

POLICY FOR DETERMINING MATERIAL SUBSIDIARY

EXPLICIT FINANCE LIMITED

(CIN NO: L65990MH1994PLC076788)

Registered office: Office No. 305, 3rd Floor,
Sohan Commercial Plaza,
Opp Shiv Sena Office,
Vasai (E), Thane – 401210

Tel No: 09320478152

Email id: explicit_finance@rediffmail.com

Website: **NOT GIVEN**

POLICY FOR DETERMINING MATERIAL SUBSIDIARY

(Pursuant to Clause 49(V)(D) of the Listing Agreement)

- 1.** Explicit Finance Limited (“the Company”) is a global leader in the Investments, Trading in Securities and Finance activities. The Company’s shares are listed on the BSE Limited (BSE).
- 2.** Pursuant to clause 49(V)(D) of the listing agreement entered into by the Company with the stock exchanges, it is necessary for the Company to formulate a policy for determining ‘Material’ Subsidiaries and disclose the same on the Company’s website.
- 3.** Accordingly, the Company has formulated and its Board of Directors have approved this policy for setting out the criteria for any of its subsidiaries to be deemed material subsidiaries; and

4. Policy:

- 4.1.** “Material Is a subsidiary : Subsidiary” - in which investment by the Company exceeds twenty percent (20%) of the consolidated net worth as per the audited balance sheet of the previous financial year; or which has generated twenty percent (20%) of the consolidated income of the Company during the previous financial year.
- 4.2.** “Material Non is an unlisted subsidiary, incorporated in India, whose income or Listed Indian net worth (i.e. paid up share capital and free reserves) Subsidiary: exceeds twenty percent (20%) of the consolidated income or consolidated net worth respectively, of the Company and its subsidiaries in the immediately preceding accounting year.
- 5.** As required under the revised clause 49(V)(D) of the listing agreement with the stock exchanges, this policy shall be disclosed on the Company’s website and a web link thereto shall be provided in the Annual Report.
- 6.** The words “subsidiary” and “control” used in this policy shall have the same meaning as defined in the Company Act, 2013 or the rules framed there under, the listing agreement, Act, Rules, Regulations framed by the Securities Exchange Board of India or any other legislative/regulation applicable to the Company.
- 7.** This policy shall be subject to review as may be deemed necessary and in accordance with any regulatory amendments.
- 8.** As of date there are no material subsidiaries.