

EXPLICIT FINANCE LIMITED

21ST

ANNUAL REPORT

2014 – 2015

CONTENTS

Directors' Report
Auditors' Report
Balance Sheet
Profit & Loss Account

BOARD OF DIRECTORS

Smt. Swati Dave (Since 10-11-2014)
Shri Jayesh Jain
Shri Gopal Dave (Upto 10-11-2014)
Shri Avinash Mainkar
Shri Satish Pai
Shri Deepak Oza (Upto 10-11-2014)
Smt. Lata Dave (Since 10-11-2014)

AUDITORS

M/s MVK Associates, Chartered Accountants
Mumbai.

REGISTRAR & TRANSFER AGENTS

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

EXPLICIT FINANCE LTD

Notice is hereby given that the Twenty first Annual General Meeting of the members of “**EXPLICIT FINANCE LTD.**” will be held at Sohan Commercial Plaza, Vasai (E), Palghar - 401210 on Wednesday, 30th September 2015 at 9.30 A.M. to transact the following Business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the audited financial statements of the company including the Audited Balance Sheet as at 31st March 2015, 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 appoint a Director in place of Mr. Jayesh Jain DIN:02303327 who retire by rotation and being eligible, offers himself for re-appointment.

3. To consider and if thought fit to pass the following resolution as an **Ordinary Resolution**:

“RESOLVED THAT, pursuant to the provisions of Sections 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules made thereunder, pursuant to the recommendations of the Audit Committee of the Board of Directors and pursuant to the resolution passed by the shareholders at the Twentieth Annual General Meeting of the Members held on 30th September 2014 the appointment of M/s MVK Associates, Chartered Accountants (Registration No.120222W) as Auditors of the Company to hold office from conclusion of this AGM till the conclusion of the next AGM be and is hereby ratified and that the Board of Directors be and is hereby authorized to fix the remuneration payable to them as may be determined by the Audit Committee in consultation with the Auditors.

SPECIAL BUSINESS:

4. **Adoption of new Articles of Association of the Company containing regulations in conformity with the Companies Act, 2013**

To consider and if thought fit, to pass the following resolution as a **Special Resolution**:

“RESOLVED THAT pursuant to the provisions of Section 14 and all other applicable provisions of the Companies Act, 2013 read with Companies (Incorporation) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), the draft regulations contained in the new set of Articles of Association be and are hereby approved and adopted in substitution, and to the entire exclusion, of the regulations contained in the existing Articles of Association of the Company.

RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution.”

5. **To Appoint Ms. Lata Dave (DIN 00214718) as a director of the Company.**

To consider and if thought fit, to pass the following resolution as an **Ordinary Resolution**:

“RESOLVED That Ms. Lata Dave (DIN 00214718), who was appointed on 10th November 2014 as an Additional Director of the Company and holds office up to the date of this Annual General Meeting under Section 161 of the Companies Act, 2013 and in respect of whom the Company has received a notice in writing from a Member proposing his candidature for the office of the Director, be and is hereby appointed as a Director of the Company.”

EXPLICIT FINANCE LTD

6. To appoint Ms. Swati Dave (DIN 03299627) as a managing director & fixation of her remuneration

“RESOLVED THAT Pursuant to the provisions of Section 197, 198 and 203 read with Schedule V and all other applicable provisions if any of the Companies Act, 2013, including any statutory modification or re-enactment thereof or any other law and subject to such consent(s), approval(s) and permission(s) as may be necessary in this regard and subject to such conditions as may be imposed by any authority while granting such consent(s), permission(s) and approval(s) and as are agreed to by the Board of Directors (hereinafter referred to as the Board, which term shall unless repugnant to the context or meaning thereof, be deemed to include any committee thereof and any person authorized by the Board in this behalf), consent of the members be and is hereby accorded to the appointment of Mrs. Swati Dave as Managing Director of the Company for a period of five years with effect from 10th November 2014, on the terms and conditions set out below;

