

EXPLICIT FINANCE LIMITED

23RD

ANNUAL REPORT

2016 – 2017

BOARD OF DIRECTORS

*Smt. Swati Dave
Shri Avinash Mainkar
Shri Satish Pai
Smt. Lata Dave
Shri Jayesh Jain*

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.*

NOTICE

NOTICE is hereby given that the 23rd Annual General Meeting of the Members of “EXPLICIT FINANCE LIMITED “will be held on Friday 29th September, 2017 at 9.30 AM (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 Financial Statements including the Audited Balance Sheet as at 31st March 2017, the audited statement of Profit & Loss for the financial 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. Satish Pai [DIN: 03225392], who retires by rotation, and being eligible, offers himself for re-appointment.
3. To ratify the appointment of M/s. MVK Associates, Chartered Accountants, (Firm Reg. No: 120222W), as the Auditors of the Company, to hold office from the conclusion of this Annual General Meeting and to fix their remuneration and to pass with or without modification(s) 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, read with the Companies (Audit and Auditors) Rules, 2014, as amended from time to time, the Company hereby ratifies the appointment of M/s. MVK Associates, Chartered Accountants, (Firm Reg. No: 120222W), as the Auditors of the Company, to hold office from the conclusion of this Annual General Meeting (AGM) till the conclusion of the 24thAGM of the Company, to be held in the year 2018 and the Board of Directors be and is hereby authorized to fix the remuneration payable to them for the financial year ending 31st March, 2018, as may be determined by the Audit Committee, in consultation with the Auditors.”

For and on behalf of the Board of Directors

Swati Dave
Managing Director
DIN: 03299627

Palghar, dated 14th August, 2017

Regd Office:

Office No. 305, Sohan Commercial Plaza,
Vasai (E), Palghar - 401210

CIN: L65990MH1994PLC076788

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 / HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.
2. The instrument of proxy in order to be effective, should be deposited at the registered office of the company, duly completed and signed, not less than Forty Eight hours before the commencement of the meeting. A proxy form is sent herewith. Proxies submitted on behalf of the companies, societies etc. Must be supported by an appropriate resolution/authority, as applicable.
3. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 in respect of Special Business as set above to be transacted at the Meeting is annexed hereto and forms part of this Notice. The relevant information of the Directors seeking re-appointment, as required under Regulation 36(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Secretarial Standard-2 on General Meetings, is also given in the explanatory statement annexed hereto and forms part of this Notice.
4. Corporate Members intending to send their authorized representatives to attend the Meeting are requested to send a certified copy of the Board Resolution, pursuant to Section 113 of the Companies Act, 2013, authorizing their representative to attend and vote on their behalf at the Meeting.
5. The register of members and the share transfer books will remain closed from September 25, 2017 to September 29, 2017 (Both days inclusive) in terms of the provisions of Section 91 of the Companies Act, 2013.
6. Members who hold shares in electronic form are requested to write their Client ID and DP ID number and those who hold shares in physical form are requested to write their folio number in the attendance slip for attending the meeting to facilitate identification of membership at the AGM.
7. Members holding shares in the same name under different Ledger Folios are requested to apply for consolidation of such Folios and send the relevant share certificates to Adroit Corporate Services Pvt. Ltd. for their doing the needful.
8. For convenience of members, an attendance slip, proxy form and the route map of the venue of the Meeting are annexed hereto. Members are requested to affix their signature at the space provided and hand over the attendance slips at the place of meeting.
9. All documents referred to in the Notice are open for inspection at the Registered Office of the Company during working days and office working hours up to the date of Annual General Meeting.
10. 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.
11. The Annual Report 2016-17 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.
12. Members may also note that the Notice of the 23rd Annual General Meeting, Attendance Slip, Proxy Form, Route Map, Ballot Paper and the Annual Report for 2017 will also be available on the Company's website www.explicitfinance.net for their download.
13. IF THE MEMBERS HAVE ANY QUERIES ON THE AUDITED ACCOUNTS, BOARD'S REPORT & AUDITOR'S REPORT, THE SAME SHOULD BE FORWARDED TO THE COMPANY IN WRITING AT ITS REGISTERED OFFICE AT LEAST 10 DAYS BEFORE THE MEETING SO THAT THE SAME CAN BE REPLIED AT THE TIME OF ANNUAL GENERAL MEETING TO THE MEMBERS' SATISFACTION.
14. The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Companies Act, 2013, will be available for inspection by members at the AGM.
15. The Register of Contracts or Arrangements in which the directors are interested, maintained under Section 189 of the Companies Act, 2013, will be available for inspection by the members at the AGM.
16. Members are requested to promptly notify any changes in their addresses to the Registrar & Share Transfer Agent.
17. The Company is providing facility for voting by electronic means (e-voting) through an electronic voting system which will include remote e-voting as prescribed by the Companies (Management and Administration) Amendment Rules, 2015 as presently in force and the business set out in the Notice will be transacted through such voting.
 - 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 Regulation 44 of the Listing Regulation, 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 remote 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 Instructions for shareholders for remote e-voting:

