

**ENCASH**  
*Value for Money*

# ENCASH ENTERTAINMENT LIMITED

CIN : L92413WB2008PLC124559; GSTIN : 19AADCB4721B1Z5

Email id : encashentertainment@gmail.com; Website : www.encashentertainment.com

Ref. No.

Date : 10.09.2019

To,  
**BSE SME Platform**  
Regd. Office : 25 Th Floor,  
P.J.Towers, Dalal Street,  
Fort, Mumbai - 400 001.

**SUB: Annual Report of Encash Entertainment Limited for the financial year 2018-2019**

Respected Sir/ Madam,

In terms of Regulation 34 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find attached Annual Report of Encash Entertainment Limited for the financial year 2018-19.

Kindly take the same on record and upload it on your websites.

Thanking You,  
Yours truly,

For, **Encash Entertainment Limited**

*Hanchoti*  
Company Secretary





**ENCASH ENTERTAINMENT LIMITED**

**ENCASH**  
*Value for Money*



**ANNUAL REPORT 2018-2019**

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**BOARD OF DIRECTORS**

Mr. Sachet Saraf	-	Managing Director
Ms. Rashmi Saraf	-	Director
Mr. Rajesh Singhanian	-	Director
Mr. Surendra Sethia	-	Director
Mr. Suman Saraf	-	Chief Financial Officer

**COMPANY SECRETARY**

Ms. Hardika Pancholi

**STATUTORY AUDITOR**

M/s. J. N. Agarwal & Co.

**SECRETARIAL AUDITOR**

Ms. Manjula Poddar

**REGISTERED OFFICE**

9, Lal Bazar Street,  
3rd Floor, Mercantile Building,  
Kolkata - 700001  
Tel : 033-22303313  
E-mail : encashentertainment@gmail.com  
Website : www.encashentertainment.com  
CIN : L92413WB2008PLC124559

**REGISTRARS & TRANSFER AGENTS**

CB Management Services Private Limited  
P-22, Bondel Road,  
Kolkata - 700019  
Tel: +91 33 40116700,22806692/93  
Fax: +91 33 22870263  
Email: rta@cbmsl.com  
Website: www.cbmsl.com

**PRINCIPAL BANKER**

HDFC Bank Ltd.  
Stephen House,  
4, B B D Bag (East)  
Kolkata - 700001

## NOTICE

Notice is hereby given that the Eleventh Annual General Meeting of **Encash Entertainment Limited** will be held on Monday 30th September, 2019 at 03:30 P.M at registered office 9, Lal Bazar Street, 3rd Floor, Mercantile Building, Kolkata - 700001, to transact the following business :

### ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended March 31, 2019, together with the Reports of the Board of Directors and the Auditors thereon.
2. To appoint a Director in place of Mrs. Rashmi Saraf (DIN 02096360), who retires by rotation and being eligible, offers herself for re-appointment.
3. To appoint statutory auditors and fix their remuneration :

**“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 may be applicable and pursuant to the recommendations of the Audit Committee, M/s. J. N. Agarwal & Co., Chartered Accountants (Firm Registration No. 325111E), be appointed as statutory auditors of the Company for a period of five years, at such remuneration and out of pocket expenses, as may be decided by the Board of Directors of the Company.”

### SPECIAL BUSINESS

4. To consider and if thought fit, to pass with or without modification, the following resolution as an Ordinary Resolution :

**“RESOLVED THAT** pursuant to the provisions of Sections 196, 197, 203 and any other applicable provisions of the Companies Act, 2013 and the rules made there under (including any statutory modification(s) or re-enactment thereof), read with Schedule V to the Companies Act, 2013, the consent of the Company be and is hereby accorded to the re-appointment of Mr. Sachet Saraf (DIN : 01377285), as Chairman and Managing Director of the Company for a period of one year commencing from 18.01.2019 on the remuneration, terms and conditions as recommended by the nomination and remuneration committee and as set out in the explanatory statement annexed to the notice.”

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

**“RESOLVED that** pursuant to the provisions of Sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 (“Act”), the Companies (Appointment and Qualifications of Directors) Rules, 2014, read with Schedule IV to the Act and Regulation 17 and other applicable regulations of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”), as amended from time to time, Mr. Rajesh Kumar Singhania (DIN 00122786), who was appointed as an Independent Director of the Company and who is eligible for re-appointment and who meets the criteria for independence as provided in Section 149(6) of the Act along with the rules framed thereunder and Regulation 16(1)(b) of SEBI Listing Regulations and who has submitted a declaration to that effect and in respect of whom the Company has received a Notice in writing from a Member under Section 160(1) of the Act proposing his candidature for the office of Director, be and is hereby re-appointed as an Independent Director of the Company, not liable to retire by rotation, to hold office for a second term of five years commencing with effect from July, 12, 2019 upto July 11, 2024.”

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

**“RESOLVED that** pursuant to the provisions of Sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 (“Act”), the Companies (Appointment and Qualifications of Directors) Rules, 2014, read with Schedule IV to the Act and Regulation 17 and other applicable regulations of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”), as amended from time to time, Mr. Surendra Kumar Sethia (DIN 00446974), who was appointed as an Independent Director of the Company and who is eligible for re-appointment and who meets the criteria for independence as provided in Section 149(6) of the Act along with the rules framed thereunder and Regulation 16(1)(b) of SEBI Listing Regulations and who has submitted a declaration to that effect and in respect of whom the Company has received a Notice in writing from a Member under Section 160(1) of the Act proposing his candidature for the office of Director, be and is hereby re-appointed as an Independent Director of the Company, not liable to retire by rotation, to hold office for a second term of five years commencing with effect from July, 12, 2019 upto July 11, 2024.”

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**NOTES :**

1. Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 concerning the Special Business in the Notice of this Annual General Meeting is annexed hereto and forms part of this Notice.

Additional information, pursuant to the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, with respect to appointment of the Statutory Auditors of the Company, as proposed under Item No. 3 of this Notice under Ordinary Business, is also provided in the Explanatory Statement.

2. A member entitled to attend and vote at the annual general meeting is entitled to appoint a proxy /proxies to attend and vote on his behalf and such proxy need not be a member of the company.

Proxies, in order to be effective, must be received at the Company’s registered office, not less than forty-eight hours before the commencement of the AGM i.e. by 03:30 p.m. on 28th September, 2019.

Corporate Members are required to send to the Company a certified copy of the Board Resolution, pursuant to Section 113 of the Companies Act, 2013, authorizing their representatives to attend and vote at the AGM.

3. Members / proxies / authorized representatives should bring the duly filled attendance slip enclosed herewith to attend the meeting.
4. The Register of Members and Transfer Books of the Company will remain closed from 24th September 2019 till 30th September 2019 both days inclusive.
5. Electronic copy of the Annual Report for 2019 is being sent to all the members whose email addresses are registered with the Company/Depository Participant(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copies of the Annual Report for 2019 are being sent in the permitted mode.