1. Salary: Rs. 25,000/- per month
2. Perquisites: Nil
3. Other Benefits: Nil
4. Minimum Remuneration

Where in any financial year, the Company has no profits or its profits are inadequate the foregoing amount of remuneration shall be paid restricted to 50% of annual salary and applicable provisions of Schedule V to the Companies Act, 2013

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, any director of the company be and is hereby authorised to do all acts, deeds, matters and things as they may in their absolute discretion deem necessary, proper or desirable and to settle any questions, difficulty or doubts that may arise in this regard and to sign and execute all necessary documents, applications, returns and writings as may be necessary, proper, desirable or expedient.”

NOTES:

1. ***A Member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself and the proxy need not be a member of the Company. Proxy in order to be effective must be received by the company not less than 48 hours before the commencement of the meeting.***
2. An Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, relating to the Special Business to be transacted at the Meeting is annexed hereto.
3. The register of members and the share transfer books will remain closed from Thursday 24th September 2015 to Wednesday 30th September 2015 (Both days inclusive) in terms of the provisions of Section 91 of the Companies Act, 2013.
4. Members are requested to
 - a. Bring their Annual Report to the meeting and attendance slip duly filled in. As a measure of economy copies of Annual Report will not be distributed at the Annual General Meeting.
 - b. Intimate any change in their addresses to the Registrar and Share Transfer Agents M/s Adroit Corporate Services Pvt. Ltd.

EXPLICIT FINANCE LTD

- c. Quote client ID and DP ID Numbers in respect of shares held in dematerialized form and ledger folio number in respect of shares held in physical form.
5. Corporate Members intending to send their authorized representatives to attend the Meeting are requested to send a certified copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the Meeting.
6. A brief profile of Directors seeking appointment/re-appointment at the Annual General Meeting is given in the Corporate Governance section of the Annual Report.
7. Members desirous of obtaining any information concerning the accounts and operations of the company are requested to send their queries at least seven days before the date of the meeting of the Company so that the required information may be made available at the meeting.
8. With a view to using natural resources responsibly, we request shareholders to update their e-mail address with their depository participants to enable the company to send their communication electronically.
9. The Annual Report 2014-15 is being sent through electronic mode only to the members whose email addresses are registered with the Company / Depository Participant(s), unless any member has requested for the physical copy of the report.
10. **Voting through electronic means:**
 - a) Pursuant to the provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by the companies (Management & administration) Amendment Rules, 2015 and Clause 35B of the Listing Agreement, the Company is pleased to provide members the facility to exercise their right to vote on resolutions proposed to be considered at the Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services. The facility of casting the votes by the members using an electronic voting system from a place other than the venue of the AGM ("remote e-voting") will be provided by Central Depository Services Limited (CDSL).
 - b) The facility for voting through ballot paper shall be made available at the AGM and the members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the meeting through ballot paper.
 - c) The members who have cast their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again.
 - d) The remote E-voting period begins on Saturday 26th September 2015 at 10.a.m. and ends on Tuesday, 29th September 2015 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 24th September 2015, may cast their vote by remote E-voting. The remote e-voting module shall be disabled by CDSL for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.
 - e) **The Instructions for Shareholders voting electronically are as under:**
 - i. The voting period begins on Saturday 26th September 2015 at 10.00 a.m. and ends on Tuesday 29th September 2015 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 24th September 2015, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
 - ii. The shareholders should log on to the e-voting website www.evotingindia.com.