In case of Members receiving Notice of the Annual General Meeting by email and who wish to vote using the remote e-voting facility:

- i. The voting period begins on 26th September, 2017 at 10.00 a.m. and ends on 28th September, 2017 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 23rd September, 2017 may cast their vote electronically. The remote 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
- 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	<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 (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 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.
- x. For Members holding shares in physical form, the details can be used only for remote e-voting on the resolutions contained in this Notice.
- xi. Click on the EVSN for EXPLICIT FINANCE LIMITED 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.
- 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. 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 on or after 30th June 2016. Please follow the instructions as prompted by the mobile app while voting on your mobile.

- 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 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. In case you have any queries or issues regarding remote e-voting, you may refer the Frequently Asked Questions (“FAQs”) and remote e-voting manual available at www.evotingindia.com under help section or write an email to helpdesk.evoting@cdslindia.com
- d. 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.
- e. 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.
- f. 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. 23rd September, 2017 may obtain the login ID and password by sending a request at helpdesk.evoting@cdslindia.com or Issuer/RTA
- g. 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.
- h. 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.
- i. Mr. Vishal Manseta (CP NO.8981), Practicing 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.
- j. 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.
- k. 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 make, 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.
- l. 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.

For and on behalf of the Board of Directors

Swati Dave
Managing Director
DIN: 03299627

Mumbai, dated 14th August, 2017

Regd Office:

Office No. 305, Sohan Commercial Plaza,
Vasai (E), Palghar - 401210

CIN: L65990MH1994PLC076788

BOARD'S REPORT

To,
The Members

Your Directors have pleasure in presenting their 23rd Annual Report on the business and operations of the company along with the Audited Financial accounts for the Financial Year ended March 31, 2017.

FINANCIAL RESULTS

(Rs. In Lacs)

Particulars	Year Ended 31 st March 17	Year Ended 31 st March 16
Total Income	554.60	565.09
Profit before Depreciation and Tax	(5.22)	1.49
Less: Depreciation	0.77	1.05
Profit before Tax	(5.99)	0.43
Less: Provision for Income Tax	0.05	0.38
Profit after Tax	(6.04)	0.05
Balance brought forward from previous years	(47.73)	(47.78)
Adjustments as per new Companies Act, 2016	0.00	0.00
Tax of Earlier Years	30.07	0.00
Transfer to Statutory Reserve	0.00	0.00
Balance carried to Balance Sheet	(83.84)	(47.73)

REVIEW OF OPERATION

The Company is mainly engaged into trading and finance activities. During the year under review, the total revenues for the year were Rs. 553.38 lacs, as compared to Rs. 565.09lacs last year. However company has incurred a net loss of Rs.5.99lacs as compared to profit of Rs. 0.43lacs last year.

BUSINESS REVIEW

Explicit Finance Limited is a Non-Banking Financial Company that fulfils aspirations of its Individual and Corporate client by satisfying their financial needs. The Company is actively investing in Secondary Market, having wide range of research techniques which enable company in identifying early stage investment opportunities in growing companies and provide a wide range of services including Business Loan, Corporate Finance, Real Estate Mortgage Finance, Loans against Shares and securities etc.

DIVIDEND

To strengthen the financial position of the company and in view of brought forward losses, the directors do not recommend any dividend for the year ended March, 31, 2017.

MANAGEMENT DISCUSSION ANALYSIS REPORT

A. INDUSTRY STRUCTURE & DEVELOPMENT

The NBFC sector in India has undergone a significant transformation over the past few years. It is now recognized as one of the systemically important components of the financial system and has shown consistent year-on-year growth. NBFCs play a critical role in the core development of infrastructure, transport, employment generation, wealth creation opportunities, and financial support for economically weaker sections; they also make a huge contribution to state exchequer.