Electronic copy of the Notice of the 11th AGM of the Company, inter alia, indicating the process and manner of electronic voting (‘e-voting’) along with Attendance Slip, Proxy Form and Route Map is being sent to all the members whose email addresses are registered with the Company/Depository Participants(s) for

communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copies of the Notice of the 11th AGM of the Company, inter alia, indicating the process and manner of e-voting along with Attendance Slip, Proxy Form and Route Map is being sent in the permitted mode.

6. In terms of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, securities of listed companies can only be transferred in dematerialized form with effect from 1st April, 2019. In view of the above, members are advised to dematerialize shares held by them in physical form.
7. Details as required in sub-regulation (3) of Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") and Secretarial Standard on General Meeting (SS-2) of the Institute of Company Secretaries of India ("ICSI"), in respect of the Directors seeking appointment/re-appointment at the AGM, forms integral part of the Notice of the AGM. Requisite declarations have been received from the Directors for seeking appointment/ re-appointment.
8. In terms of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014, the Resolutions for consideration at this AGM will be transacted through remote e-voting (facility to cast vote from a place other than the venue of the AGM) and for which the Board of Directors of the Company ('the Board') have engaged the services of NSDL. The Board has appointed Ms. Manjula Poddar, as the Scrutinizer for this purpose.
9. Members, who cast their votes by remote e-voting, may attend the AGM but will not be entitled to cast their votes once again.
10. Voting rights will be reckoned on the paid-up value of shares registered in the name of the Members on 23rd September, 2019 (cut-off date). Only those Members whose names are recorded in the Register of Members of the Company or in the Register of Beneficial Owners maintained by the Depositories as on the cut-off date will be entitled to cast their votes by remote e-voting or e-voting at the AGM venue. A person who is not a Member on the cut-off date should accordingly treat this Notice as for information purposes only.
11. All dividends remaining unclaimed and unpaid for a period of seven years from the date it is lying in the unpaid dividend account, is required to be transferred to the Investor Education and Protection Fund (IEPF) of the Central Government. Members who have not yet encashed their dividend warrants for the financial year 2014-15 (final dividend) are requested to make their claims to the Company immediately. Members may please note that no claim shall lie against the Company in respect of dividend which remains unclaimed and unpaid for a period of seven years from the date it is lying in the unpaid dividend account and no payment shall be made in respect of such claims.

Further, the information regarding unclaimed dividends in respect of dividends declared in the financial year 2014-15 has been uploaded on the website of the Company [www.encashentertainment.com](http://www.encashentertainment.com) under 'Investor' section. Shareholders may kindly check the said information and if any dividend amount is appearing as unpaid against their name, they may lodge their claim, duly supported by relevant documents to the Company before expiry of seven years from the date it is lying in the unpaid dividend account.

12. In case you have any query relating to the enclosed Annual Accounts you are requested to send the same to the Company Secretary at the Registered Office of the Company at least 10 days before the date of AGM so as to enable the management to keep the information ready for replying at the meeting.
13. As a measure of economy, copies of Annual Report will not be distributed at the venue of the AGM. Members are therefore requested to bring their own copies of the Annual Report to the meeting.

14. In case of joint holders attending the meeting, the joint holder who is higher in the order of names will be entitled to vote at the meeting.
15. The procedure with respect to remote e-voting is provided below :-

**Step 1 : Login to NSDL e-voting website**

- (a) Launch internet browser by typing the URL: <https://www.evoting.nsdl.com/> and click on 'Shareholder - Login'.
- (b) Insert your user ID & password on the login window and also insert the verification code as shown on the screen.

**USER ID**

For Members holding shares in demat account with NSDL.	8 character DP ID followed by 8 digit Client ID. For example, if your DP ID is IN300*** and Client ID is 12*****, then your user ID is IN300***12*****.
For Members holding shares in demat account with CDSL.	16 digit Beneficiary ID. For example, if your Beneficiary ID is 12*****, then your user ID is 12*****.
For Members holding shares in certificate form.	Electronic Voting Event Number (EVEN) followed by your folio number registered with the Company. For example, if the EVEN is 101456 and your folio number is 01/12***, then your user ID is 1014560112***.

**Password :**

- (i) If you are already registered with NSDL for remote e-voting, you should use your existing password for login.
- (ii) If you are using NSDL e-voting system for the first time, you would need to use your 'initial password' for login, which has been communicated to you by the Company.
- (iii) If you are unable to retrieve or have not received the 'initial password', or have forgotten your password:  
?Click on 'Forgot User Details / Password?', if holding shares in dematerialised form, or  
?Click on 'Physical User Reset Password?', if holding shares in certificate form.

You may also send an e-mail requesting for password at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in), mentioning your name, PAN, registered address and your demat account number / folio number.

- (c) Agree to the terms and conditions by clicking the box.
- (d) Click on 'Login'. Home page of remote e-voting opens.

If you are registered for NSDL e-services, you can login at <https://www.eservices.nsdl.com/> with your existing IDEAS login and click on e-voting to proceed to Step 2 to cast your vote.

**Step 2 : Cast your vote on NSDL e-voting website**

- (a) Click on 'e-voting: Active E-voting Cycles' and select the EVEN of Encash Entertainment Limited.
- (b) Now you are ready for remote e-voting as 'Cast Vote' page opens.
- (c) Cast your vote by selecting appropriate option and click on 'Submit'. Thereafter click on 'Confirm' when prompted; upon confirmation, your vote is cast and you will not be allowed to change your vote.



- (d) Thereafter the message 'Vote cast successfully' will be displayed.

**Other Instructions**

- (a) Those who become Members of the Company after despatch of the Notice but on or before 23rd September, 2019 (cut-off date) may write to NSDL at **evoting@nsdl.co.in** or to the Company at **encashentertainment@gmail.com** in requesting for user ID and password. On receipt of user ID and password, the steps stated above under 'Step 2: Cast your vote on NSDL e-voting website' should be followed for casting of vote.
- (b) In case of any query / grievance, you may refer to the Frequently Asked Questions for Shareholders and e-voting User Manual for Shareholders available under the Downloads section of NSDL's e-voting website **www.evoting.nsdl.com** or contact :
- (i) telephone nos. 1800-222-990 (toll free) or 022-2499 4360 or at e-mail **evoting@nsdl.co.in**;
- (ii) You may also send your queries to the e-mail ID **encashentertainment@gmail.com**
- (c) Remote e-voting will commence at 9.00 a.m. on 27th September, 2019 and will end at 5.00 p.m. on 29th September, 2019, when remote e-voting will be blocked by NSDL.

