed trade receivablesconsidered good	0.00	0.00	0.00	0.00	0.00	-
Disputed trade receivablesconsidered doubtful	0.00	0.00	0.00	0.00	0.00	-

(Rupees in lacs)

Particulars	Outstanding for following periods from due date of payments as at 31.03.2022					
	6 months of payments	6 months – 1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed trade receivables- considered good	0.00	0.00	0.00	0.00	0.00	-
Undisputed trade receivables- considered doubtful	0.00	0.00	0.00	0.00	0.00	-
Disputed trade receivablesconsidered good	0.00	0.00	0.00	0.00	0.00	-
Disputed trade receivablesconsidered doubtful	0.00	0.00	0.00	0.00	0.00	-

6. Cash and Cash Equivalents

(Rupees in lacs)

Particulars	As at	As at
	31.03.2023	31.03.2022
a. Cash on hand	0.96	2.59
b. Balances with banks in current account	158.17	68.64
Total	159.13	71.23

7. Loans and Advances - Current

(Rupees in lacs)

Particulars	As at	As at
	31.03.2023	31.03.2022
Others	0.00	0.00
Total	0.00	0.00

7A. Assets for Current Tax (Net)

(Rupees in lacs)

Particulars	As at	As at
	31.03.2023	31.03.2022
GST and Income Tax TDS Receivables	4.20	4.66
Total	4.20	4.66

8.(A) Share Capital

(Rupees in lacs)

Particulars	As at	As at
	31.03.2023	31.03.2022
Authorised Share Capital		
1,00,00,000 Equity Shares of Rs.10 each (1,00,00,000)	100.00	100.00
Issued, Subscribed and Paid up		
92,67,600 Equity Shares of Rs.10 each (92,67,600)	926.76	926.76
Total	926.76	926.76

8.1**Shares in the Company held by shareholder holding more than 5% shares**

SR NO	Name of Shareholder	31.03-2023		31.03.2022	
		No. of Shares	% of Holding	No. of Shares	% of Holding
1	Angelica Trading Pvt. Ltd.	1375000	14.84%	1375000	14.840%
2	Brij Plantation Pvt Ltd.	1230000	13.27%	1230000	13.270%
3	Transdeal Sec P Ltd	1225000	13.22%	1225000	13.220%
4	Tungareshwar Foodproducts P Ltd	1225000	13.22%	1225000	13.220%
5	Trunadhanya Trading P Ltd	945000	10.20%	945000	10.200%

8.2. Shareholding of Promoters (as on 31-03-2023)

Sr.No	Promoter's Name	No. of shares (31.03.2022)	% of total shares	No. of shares (31.03.2023)	% of total shares	Change in shareholding	% change during the year
1	Gopal Dave	103000	1.11	103000	1.11	0	NA
2	Avinash Mainkar	72800	0.79	72800	0.79	0	NA
3	Trunadhanya Trading Pvt Ltd	945000	10.2	945000	10.2	0	NA
	Total	1120800	12.1	1120800	12.1	0	NA

8.3

Equity Shares: The Company has only one class of Equity Shares having a par value of Rs. 10 per share. Each shareholder is eligible for one vote per share held. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

8(B) Other Equity

(Rupees in lacs)

Particulars	As at	As at
	31.03.2023	31.03.2022
Retained earnings	(137.34)	(110.74)
Total	(137.34)	(110.74)

8 Statement of Changes in Equity

A. Equity Share Capital

(Rupees in lacs)

Balance as at April 1, 2022	Changes during the year	Balance as of March 31, 2022	Balance as of March 31, 2023
926.76	-	926.76	926.76

Balance as at April 1, 2021	Changes during the year	Balance as of March 31, 2021	Balance as of March 31, 2022
926.76	-	926.76	926.76

B. Other Equity

Particulars	Share Premium	Capital reserve	Retained earnings	Total Other Equity
Balance as at April 1, 2021	-	-	(110.74)	(110.74)
Total Comprehensive income for the year			-	-
Profit for the year			(27.43)	(27.43)
Other comprehensive income for the year			-	-
Total comprehensive income for the year			(27.43)	(27.43)
Balance as at March 31, 2022	-	-	(138.17)	(138.17)