Non-Banking Finance Companies (NBFCs) form an integral part of the Indian financial system. They play an important role in nation building and financial inclusion by complementing the banking sector in reaching out credit to the unbanked segments of society, especially to the micro, small and medium enterprises (MSMEs), which form the cradle of entrepreneurship and innovation. NBFCs' ground-level understanding of their customers' profile and their credit needs gives them an edge, as does their ability to innovate and customize products as per their clients' needs. This makes them the perfect conduit for delivering credit to MSMEs. However, NBFCs operate under certain regulatory constraints, which put them at a disadvantage vis-à-vis banks. While there has been a regulatory convergence between banks and NBFCs on the asset side, on the liability side, NBFCs still do not enjoy a level playing field. This needs to be addressed to help NBFCs realize their full potential and thereby perform their duties with greater efficiency. Moreover, with the banking system clearly constrained in terms of expanding their lending activities, the role of NBFCs becomes even more important now, especially when the government has a strong focus on promoting entrepreneurship so that India can emerge as a country of job creators instead of being one of job seekers. Innovation and diversification are the important contributors to achieve the desired objectives.

So far, Non-Banking Finance Companies (NBFCs) have scripted a great success story. Their contribution to the economy has grown in leaps and bounds from 8.4% in 2006 to above 14% in March 2015. In terms of financial assets, NBFCs have recorded a healthy growth a compound annual growth rate (CAGR) of 19% over the past few years comprising 13% of the total credit and expected to reach nearly 18% by 2018-19

B. OPPORTUNITIES & THREATS

- In 5 years, NBFCs have doubled their market share in SME loans and wholesale finance
- More than 15 financiers ready to ride the 'Housing for All' opportunity

- Asset growth in 5 product segments including infra financing could decelerate this fiscal
- In 5 segments including LAP, NBFCs assets grew at more than twice India's GDP last fiscal
- With the share of lending to the retail segment still below par, there is potential for banks and NBFCs to increase their exposure to this loan category and thereby attain growth, thus making them preferred investment options in comparison to others
- NBFCs are working in different competitive fields like vehicle financing, housing loans, hire purchase, lease and personal loans. NBFCs have emerged as key financial intermediaries particularly for small-scale and retail sectors. With easier sanction procedures, flexibility, low operating cost and focus on core business activity, NBFCs stand on a surer footing vis-a-vis banks.
- NBFCs' growth had been constrained due to lack of adequate capital. Going forward, we believe capital infusion and leverage thereupon would catapult NBFCs' growth in size and scale. A number of NBFCs have been issuing non-convertible debentures (NCDs) in order to increase their balance sheet liquidity. Also to address this purpose, especially in the infrastructure financing space, a new category of NBFCs was formed called Infrastructure financing companies (IFCs).

C. RISKS AND CONCERNS

As an NBFC, the Company is subjected to both external risk and internal risk. External risk due to interest rate fluctuation, slowdown in economic growth rate, political instability, market volatility, decline in foreign exchange reserves, etc. Internal risk is associated with your Company's business which includes deployment of funds in specific projects, diversification into other business operations, retention of talented personnel, managing effective growth rate, volatility in interest rate, NPAs in portfolio, changes in compliance norms and regulations, contingent liabilities and other legal proceedings. Your Company recognizes the importance of risk management and has invested in people, process and technologies to effectively mitigate the above risks.

Company's performance is closely linked to the Indian Capital Market as the company has investments in securities. These investments represent a substantial portion of the company's business and are vulnerable to fluctuations in the stock market. Any decline in the price of quoted investments may affect its financial position and results of operations. The value of the company's investments may be affected by factors affecting capital markets such as price and volume volatility, interest rates, currency exchange rates, foreign investment,

Government policy changes, political and economic developments, crude oil prices and economic performance abroad etc.

As a non-deposit taking NBFC, the Company is subjected to regulations by Indian governmental Authorities, including the Reserve Bank of India. Their Laws and regulations impose numerous requirements on the Company there may be future changes in the regulatory system or in the enforcement of the Laws and regulations that may adversely affect the Company's performance.

Moreover, any slowdown in the economic growth in India could cause the business of the Company to suffer. Recently, the growth of industrial production has been variable. Any slowdown in Indian economy could adversely affect the Company's business.

D. OUTLOOK

Outlook for the Company is linked to Capital Market. The Board of Directors of the Company believes that Company's Investments in the equity shares of various companies would reasonably perform in the ensuing years.