**General Information**

- (a) There will be one vote for every Client ID No. / Registered Folio No. irrespective of the number of joint holders.
- (b) **The Results of voting will be declared within 48 hours from the conclusion of the AGM and the Resolutions will be deemed to be passed on the date of the AGM, subject to receipt of requisite number of votes.** The declared Results, along with the Scrutinizer's Report, will be available forthwith on the Company's corporate website **www.encashentertainment.com** under the section 'Investor Relations' and on the website of NSDL; such Results will also be forwarded to the BSE Limited, where the Company's shares are listed.
16. As required under Listing Regulations and Secretarial Standards-2 on General Meetings, details in respect of directors seeking re-appointment at the AGM, is separately annexed hereto as 'Annexure 1'. Directors seeking reappointment have furnished requisite declarations under section 164(2) and other applicable provisions of the Companies Act, 2013 including rules framed thereunder.
17. All documents referred to in the Notice will be available for inspection at the Company's registered office during normal business hours on working days up to the date of the AGM.

Place : Kolkata

Date : 05.09.2019

**Registered Office :**

9, Lal Bazar Street

3rd Floor, Mercantile Building

Kolkata - 700001

CIN : L92413WB2008PLC124559

Tel : 033 2230 3313

E-mail : encashentertainment@gmail.com

Website : www.encashentertainment.com

By Order of the board of directors

For **Encash Entertainment Limited**

**Hardika Pancholi**

Company Secretary

**Statement pursuant to Section 102 of the Companies Act, 2013**

**As required by Section 102 of the Companies Act, 2013 ("Act"), the following explanatory statement sets out all material facts relating to the business mentioned of the accompanying Notice :**

**Item No. 3**

M/s J N Agarwal & Co., (ICAI Firm Registration No. 325111E), Chartered Accountants, Kolkata are appointed as the statutory auditors of the Company for a period of five years from the conclusion of this AGM.

As per provisions of Section 139(1) of the Act, their appointment for the above tenure is subject to ratification by members at every AGM.

The Board commends the Resolution at Item No. 3 for approval by the Members.

None of the Directors or Key Managerial Personnel (KMP) or relatives of Directors and KMPs is concerned or interested in the Resolution at Item No. 3 of the accompanying Notice.

**Item No. 4**

Mr. Sachet Saraf, (DIN: 01377285) Managing Director of the Company is reappointed for a term of 1 year from 18.01.2019 to 17.01.2020. The material provisions of the agreement to be entered into with Mr. Sachet Saraf are as under:-

Salary : Minimum Rs. 5,00,000/- per annum.

As required by the Companies Act, 2013, approval of the members is being sought, for the re-appointment and remuneration of Mr. Sachet Saraf, Managing Director.

None of the Directors except Mr. Sachet Saraf himself and Ms. Rashmi Saraf (spouse of Mr. Sachet Saraf), is concerned or interested in the resolution. None of the Key Managerial Personnel or their relatives are concerned or interested in the resolution.

**Item No. 5 & 6**

The Board of Directors of the Company ('the Board') at the meeting held on 12th July, 2019, on the recommendation of the Nomination & Remuneration Committee ('the Committee'), recommended for the approval of the Members, the re-appointment of Mr. Rajesh Kumar Singhania and Mr. Surendra Kumar Sethia as Independent Directors of the Company with effect from 12th July, 2019, in terms of Section 149 read with Schedule IV of the Companies Act, 2013 ('the Act'), and Regulation 17 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations 2015'), as set out in the Resolutions relating to their respective re-appointment.

The Committee and the Board are of the view that, given the knowledge, experience and performance of Mr. Rajesh Kumar Singhania and Mr. Surendra Kumar Sethia, and contribution to Board processes by them, their continued association would benefit the Company. Declarations have been received from Mr. Rajesh Kumar Singhania and Mr. Surendra Kumar Sethia that they meet the criteria of Independence prescribed under Section 149 of the Act read with the Companies (Appointment and Qualification of Directors) Rules, 2014 and Regulation 16 of the Listing Regulations 2015. In the opinion of the Board Mr. Rajesh Kumar Singhania and Mr. Surendra Kumar Sethia fulfill the conditions specified in the Act, the Rules thereunder and the Listing Regulations 2015 for re-appointment as Independent Directors and they are independent of the management of the Company. In

addition to sitting fees for attending the meetings of the Board and its Committees, Mr. Rajesh Kumar Singhanian and Mr. Surendra Kumar Sethia would not be entitled to remuneration, individually, by way of commission.

Additional information in respect of Mr. Rajesh Kumar Singhanian and Mr. Surendra Kumar Sethia, pursuant to the Listing Regulations 2015 and the Secretarial Standard on General Meetings, is appearing in the Report and Accounts under the sections 'Your Directors' and 'Report on Corporate Governance'. Mr. Rajesh Kumar Singhanian and Mr. Surendra Kumar Sethia do not hold any share in the Company, either in their individual capacity or on a beneficial basis for any other person.

Mr. Rajesh Kumar Singhanian and Mr. Surendra Kumar Sethia, and their relatives, are interested in the Special Resolutions relating to their respective re-appointment. None of the other Directors and Key Managerial Personnel of the Company, or their relatives, is interested in these Special Resolutions. The Board recommends these Special Resolutions for your approval.

Place : Kolkata

Date : 05.09.2019

**Registered Office :**

9, Lal Bazar Street

3rd Floor, Mercantile Building

Kolkata - 700001

CIN : L92413WB2008PLC124559

Tel : 033 2230 3313

E-mail : encashentertainment@gmail.com

Website : www.encashentertainment.com

By Order of the board of directors  
For **Encash Entertainment Limited**

**Hardika Pancholi**  
Company Secretary

## ANNEXURE - I

Particulars	Mr. Sachet Saraf	Ms. Rashmi Saraf
Date of Birth	29.11.1971	10.11.1973
Qualification	B. Com	I.C.W.A.
Expert in Functional Area	More than 11 years of experience in film, entertainment and media sector.	More than 6 years of experience in Finance.
Proposed Remuneration	5,00,000/-	NIL
Date of Appointment	19.01.2011	09.01.2011
Shareholding as on 31st March, 2019	250800	4800
Relationship with other Directors / Key Managerial Personnel	Rashmi Saraf - Spouse	Sachet Saraf - Spouse
Directorship of other Boards of public companies as on 31st March, 2019	Vanshika Securities Limited Daga Pictures Limited	Vanshika Securities Limited Daga Pictures Limited Encash Securities Limited
Membership / Chairmanship of Committees of other Boards as on March 31, 2019	NIL	NIL

Particulars	Mr. Rajesh Kumar Singhania	Mr. Surendra Kumar Sethia
Date of Birth	22.07.1968	01.07.1966
Qualification	B. Com	B. Com
Expert in Functional Area	More than 09 years of experience in Finance.	More than 08 years of experience in Finance.
Proposed Remuneration	NIL	NIL
Date of Appointment	03.06.2013	03.06.2013
Shareholding as on 31st March, 2019	NIL	NIL
Relationship with other Directors / Key Managerial Personnel	NIL	NIL
Directorship of other Boards of public companies as on 31st March, 2019	Titanic Vincom Pvt. Ltd. RKS Enterprises Limited Attractive Mercantile Pvt. Ltd.	Metrodeal Commercial Pvt. Ltd. Floral Vyapar Pvt. Ltd. Megapode Vyapaar Pvt. Ltd. Purple Dealers Pvt. Ltd. Sumangal Financial Ser. (P) Ltd CMD Infraprojects Pvt. Ltd.
Membership / Chairmanship of Committees of other Boards as on March 31, 2019	NIL	NIL

**DIRECTORS' REPORT**

To,  
The Members

Your Directors have pleasure in presenting the Eleventh Annual Report of your Company along with Audited Statement of Accounts for the financial year ended 31st March, 2019.