EXPLICIT FINANCE LTD

- iii. Click on Shareholders.
- iv. 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.
- v. Next enter the Image Verification as displayed and Click on Login.
- vi. 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.
- vii. If you are a first time user follow the steps given below:

	For Members holding shares in Demat Form and Physical Form
PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field. In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.
DOB	Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.
Dividend Bank Details	Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio. Please enter the DOB or Dividend Bank Details in order to login. If 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 (iv)

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

EXPLICIT FINANCE LTD

- xiii. Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- xiv. 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.
- xv. Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- xvi. You can also take out print of the voting done by you by clicking on “Click here to print” option on the Voting page.
- xvii. 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.

xviii. 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 Corporates.
 - 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 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.
- xix. 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
- f. If you are already registered with CDSL for remote e-voting then you can use your existing user ID and password/PIN for casting your vote.
 - g. Voting rights shall be reckoned on the paid-up value of shares registered in the name of the members as on the date of dispatch of notice.
 - h. Any person, who acquires shares of the Company and become member of the Company after dispatch of the notice and holding shares as of the cut-off date i.e. 24th September 2015 may obtain the login ID and password by sending a request at helpdesk.evoting@cdslindia.com or Issuer/RTA
 - i. A member may participate in the AGM even after exercising his right to vote through remote e-voting but shall not be allowed to vote again at the AGM.
 - j. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail with the facility of remote e-voting or voting at the AGM through ballot paper.
 - k. Mr. R N Gupta, proprietor of M/s R N Gupta & Co., Practicing Company Secretaries (Membership No.FCS-4693, CP No.3131) has been appointed as the scrutinizer to scrutinize the voting and to ensure that the remote e-voting process is being conducted in a fair and transparent manner.

EXPLICIT FINANCE LTD

- l. The Chairman shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of the Scrutinizer, by use of “Ballot Paper” for all those members who are present at the AGM but have not cast their votes by availing the remote e-voting facility.
- m. The Scrutinizer shall after the conclusion of voting at the general meeting, will first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall prepare, not later than three days of the conclusion of the AGM, 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.
- n. The Results declared along with the report of the Scrutinizer shall be placed on the website of the Company www.explicitfinance.net and on the website of CDSL immediately after the declaration of result by the Chairman or a person authorized by him in writing. The results shall also be immediately forwarded to the BSE Limited.

By Order of the Board of Directors

Swati Dave
Managing Director

Mumbai, dated 12th August 2015

EXPLICIT FINANCE LTD

ANNEXURE TO THE NOTICE

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

SPECIAL BUSINESS

ITEM NO. 4

The existing Articles of Association ("AOA") is based on the Companies Act, 1956 and several regulations in the existing AOA contain references to specific Sections of the Companies Act, 1956 and some regulations in the existing AOA are no longer in conformity with the Act.

With the coming into force of the Companies Act, 2013, several regulations of the existing AOA of the Company require alteration or deletion. Accordingly, it is proposed to replace the entire existing AOA by a set of new Articles.

The new AOA to be substituted in place of existing AOA are based on Table 'F' of the Companies Act, 2013 which sets out the model Articles of Association for a Company limited by shares.

The proposed new draft of AOA is being uploaded on the Company's website for perusal by the shareholders.

The Board of Directors recommends the resolutions set forth in the item no. 4 of the notice for approval of the members.

None of the Directors or any key managerial personnel or any relative of any of the Directors of the Company or the relatives of any key managerial personnel is, in anyway, concerned or interested in the above resolution.

ITEM NO. 5

Ms. Lata Dave was appointed as an Additional Director of the Company with effect from 10th November 2014, pursuant to Section 161 of the Companies Act, 2013, Ms. Lata Dave holds office of the Director up to the date of this Annual General Meeting. The Company has received notice in writing from a member along with a deposit of Rs. 500.00 proposing the candidature of Ms. Lata Dave for the office of Director under the provisions of Section 160 of the Companies Act, 2013.

The Board accordingly recommends the resolution as set out in item No. 6 of the Notice for approval of the members.

None of the directors of the Company except Ms. Lata Dave, is concerned or interested in the proposed resolution.

ITEM NO. 6

Mrs. Swati was appointed subject to the consent of the shareholders, as a Managing Director of the Company, at the Board meeting held on 10th November 2014

The remuneration package for Mrs. Swati Dave, as determined by the Remuneration Committee of the Board and approved by the Board of Directors at the Board Meeting held on 12th August 2015, is forming part of the resolution under item 6 of the Agenda for this meeting.