The role of NBFCs has become increasingly important from both the macroeconomic perspective and the structure of the Indian financial system. Over a period of time, one has to accept; that it is only those which are big enough and serious about being in the finance business will and must grow. To survive and constantly grow, NBFCs have to focus on their core strengths while improving on weaknesses. They have to constantly search for new products and services in order to remain competitive. The coming years will be testing ground for the NBFCs and only those who will face the challenge and prove themselves will survive in the long run.

For several years, NBFCs have rapidly emerged as an important segment of the Indian Financial System. The sector is now being recognized as complementary to the banking sector due to the implementation of innovative marketing strategies, introduction of tailor made products, customer oriented services, attractive rates of return on deposits, Government increased initiative and simplified procedures.

E. 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.

F. 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.

G. 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 company does not propose to transfer to the statutory reserves due to losses in the current year.

SHARE CAPITAL

Company had not issued any equity shares either with or without differential rights during the FY 2016 - 2017 and hence, the disclosure requirements under Section 43 and Rule 4 (4) of the Companies (Share Capital and Debentures) Rules, 2014, are not applicable.

DEPOSITIS

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. 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 March 31, 2017.

DIRECTORS

The composition of the Board is framed as per Companies Act 2013 and the SEBI (Listing Obligations and Disclosure Requirements) 2015. All the directors have vast knowledge and experience in their respective fields and they keep on advising company for the benefit of all.

During the year under review there was no change in the composition of the board of directors.

CHANGES IN KEY MANAGERIAL PERSONNEL (KMP'S) DURING THE YEAR 2016-17

There was no change in Key Managerial Personnel during the year 2016-17.

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 profit 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; and
- v. Internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.
- 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

The Company has received declarations pursuant to Section 149 (7) of the Companies Act, 2013 and Regulation 16 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 from all the Independent Directors of the company viz Mr. Jayesh Jain and Mrs. Lata Dave confirming that they meet the criteria of independence as prescribed under Sub Section 6 of 149 of the Companies Act, 2013.

BOARD EVALUATION

Pursuant to the provisions of the Companies Act, 2013 and the Listing Agreement, SEBI (LODR) Regulations, 2015, the Board has carried out an annual performance evaluation of its own performance, the directors individually as well as the evaluation of the working of its Committees. Independent Directors at their meeting reviewed the performance of the Board and its Chairman and Non-Executive Directors.

NUMBER OF BOARD MEETINGS HELD DURING THE PERIOD

A calendar of meetings is prepared and circulated in advance to the Directors. 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, 2017, the dates are 27th May, 2016, 12th August, 2016, 14th November, 2016 and 9th February, 2017.

Sr No.	Name of the Directors	Number of Board Meeting
1.	Mrs. Swati Dave, Executive Director	4
2.	Mr. Avinash Mainkar	4
3.	Mr. Satish Pai, Non Independent Non-Executive Director	4
4.	Mr. Jayesh Jain, Independent Non Executive	4
5.	Mrs. Lata Dave, Independent Non Executive	4

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.

INDEPENDENT DIRECTORS MEETING

During the year under review, the Independent Directors of the Company met on January 16, 2017 inter-alia, to discuss:

- Evaluation of performance of Non-Independent Directors and the Board of Directors of the Company as a whole.
- Evaluation of performance of the Chairman of the Company, taking into views of Executive and Non-Executive Directors.
- Evaluation of the quantity, content and timelines of flow of information between the Management and the board that is necessary for the Board to effectively and reasonably perform its duties.

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 Policy is stated in the Corporate Governance Report of the Company that forms part of the Annual Report.

PARTICULARS OF EMPLOYEES AND DISCLOSURE UNDER SECTION 197(12) AND RULE 5(1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014:

The information required pursuant to Section 197 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Amendment Rules, 2016 in respect of employees of the Company is enclosed as **Annexure - 1** and forms part of this Report.

Further, no employee of the Company is earning more than the limits as prescribed pursuant to Section 197 read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Amendment Rules, 2016 in respect of employees of the Company.

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 2017.

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 MVK ASSOCIATES, Chartered Accountants pertaining to the compliance of the conditions of Corporate Governance is Annexed thereto.

EXTRACT OF ANNUAL RETURN

The extract of 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-2** to this Report.

STATUTORY AUDITORS

M/s. MVK Associates, Chartered Accountants, Statutory Auditors of the Company, hold office till the conclusion of the ensuing Annual General Meeting (AGM) and their term of 10 years is expiring at the ensuing AGM. Accordingly, as per the requirements of Section 139(2) of the Companies Act, 2013 ('the Act'),