**FINANCIAL SUMMARY OF THE COMPANY**

The Financial Performance of your Company for the year ended 31st March, 2019 is summarized below :  
(Amount in Rs. Lacs)

Particulars	31st March, 2019	31st March, 2018
Total Revenue	534.49	222.76
Profit before finance charges, Tax	2.69	21.57
Less: Finance Charges	1.04	1.56
Profit before Tax, Depreciation/Amortization (PBTDA)	1.64	20.02
Less: Depreciation/Amortization	20.46	18.60
Profit before Tax (PBT)	-18.82	1.42
Provision for Taxation	-1.32	1.09
Profit/(Loss) After Taxation (PAT)	-17.50	0.32
Provision for Proposed Dividend	0.00	0.00
Dividend Tax	0.00	0.00
Transfer to Statutory Reserve u/s 45-IC of RBI Act 1934	0.00	0.00
Transfer to General Reserve	0.00	0.00

**REVIEW OF OPERATION**

During the year management of the Company has been taking necessary steps for exploiting the stock of film rights and other Internet rights. However the steps have not fructified generating any revenue

**MATERIAL CHANGES**

There have been no material changes and commitments affecting the financial position of the company, which have occurred since 31st March, 2019, being the end of the Financial Year of the Company to which financial statements relate and date of the report.

**TRANSFER OF UNCLAIMED DIVIDEND TO INVESTOR EDUCATION AND PROTECTION FUND**

There is no unclaimed dividend amount which is required to be transferred.

**CHANGES IN ACCOUNTING POLICY**

There is no change in accounting policy during the year.

**DIVIDEND & RESERVES**

In view of the planned business growth, the directors are unable to recommend dividend for the year under review, nor do they propose to carry any amount to reserves.

**DETAILS OF SUBSIDIARY/JOINT VENTURES/ASSOCIATE COMPANIES**

Your Company has neither a Subsidiary Company nor a Joint Venture Company during the year under review. Associate companies details are as under :

Name of the Company	% shareholding of EEL	Status
Encash Securities Ltd	25.69%	Associate

**DEPOSITS**

During the year the Company has not accepted any deposit under Section 73 of the Companies Act, 2013 ("the Act") and the Companies (Acceptance of Deposits) Rules, 2014.

**SHARE CAPITAL**

The Paid-up Equity Share Capital as on 31st March, 2019 stood at Rs. 3,89,64,960. The Company has not during the year under report issued any shares with or without differential voting rights, granted stock options or issued sweat equity shares.

**SIGNIFICANT AND MATERIALS ORDERS PASSED BY THE REGULATORS OR COURT TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATION IN FUTURE**

There are no significant materials orders passed by the Regulators/ Courts/ Tribunals which would impact the going concern status of the Company and its future operations.

**INTERNAL FINANCIAL CONTROL SYSTEMS AND THEIR ADEQUACY**

The company has policy for Internal Financial Control System, commensurate with the size, scale and complexity of its operations. Detailed procedural manuals are in place to ensure that all the assets are safeguarded, protected against loss and all transactions are authorized, recorded and reported correctly. The scope and authority of the Internal Audit function is defined in the internal financial control policy. The Internal Auditor monitors and evaluates the efficiency and adequacy of Internal Financial control system in the company, its compliance with operating systems, accounting procedures and policies. To maintain its objectivity and independence, the internal auditor reports to the Chairman of the Audit Committee of the Board, the internal audit report on quarterly basis and same are reviewed by the committee. The observation and comments of the Audit Committee are placed before the board.

The details in respect of internal financial control and their adequacy are included in the management discussion & analysis, which forms part of this report.

**DIRECTORS & KEY MANAGERIAL PERSONNEL****DIRECTORS :**

Your Board comprises of 4 Directors including 2 Independent Directors. Independent Directors provide their declarations both at the time of appointment and annually confirming that they meet the criteria of independence as prescribed under Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements)

Regulations, 2015. During the Financial Year 2018-2019 your Board met 4 (four) times details of which are available in Corporate Governance Report annexed to this report.

**KEY MANAGERIAL PERSONNEL**

The following employees were designated as whole-time key managerial personnel by Board of Directors during the year 2018-19, pursuant to section 203 of Companies Act 2013 and rules made thereon :

- |    |                      |   |  |
|----|----------------------|---|--|
| 1. | Mr. Sachet Saraf     | - | Managing Director                      |
| 2. | Ms. Hardika Pancholi | - | Company Secretary & Compliance Officer |
| 3. | Ms. Suman Saraf      | - | Chief Financial Officer                |

**DIRECTOR'S RESPONSIBILITY STATEMENT**

Pursuant to requirements under section 134(5) of the Companies Act, 2013 the Board, to the best of its knowledge and belief, confirms that :

- (i) The applicable accounting standards have been followed in preparation of annual accounts for the financial year ended 31st March, 2019 and proper explanations have been furnished relating to material departures;
- (ii) Accounting policies have been selected and applied consistently and prudent judgments and estimates have been made so as to give a true and fair view of state of affairs of the Company at end of financial year and of profit and loss of the Company for the year under review;
- (iii) Proper and sufficient care has been taken for maintenance of adequate accounting records in accordance with provisions of the Act for safeguarding assets of the Company and for preventing and detecting fraud and other irregularities;
- (iv) The annual accounts for the financial year ended 31st March, 2019 have been prepared on a going concern basis;
- (v) Internal financial controls are in place and that such financial controls are operating effectively;
- (vi) Adequate systems to ensure compliance with the provisions of all applicable laws are in place and are operating effectively.

**NUMBER OF MEETINGS OF THE BOARD**

The company has duly complied with the section 173 of the Companies Act 2013. During the year under review, 4(four) meetings of the Board were convened and held. The maximum interval between any two meetings did not exceed 120 days. For details of the meetings of the board, please refer to the corporate governance report, which forms part of this report.

**BOARD EVALUATION**

The Board of Directors has carried out an annual evaluation of its own performance, board committees, and individual directors pursuant to the provisions of the Act and SEBI Listing Regulations. The performance of the board was evaluated by the board after seeking inputs from all the directors on the basis of criteria such as the board composition and structure, effectiveness of board processes, information and functioning etc.

The performance of the committees was evaluated by the board after seeking inputs from the committee members on the basis of criteria such as the composition of committees, effectiveness of committee meetings etc.

The above criteria are based on the Guidance Note on Board Evaluation issued by the Securities and Exchange Board of India on January 5, 2017.