B. Other Equity

Particulars	Share Premium	Capital reserve	Retained earnings	Total Other Equity
Balance as at April 1, 2022	-	-	(138.17)	(138.17)
Profit for the year			0.83	0.83
Other Comprehensive Income for the year			-	-
Total comprehensive income for the year			0.83	0.83
Balance as at March 31, 2023	-	-	(137.34)	(137.34)

In terms of our report of even date

For M/s. S C Mehra & Associates LLP
Chartered Accountants
Firm Registration No. 106156W/W100305

For and on behalf of the Board of Directors

Deepak Oza
Partner
M. No. 045890

Avinash Mainkar
Director
DIN: 01986289

Swati Dave
Director
DIN : 03299627

Place: Mumbai
Date:30.05.2023

9. Borrowings

(Rupees in lacs)

Particulars	As at	As at
	31.03.2023	31.03.2022
Secured Loans	0.00	0.00
Unsecured loans	0.00	0.00
Total	0.00	0.00

10. Other Financial liabilities

(Rupees in lacs)

Particulars	As at	As at
	31.03.2023	31.03.2022
Others	0.00	34.90
Total	0.00	34.90

11. Deferred Tax

(Rupees in lacs)

Particulars	As at	As at
	31.03.2023	31.03.2022
Property, Plant and Equipment (Depreciation) Opening Balance	0.00	0.00
Add Charge during the year	0.00	0.00
Net Deferred tax liability	0.00	0.00

12. Trade and other payables

(Rupees in lacs)

Particulars	Outstanding for following periods from due date of payments as at 31.03.2023					
	Less than 6 months of payments	6 months – 1 year	1-2 years	2-3 years	More than 3 years	Total
MSME	0.00	0.00	0.00	0.00	0.00	0.00
Others	2.80	0.00	0.00	0.00	0.00	2.80
Disputed dues-MSME good	0.00	0.00	0.00	0.00	0.00	0.00
Disputed dues-Others doubtful	0.00	0.00	0.00	0.00	0.00	0.00

(Rupees in lacs)

Particulars	Outstanding for following periods from due date of payments as at 31.03.2022					
	Less than 6 months of payments	6 months – 1 year	1-2 years	2-3 years	More than 3 years	Total
MSME	0.00	0.00	0.00	0.00	0.00	0.00
Others	2.86	0.00	0.00	0.00	0.00	2.86
Disputed dues-MSME good	0.00	0.00	0.00	0.00	0.00	0.00
Disputed dues-Others doubtful	0.00	0.00	0.00	0.00	0.00	0.00

The information regarding suppliers holding permanent registration certificate as an Ancillary Industrial Undertaking or a Small Scale Industrial undertaking issued by the Directorate of Industries of State or Union Territory is not available from the relevant parties. There is no overdue outstanding to MSME Creditors as on 31.03.2023.

13. Other current financial liabilities

(Rupees in lacs)

Particulars	As at	As at
	31.03.2023	31.03.2022
Others	0.50	0.00
Total	0.50	-

14. Provisions

(Rupees in lacs)

Particulars	As at	As at
	31.03.2023	31.03.2022
Provision	2.30	0.00
Total	2.30	0.00

Notes to Profit and loss**15. Revenue from Operations**

(Rupees in lacs)

	Year Ended	Year Ended
Particulars	31.03.2023	31.03.2022
Sale of Shares	2,231.14	1,157.75
Total	2,231.14	1,157.75

16. Other Income

(Rupees in lacs)

	Year Ended	Year Ended
Particulars	31.03.2023	31.03.2022
Interest Income	54.56	44.35
Dividend Income	0.18	1.24
Other income	0.63	24.59
Total	55.36	70.18

17. Purchase of Shares

(Rupees in lacs)

	Year Ended	Year Ended
Particulars	31.03.2023	31.03.2022
Purchase of Shares	2,147.19	994.87
Total	2,147.19	994.87

18. Changes in Inventories

(Rupees in lacs)

	Year Ended	Year Ended
Particulars	31.03.2023	31.03.2022
Opening stock	149.46	188.53
(-) Closing stock	52.46	149.46
Total	97.00	39.07

19. Employee Benefit Expenses

(Rupees in lacs)

	Year Ended	Year Ended
Particulars	31.03.2023	31.03.2022
Salaries and Wages	13.57	14.06
Staff Welfare Expenses	0.80	1.79
Total	14.37	15.85

20. Finance Cost

(Rupees in lacs)

	Year Ended	Year Ended
Particulars	31.03.2023	31.03.2022
Interest Paid	0.83	0.00
Total	0.83	0.00