In a separate meeting of independent directors, performance of non-independent directors, the board as a whole and the Chairman of the Company was evaluated, taking into account the view of executive directors and non-executive director.

The Board and the Nomination and Remuneration Committee reviewed the performance of individual directors on the basis of criteria such as the contribution of the individual director to the board and committee meetings like preparedness on the issues to be discussed, meaningful and constructive contribution and inputs in meetings, etc.

In the board meeting that followed the meeting of the independent directors and meeting of Nomination and Remuneration Committee, the performance of the board, its committees, and individual directors was also discussed.

Performance evaluation of independent directors was done by the entire board, excluding the independent director being evaluated.

#### **BOARD COMMITTEES**

During the period under review, the Board of Directors has following committees :

- (a) The Audit Committee
- (b) The Nomination and Remuneration Committee
- (c) The Stakeholders Relationship Committee

The details of the above mentioned committees have been disclosed separately in the Corporate Governance Report which is annexed to and forms a part of this Annual Report.

#### **NOMINATION & REMUNERATION POLICY**

In accordance with the provisions of the Act and SEBI (Listing Obligations and Disclosure Requirements) Regulation 2015, the Board of Director of the Company on recommendation of the Nomination & Remuneration Committee have adopted the criteria for determination of qualification, positive attributes and independence of Directors, Remuneration of Senior Management Personnel(including Key Management Personnel) and Remuneration of Other Employees. The above mentioned criteria and Policies are available at [www.encashentertainment.com](http://www.encashentertainment.com).

#### **VIGIL MECHANISM / WHISTLE BLOWER POLICY**

Your company is committed to adhere to the highest standards of ethical, moral and legal conduct of business operations. To maintain these standards, the Company encourages its employees who have concerns about suspected misconduct to come forward and express these concerns without fear of punishment and unfair treatment. The company has adopted a Whistle Blower policy to establish a vigil mechanism for directors and employees to report concerns about unethical behavior, actual or suspected fraud or violation of the Codes of conduct or ethics policy.

#### **PARTICULARS OF EMPLOYEES**

The information required pursuant to Section 197 read with rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of employees of the Company, will be provided upon request. In terms of Section 136 of the Act, the reports and accounts are being sent to the members and others entitled



thereto, excluding the information on employees' particulars which is available for inspection by the members at the Registered office of the company during business hours on working days of the company up to the date of ensuing Annual General Meeting. If any member is interested in inspecting the same, such member may write to the company secretary in advance.

#### **CEO AND CFO CERTIFICATION**

In accordance with the provisions of SEBI(Listing Obligations and Disclosure Requirements) Regulations, 2015, the Managing Director and Chief Financial Officer of the Company has submitted a certificate for the year ended 31st March, 2019 to the Board of Directors.

#### **AUDITORS :**

##### **STATUTORY AUDITORS**

The Statutory Auditors M/s J N Agarwal & Co., Chartered Accountants, Kolkata, having Firm Registration No 325111E, holds office until the conclusion of the ensuing Annual General Meeting and is eligible for reappointment.

Your Company has received confirmation from the Auditors to the effect that their re-appointment, if made, will be in accordance with the limits specified under the Companies Act, 2013 and the firm satisfies the criteria specified in Section 141 of the Companies Act, 2013 read with Rule 4 of Companies (Audit & Auditors) Rules 2014.

##### **SECRETARIAL AUDITOR**

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed Mrs. Manjula Poddar, a Company Secretary in Practice, to undertake the Secretarial Audit of the Company. The Report of the Secretarial Audit Report is annexed herewith.

##### **INTERNAL AUDITOR**

Pursuant to the provision of section 138 of the Companies Act, 2013 and the Companies (Accounts) Rules, 2014 the Company has appointed Mr. Samit Kumar Baid to undertake the Internal Audit of the Company for the F.Y. 2018-19. There stood no adverse finding & reporting by the Internal Auditor in the Internal Audit Report for the year ended 31st March, 2019.

##### **AUDITORS' REPORT AND SECRETARIAL AUDITORS' REPORT**

As regard the observation of the "Basis for Qualified Opinion" in the Auditor's Report and Secretarial Auditor's Report, the Company is under process of submitting the applicable GST returns at the earliest.

##### **CORPORATE SOCIAL RESPONSIBILITY**

The Company had not taken any initiatives on the activities of Corporate Social responsibilities as the provision relating to the same are not applicable to the company.

##### **EXTRACT OF ANNUAL RETURN**

As per the requirements of Section 92(3) of the Act and Rules framed thereunder, the extract of the annual return for FY 2019 is given in **Annexure III** in the prescribed Form No. MGT-9, which is a part of this report. The same is available on <https://encashentertainment.com/investor/annual-return-18-19>.

**STATEMENT ON DECLARATION GIVEN BY INDEPENDENT DIRECTORS UNDER SECTION 149 OF THE COMPANIES ACT, 2013**

As required under provisions of the Act and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, all Independent Directors of the Company have confirmed that they meet the requisite criteria of independence.

**PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS**

The particulars of loans, guarantees and investments covered under Section 186 of Companies Act, 2013 forms the part of the Notes to the financial statements provided in this Annual Report.

**PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES**

The particulars of every contract or arrangements entered into by the Company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arms length transactions under third proviso thereto is disclosed in Form No. AOC -2, as annexed herewith.

**DISCLOSURE REQUIREMENT**

As per SEBI Listing Regulations, the Corporate Governance Report with the Auditors' Certificate thereon, and the Management Discussion and Analysis are attached, which forms part of this report.

The Company has devised proper systems to ensure compliance with the provisions of all applicable Secretarial Standards issued by the Institute of Company Secretaries of India and that such systems are adequate and operating effectively.

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

Since the Company does not own any manufacturing facility, the requirements pertaining to disclosure of particulars relating to conservation of energy, technology absorption and foreign exchanges earning and outgo, as prescribed under the provisions of Section 134(3)(m) of the Companies Act, 2013, are not applicable.

**DISCLOSURE ON POLICY AGAINST SEXUAL AND WORKPLACE HARASSMENT**

The company has adopted the policy on redressal of Sexual and Workplace harassment as per the Sexual Harassment of Women at Workplace [Prevention, Prohibition and Redressal] Act, 2013 ["Sexual Harassment Act"]. The Company believes that it is the responsibility of the organization to provide an environment to its employee which is free of discrimination, intimidation and abuse and also to protect the integrity and dignity of its employees and also to avoid conflicts and disruptions in the work environment. Further there stood no cases filed during the year under review.

**RISK MANAGEMENT POLICY**

Your Company actively stimulates entrepreneurship throughout the organization and encourages its people to identify and seize opportunities. The current economic environment, in combination with significant growth ambitions of it, carries an evolving set of risks. Encash recognizes that these risks need to be managed to protect its customers, employees, shareholders and other stakeholders, to achieve its business objectives and enable sustainable growth. Risk and opportunity management is therefore a key element of the overall Encash strategy. This section provides an overview of the key strategic risks, Encash's risk and control framework, and its approach to risk management.

**LEGAL AND OTHER INFORMATION NOT AFFECTING GOING CONCERN STATUS AND COMPANY'S OPERATIONS IN FUTURE**

Your company has filed a civil suit at the Hon'ble High Court at Kolkata, against Mr Rakesh Singh and others for protection for our copyrights in respect of bengali feature film 'Ichhe'. Mr. Rakesh Singh has entered in to an agreement dated 8th June, 2011 with ourselves, assigning entire copyrights of Bengali color film 'Ichhe'. The film as released on 15th July, 2011 at several cinema halls in and around Kolkata, infringing our copyrights and violating the terms of captioned agreement. We have sought relief by restraining respondents to infringe copyrights, injunction to keep custody of negative etc., transfer of the negative etc. in our favour, injunction render accounts from exploitation of such movie and its audio rights, injunction to restraining respondent to receive any benefit from that movie, handling over the distributor's share to our favour, court receiver to be appointed for collection etc.

Hon'ble High Court at Kolkata vide its order dated 8th September, 2011 granted an order of injunction restraining the first and second defendants from realizing or appropriating and part of the proceeds arising out of the exhibition of the cinematograph film 'Ichhe'. The third defendant is injuncted from dealing with or disposing of or encumbering or exploiting the satellite and television rights relating to the film in any manner without the previous leave of court.

Hon'ble High Court at Kolkata vide its order dated 8th September, 2011 appointed Mr. Arindam Sinha advocate as receiver for the purpose of collecting all proceeds arising out of the exhibition of the cinematograph film 'Ichhe' from all the exhibitors (Cinema Halls).

**ACKNOWLEDGEMENTS**

Your Directors take the opportunity to thanks the Regulators, Organizations and Agencies for the continued help and co-operation extended by them. The Directors also gratefully acknowledge all stakeholders of the company viz. customers, members, vendors, banks and others business partners for the excellent support received from them during the year. The Directors place on record their sincere appreciation to all employees of the Company for their unstinted commitment and continued contribution of the company.

Place : Kolkata

Date : 29.05.2019

For and on behalf of the Board of Directors

**Sachet Saraf**

Managing Director

DIN - 01377285

Signing as per Board Resolution passed

## MANAGEMENT DISCUSSION & ANALYSIS

### INDIAN MACRO ECONOMY AND ENVIRONMENT

India remains one of the fastest growing economies in the world and has been relatively less affected by the global turmoil given a strong domestic market. However, no country will remain completely immune to external factors in the global economy which has strong interlinks in modern times given globalisation. India will not be an exception and the Indian economy is in a period of unprecedented ambition and opportunity but bridled with challenges in its development.

The economic growth in India is projected to be between 7.2% and 7.5% for the fiscal year 2019-20 with progress being buttressed by dynamic reforms in the macroeconomic, fiscal, tax and business environments. By 2030, India is expected to be the third largest economy in the world and aspires to become a high-middle level income country. India is projected to be the fifth largest by 2020 and India's gross domestic product (GDP) is expected to reach US\$ 6 trillion by FY27 with sharp movements in the Direct Tax, GST, Foreign Direct Investment (FDI), ease of doing business and regulated monetary policy.

The consumption habits of the rural consumer are also gradually mirroring those of their urban counterparts. As incomes rise, the shape of the country's income pyramid is also changing dramatically, and as large portion of the population is moving from desperate poverty to sustainable life their needs and spending patterns will also change.

India is one of the largest and fastest-growing markets for digital customers after China. According to industry reports, in 2018, India had 1.2 billion mobile phone subscribers and downloaded more than 12 billion apps. There were 560 million internet subscribers, where 8.3 gigabits of mobile data were consumed every month. The public and private sectors are playing a vital role in increasing digital consumption growth. While the Government has enrolled more than 1.2 billion Indians in its biometric digital identity programme –Aadhaar that has brought more than 10 million businesses onto a common digital platform through good and services tax, telecom service providers aim to provide internet enabled services to millions of consumers at lesser and affordable prices as 2013 onwards, the prices on data dropped by 95%.

### MEDIA AND ENTERTAINMENT SECTOR OVERVIEW

The Media & Entertainment industry is in the business of providing creative content through the adoption of latest technology coupled with consumer demands. By its inherent nature, the industry is largely dependent on factors such as markets, cultures, languages, and consumer segments. Technological advancements and change in individuals outlook towards life have greatly affected content production, demand and consumption as it has evolved over the years.

It's a period where consumers not only demand what they like but also, they select the format they wish to view it. There is a growing dependency on digital media in many developed and developing countries. In today's fast-moving generation, the media and entertainment companies are increasing working hard to reach customers through their content. While television and radio play its part as traditional mediums, having an innovative technology backed digital platform is what most companies vouch for. With the launch of digital platforms, viewers get access to consume their information on their personal schedules.

### INDIAN MEDIA AND ENTERTAINMENT SECTOR OVERVIEW

According to IBEF reports, Indian media and entertainment (M&E) industry grew at a CAGR of 10.90 % from the previous year; and is expected to grow at a CAGR of 13.10% to touch Rs. 2,660.20 billion (US\$ 39.68 billion) by FY 2023 from Rs. 1,436.00 billion (US\$ 22.28 billion) in FY 2018. India's media consumption was higher than the US and China with the growth rate of CAGR of 9% during 2012 to 2018, and India's advertising revenue is projected to reach Rs. 1,232.70 billion (US\$ 18.39 billion) in FY 2023 from Rs. 608.30 billion (US\$ 9.44 billion) in FY 2018.

Similarly EY's estimate that the sector grew 13% to reach INR 1.67 trillion and is expected to grow to INR 2.35 trillion by 2021 (US\$ 33.6 billion). Indian M&E is going to witness a strong growth as technological disruptions are creating new opportunities for the sector. The rise of a billion screens in India provides a great opportunity for growth. With the help of technological advancements, the emergence of many platforms, marketing strategies and distribution, Indian M&E will reach the masses.

**INDIAN FILM INDUSTRY**

India is releasing more than a thousand films each year, and this has resulted in making India the largest movie producer in the world. Indian movies are known for its drama and colour, and this very feature of Indian cinema has made it greater in the global market. Rapid urbanization has resulted in increased demand for modern cinema screens featuring the best quality infrastructure and latest audio-visual systems which gave rise to more than 2000 multiplexes across the country and has proven to be the leading film market in the globe with 2.2 billion tickets sold in 2016 alone.

In the year 2018, the film segment grew by 12.2% and reached INR 174.5 billion even during the weak global economy. With growth driven at 59% by digital/ OTT rights, the home video segment continued to witness a decline.