21. Other Expenses

(Rupees in lacs)

	Year Ended	Year Ended
Particulars	31.03.2023	31.03.2022
Audit Fees	0.50	0.50
Professional & Legal Fees	1.75	8.10
Listing Fee and Other Charges	3.74	3.74
Demat Charges	0.11	1.74
Bad Debts W/Off	13.10	187.49
Conveyance Charges	1.60	1.43
Miscellaneous Expenses	5.17	2.47
Total	25.96	205.47

22. Basic and Diluted Earnings per Share

	Year Ended	Year Ended
Particulars	31.03.2023	31.03.2022
Net Profit/(loss) for the year (lacs)	0.83	(27.43)
Weighted average number of equity shares of Rs.10/- each (Nos.)	926.76	926.76
Basic and Diluted earning per share (Rs.)	0.01	(0.30)

23. Expenditure in foreign currency

Expenses incurred by the Company include Rs. Nil (Nil) in Foreign Exchange on Foreign travelling.

24. Related Party Disclosure

1. Key Managerial Personnel and Relatives

Mr. Gopal Dave	- Director
Mrs. Swati Dave	- Managing Director
Mr. Avinash Mainkar	- Director
Mrs. Taruna Boble	CFO

2. The Following transactions were carried out with the related parties in ordinary course of business.

(Rupees in lacs)

Transaction	31.03.2023	31.03.2022
a) Salary		
Mrs. Swati Dave	3.00	3.00
Mrs. Taruna Boble	3.60	3.60
c) Loan Received & Repaid		
Gopal Dave	28.75	21.75

25. Segment Reporting

The Company is NBFC company registered with RBI. Hence segment reporting as defined in Ind AS 33 is not given.

26. IMPACT OF COVID19 PENDING ON THE COMPANY

Due to COVID 19 pandemic and consequent lockdown restrictions imposed by the National Government from time to time, the impact on various business activities has been disclosed in financial statements, which caused unforeseen disruption in operation of manufacturing, marketing, demand, supply, orders, debtors, creditors, and other financial activities during the financial year.

27. In the opinion of the Management, current assets, loans and advances have a value on realization at least equal to the amount at which they are stated in the Books of Accounts and provision for all known liabilities has been made, except as mentioned otherwise.

28. Corporate Social Responsibility

As per section 135 of the Companies Act, 2013 a CSR committee has been formed by the company. The Company is not liable to pay any amount under CSR.

29. Ratios.

Particulars	2022-23	2021-22
Equity (Equity + Reserve and Surplus)	7,89,41,887.48	7,88,59,000.00
Total Debt	-	-
Current Assets	2,15,79,218.00	2,25,35,000.00
Current Liabilities	2,80,268.00	2,86,000.00
Net Working Capital	2,12,98,950.00	2,22,49,000.00
Trade Receivable	0.00	0.00
Trade Payable	2,80,268.00	2,86,000.00
Revenue from Operations (Turnover)	22,31,14,195.00	11,57,75,000.00
Purchase	21,47,19,373.00	9,94,87,000.00
Inventory	52,46,308.00	1,49,46,000.00
Finance Costs	0.82972	0.00
EBITDA	1,99,053.48	(27,33,000.00)
PAT	82,887.48	(27,43,000.00)

Financial Ratio		
Current Ratio	76.99	78.79
Debt-Equity Ratio	-	-
Debt Service Coverage Ratio	-	-
Return on Equity Ratio	0.00	-0.03
Inventory Turnover Ratio	42.53	7.75
Trade Receivables Turnover Ratio	0	0
Trade Payables Turnover Ratio	796.07	404.81
Net Capital Turnover Ratio	10.48	5.20
Net Profit Ratio	0.00	-0.02
Return on Capital Employed	0.00	-0.03

Current Liability Reduced

Company's activity is share trading & hence inventory has no relevance with Turnover.

Company's activity is share trading & hence inventory has no relevance with Trade payable.

Company's turnover increased substantially, hence increase in ratio.