There was a total of 13 Hindi films that entered the INR 100 crore club in 2018, the highest in the history. With Net box office collection of INR 35.2 billion, 2018 was recorded with the highest collections ever for Hindi theatricals at the box office. Indian film segments every year witnesses a massive demand from overseas theatrical markets. In 2018, there were over 120- 125 Indian movies that had been released in 25 global territories among which USA, UK, Gulf, Australia, Canada and Pakistan were the key theatrical markets. China proved to be the largest International markets for Indian cinema content.

**GLOBAL TEXTILE AND APPAREL INDUSTRY**

The global textile and apparel industry is continuously evolving. Over the years, it has witnessed multiple shifts in consumption and production patterns, including shifts in geographical manufacturing hubs, as the industry is driven by the availability of cheap labour.

The textile and apparel trade is predicted to grow at a CAGR of 3.7% during the period 2018-28. During this period, the increase in apparel trade is expected to be at a CAGR of 4.5% and textiles at a CAGR of 2.5%.

Even though apparel industry is dominated by developed markets of EU and the US, the emerging markets led by countries such as India, China, Russia and Brazil are becoming consumption markets. Simultaneously, India and China have strong textile manufacturing base, and thus are emerging as both sourcing and consuming nations.

Currently, China holds the largest share in textile and apparel global trade. It has vertically integrated supply chain from production of fibre to weaving of fabric and garmenting. The sector also has the capability to manufacture all categories of products and a conducive ecosystem to provide complete service offering to brands and retailers. However, the increasing labour and energy costs have mitigated the international competitive advantage of China to some extent. The global apparel manufacturers are finding Bangladesh, Vietnam and India as competitive markets over China.

**INDIAN APPAREL INDUSTRY**

The Indian apparel industry was worth an estimated \$54 billion in 2018 and projected to reach ~\$118 billion in 2028 growing at CAGR of ~8% over 2018-28 period.

The country's apparel market is majorly driven by menswear, which holds major share in the apparel business, accounting for 43% of the total market. Women's wear contributes almost 36%, while kids wear constitutes 21% of the apparel market. The sector is one of the fastest growing markets globally, supported by a robust demand growth.

The major challenges in the Indian apparel industry are increasing competition, sustained discounting that is expected to moderate margins and product obsolescence due to everevolving fashion trends.

**FINANCIAL AND OPERATIONAL PERFORMANCE**

The detailed financial and operational performance is provided from page no. 49

**INTERNAL CONTROL SYSTEMS AND ITS ADEQUACY**

Company's internal control systems is proportionate with the nature of the business and the size and complexity of its operations. We make sure to keep these internal controls routinely tested and certified by Statutory as well as Internal Auditors and cover key business areas. Our Audit committee will be reported with audit observations and follow up actions, so that they can review the adequacy and effectiveness of the company's internal control processes.

Annexure I to the Board Report

**FORM No MR - 3**  
**SECRETARIAL AUDIT REPORT**  
**FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2019**

*[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,  
**Encash Entertainment Limited**  
9, Lal Bazar Street, 3rd Floor, Mercantile  
Building, Kolkata - 700001

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Encash Entertainment Limited (hereinafter called the company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Encash Entertainment Limited's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on 31st March, 2019 complied with the statutory provisions listed hereunder and also the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by Encash Entertainment Limited ("the company") for the financial year ended on 31st March, 2019 according to the provisions of :

- i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings.
- v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') :
  - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
  - c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009.
  - d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; (Not applicable to the Company during the Audit Period).
  - e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; (Not applicable to the Company during the Audit Period).
  - f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;



- g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; (Not applicable to the Company during the Audit Period).
- h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998: (Not applicable to the Company during the Audit Period).
- vi) Other laws applicable to the Company :
  - a) The Copyright Act, 1957
  - b) The Trade Marks Act, 1999
  - c) Sexual Harassment of Women Workplace (Prevention Prohibition and Redressal) Act, 2013
  - d) Negotiable Instrument Act, 1881
  - e) Income Tax Act, 1961
  - f) Finance Act, 1994
  - g) Cinematograph Act, 1952
  - h) Goods & Service Tax Act India 2016-17

I have also examined compliance with the applicable clauses of the following :

- i) Secretarial Standards issued by The Institute of Company Secretaries of India.
- ii) The Listing Agreements entered into by the Company with The Bombay Stock Exchange Limited (SME Platform).

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above subject to the following observations :

- a) The Company has not Filed any GST Returns as per provisions of Goods & Service Tax Act India;

**I further report that**

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. There was no change in the composition of the Board of Directors during the period under review.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through while the dissenting members' views, if any, are captured and recorded as part of the minutes.

**I further report that** there are adequate systems and process in the company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

I further report that during the audit period, there were no instances of :

- (i) Public / Rights / Preferential issue of shares / debentures / sweat equity.
- (ii) Redemption / buy-back of securities.
- (iii) Major decisions taken by the Members in pursuance to Section 180 of the Companies Act, 2013.
- (iv) Merger / amalgamation / reconstruction etc.
- (v) Foreign technical collaborations.

**Manjula Poddar**

Company Secretary in practice :

FCS No. : 9426

C.P. No. : 11252

Place : Kolkata

Dated : 29th May, 2019

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

**‘Annexure A’**

To,  
The Members,  
**Encash Entertainment Limited**  
9, Lal Bazar Street, 3rd Floor, Mercantile  
Building, Kolkata - 700001

My 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. My responsibility is to express an opinion on these secretarial records based on my audit.
2. I have followed the audit practices and processes as were appropriate 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. I believe that the processes and practices, I followed provide a reasonable basis of my opinion.
3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
4. Where ever required, I have obtained the Management representation about the compliance of laws, rules, and regulations and happenings of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. My 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.
7. Compliance of the following laws specifically applicable to the Company.
  - a) The Copyright Act, 1957
  - b) The Trade Marks Act, 1999
  - c) Sexual Harassment of Women Workplace (Prevention Prohibition and Redressal) Act, 2013
  - d) Negotiable Instrument Act, 1881
  - e) Income Tax Act, 1961
  - f) Finance Act, 1994
  - g) Cinematograph Act, 1952
  - h) Goods & Service Tax Act India 2016-17

Place : Kolkata  
Dated : 29th May, 2019

**Manjula Poddar**  
Company Secretary in practice :  
FCS No. : 9426  
C.P. No. : 11252



**Form No. AOC - 2****(Pursuant to clause (h) of sub-section (3) of section 134 of the Act  
and Rule 8(2) of the Companies (Accounts) Rules, 2014)**

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arms length transactions under third proviso thereto

**I. DETAILS OF CONTRACTS OR ARRANGEMENTS OR TRANSACTIONS NOT AT ARM'S LENGTH BASIS:**

Encash Entertainment Limited (the Company) has not entered into any contract/arrangement/transaction with its related parties, which is not in ordinary course of business or not at arm's length during FY 2019. The Company has laid down policies and processes/ procedures so as to ensure compliance to the subject section in the Companies Act, 2013 (Act) and the corresponding Rules.