Methodology :

1. Current Ratio = Current Asset/Current Liability
2. Debt-Equity Ratio = Total Debt/(Total Debt + Equity)
3. Debt Service Coverage Ratio = EBITDA/Finance Cost
4. Return on Equity Ratio = Profit After Tax/Total Equity
5. Inventory Turnover Ratio = Turnover/Inventory
6. Trade Receivable Turnover Ratio = Turnover/Trade Receivable
7. Trade Payables turnover ratio = Turnover/Trade Payable
8. Net Capital turnover ratio = Turnover/(Current Asset - Current Liability)
9. Net Profit ratio = Profit After Tax/Revenue From Operations
10. Return Capital Employed = Profit After tax/Total Equity

30. The figures for previous year have been regrouped/rearranged wherever necessary to make them comparable.

In terms of our report of even date

For M/s. S C Mehra & Associates LLP
Chartered Accountants
Firm Registration No. 106156W/W100305

For and on behalf of the Board of Directors

Deepak Oza
Partner
M. No. 045890

Avinash Mainkar
Director
DIN: 01986289

Swati Dave
Director
DIN : 03299627

Place: Mumbai
Date: 30.05.2023

EXPLICIT FINANCE LIMITED

CIN No.:

L65990MH1994PLC076788

Registered Office: 305, Sohan Commercial Plaza, Vasai (E), Opp. Shivsena Office, Palghar- 401210

Form No. MGT-11**Proxy Form**

[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]

Name of the Company: **EXPLICIT FINANCE LIMITED**CIN : **L65990MH1994PLC076788**

Registered Office : 305, Sohan Commercial Plaza, Vasai (E), Opp. Shivsena Office Palghar-401210

Name of the Member(s) :

Registered Address:

E-mail Id :

Folio No./Client ID :

DP ID :

I/We, being the member (s) of shares of the above named company, hereby appoint

1.	Name			
	Address			
	E-mail ID		Signature	
	Or Failing him			
2.	Name			
	Address			
	E-mail ID		Signature	
	Or Failing him			
3.	Name			
	Address			
	E-mail ID		Signature	

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 29th Annual General Meeting of the Company, to be held on the September 30, 2023 At 9.30 a.m. at 305, Sohan Commercial Plaza, Vasai (E), Opp. Shivsena Office Palghar- 401210 and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution Number	Resolutions
1	To receive, consider and adopt the audited financial statements of the company including the Audited Balance Sheet as at 31 st March 2023 the Statement of Profit & Loss Account for the year ended on that date and the Reports of the Board of Directors and Auditors thereon

2	To appointment of M/s. GMCS & Co., Chartered Accountants, (Firm Reg. No: 141236W), on place of retiring auditors M/s. S C Mehra & Associates LLP (Firm Rgn, No. 106156W/W100305) as Statutory Auditors of the Company for a term of five years starting from Financial Year 2023-24 up to the annual general meeting to be held for financial year March 31, 2028 and to authorize board to fix their remuneration as may be decided mutually.
3	To appoint Mr. Rajesh Nanda (DIN 06399927), as Managing Director of the Company for the term of five years and is not liable to retire by rotation and in this regard to consider and if thought fit, to pass, with or without modification (s), the following resolution as an Ordinary Resolution:
4	To appoint Ms. Hetal Bhanushali (DIN 10266055) as an Independent Director of the Company and in this regard to consider and if thought fit, to pass, with or without modification (s), the following resolution as an Ordinary Resolution:

Signed this _____ day of _____,

2023 Signature of Member _____

Proxy holder(s) Signature _____

<p>Affix Re. 1/- Revenue Stamp</p>
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Note: This form, in order to be effective, should be duly stamped, completed, signed and deposited at the registered office of the Company, not less than 48 hours before the commencement of the meeting.

ANNUAL GENERAL MEETING 30th SEPTEMBER,2023

ATTENDANCE SLIP

Name and Address of the Member:

Folio No./DPID Client Id No.:

I certify that I am a registered Shareholder/Proxy of the Company and hold _____ Equity Shares.

(Please indicate whether Shareholder/Proxy)

I hereby record my presence at the Annual General Meeting of the Company to be held at the Registered Office of the Company at Sohan Commercial Plaza, Vasai(E), Palghar – 401210 on Saturday, 30th September,2023 at 9.30 A.M.

SIGNATURE OF THE MEMBER/PROXY

NO. OF SHARES HELD

Note: Please fill up this attendance slip and hand it over at the entrance of the meeting hall. Members are requested to bring their copies of the Annual Report to the meeting.

If undelivered please return to:

Explicit Finance Ltd.,

305, Sohan Commercial Plaza,

Vasai (E), Palghar - 401210