- (a) Name(s) of the related party and nature of relationship : Not Applicable
- (b) Nature of contracts/arrangements/transactions : Not Applicable
- (c) Duration of the contracts/arrangements/transactions : Not Applicable
- (d) Salient terms of the contracts or arrangements or transactions including the value, if any : Not Applicable
- (e) Justification for entering into such contracts or arrangements or transactions : Not Applicable
- (f) Date(s) of approval by the Board : Not Applicable
- (g) Amount paid as advances, if any : Not Applicable
- (h) Date on which the special resolution was passed in general meeting as required under first proviso to Section 188 : Not Applicable

**II. DETAILS OF MATERIAL CONTRACTS OR ARRANGEMENTS OR TRANSACTIONS AT ARM'S LENGTH BASIS :**

<b>Sr. No.</b>	<b>Particulars</b>	<b>Details</b>	
(a)	Name(s) of the related party and nature of relationship	Rashmi Saraf (Director)	Rashmi Saraf (Director)
(b)	Nature of contracts/ arrangements/ transactions	Rent Agreement of 9 Lal Bazar Street, Kolkata	Rent Agreement of 12 Free School Street, Kolkata
(c)	Duration of the contracts / arrangements/ transactions	11 Months	11 Months
(d)	Salient terms of the contracts or arrangements or transactions including the value, if any	As per Agreement	As per Agreement
(e)	Date(s) of approval by the Board, if any	18.01.2019	25.08.2018
(f)	Amount paid as advances, if any	Nil	Nil

Place : Kolkata  
Date : 29.05.2019

For and on behalf of the Board of Directors

**Sachet Saraf**  
Managing Director  
DIN - 01377285  
Signing as per Board Resolution passed

## REPORT ON CORPORATE GOVERNANCE

### COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

Encash Entertainment Limited believes in good corporate governance and continuously endeavours to improve focus on it by increasing transparency and accountability to its shareholders in particular and other stakeholders in general. The Company undertakes to behave responsibly towards its shareholders, business partners, employees, society and the environment. The Company is committed to business integrity, high ethical values and professionalism in all its activities.

### BOARD OF DIRECTORS (BOARD)

The Board is entrusted with an ultimate responsibility of the Management, directions and performance of the Company. As its primary role is fiduciary in nature, the Board provides leadership, strategic guidance, objective and independent view to the Company's management while discharging its responsibilities, thus ensuring that the management adheres to ethics, transparency and disclosures.

#### Composition of the Board as on 31st March, 2019

The Company's Board has an appropriate mix of Executive and Non-Executive Directors. The Non-Executive Directors including Independent Directors impart balance to the Board and bring independent judgment in its deliberations and decisions. As on 31st March, 2019, the Board of the Company comprised of four Directors, detail whereof is given below :

- An Executive Chairman;
- Two Non-Executive Independent Directors; and
- One Non-Executive Director

#### Independent Directors confirmation by the Board

All Independent Directors have given declarations that they meet the criteria of independence as laid down under Section 149(6) of the Companies Act, 2013 and Regulation 16(1) (b) of the Listing Regulations. In the opinion of the Board, the Independent Directors, fulfil the conditions of independence specified in Section 149(6) of the Companies Act, 2013 and Regulation 16(1) (b) of the Listing Regulations. A formal letter of appointment to Independent Directors as provided in Companies Act, 2013 has been issued and disclosed on website of the Company viz. [www.encashentertainment.com](http://www.encashentertainment.com)

#### Number of meetings of the Board of Directors

The Board of Directors of the Company meets frequently at regular intervals in order to discuss any important agenda of business. The Board of Directors of the Company met 4 (four) times (i.e. 30.05.2018, 25.08.2018, 14.11.2018 and 18.01.2019) during the financial year i.e. from April 1, 2018 to March 31, 2019.

BRIEF INFORMATION ABOUT DIRECTORS		Attendance Record During Financial Year 2018-19			No. of Shares Held
Name Of Director	DIN	No. of Board Meeting Held & Attended		Attendance At The Last AGM	
		Held	Attended		
Executive Directors					
SACHET SARAF	01377285	4	4	YES	250,800
Non-Executive Directors					
RASHMI SARAF	02096360	4	4	YES	4,800
RAJESH KUMAR SINGHANIA	00122786	4	4	YES	NIL
SURENDRA KUMAR SETHIA	00446974	4	4	YES	NIL

**BOARD PROCEDURE**

Meetings are governed by a structured agenda. The Agenda is prepared in consultation with the Chairman of the Board of Directors, the Chairman of various committees and Managing Director. The agenda for the meetings of the board and its committees, together with the appropriate supporting documents, are circulated well in advance of the meeting date. Detailed presentations are also made to the Board covering operations, business performance, finance, sales, marketing, global & domestic business environment and related details. All necessary information but not limited to those mentioned in Listing Agreement are placed before the Board. Members of the senior management team are invited to attend the Board Meetings as and when required, which provides additional inputs to the items being discussed by the Board.

Necessary information as required under the Companies Act and the Listing Agreement/SEBI Listing Regulations as applicable have been placed before and reviewed by the Board from time to time. The Board also periodically reviews compliance by the Company with the applicable laws/statutory requirements concerning the business and affairs of the Company.

**SEPARATE MEETING OF INDEPENDENT DIRECTORS**

During the year 2018-2019, as per the requirement of Schedule IV of the Companies Act, 2013 and the Listing Agreement/SEBI Listing Regulations, one separate meeting of Independent Directors was held on 19th March, 2019 without the presence of the non-independent directors and the members of the management.

This meeting was conducted in an informal manner to enable the Independent Directors to discuss and review the performance of non-independent directors and the Board as a whole and for assessing the quality, quantity and timeliness of flow of information between the Company management and the Board.

The Board has identified the following skills/expertise/ competencies fundamental for the effective functioning of the Company which are currently available with the Board :

Strategy and Planning	Appreciation of long-term trends, strategic choices and experience in guiding and leading management teams to make decisions in uncertain environments.
Governance	Experience in developing governance practices, serving the best interests of all stakeholders, maintaining board and management accountability, building long-term effective stakeholder engagements and driving corporate ethics and values.

**FAMILIARISATION PROGRAMME FOR DIRECTORS**

At the time of appointing a Director, a formal letter of appointment is given to him, which inter alia explains the role, function, duties and responsibilities expected from him as a Director of the Company. The Director is also explained in detail the Compliance required from him under Companies Act, 2013, the Listing Regulations and other various statutes and an affirmation is obtained. The Chairman and Managing Director also have a one to one discussion with the newly appointed Director to familiarize him with the Company's operations. Further, on an ongoing basis as a part of Agenda of Board / Committee Meetings, presentations are regularly made to the Independent Directors on various matters inter-alia covering the Company's businesses and operations, industry and regulatory updates, strategy, finance, risk management framework, role, rights, responsibilities of the Independent Directors under various statutes and other relevant matters. The details of the familiarisation programme for Directors are available on the Company's website, viz. [www.encashentertainment.com](http://www.encashentertainment.com)

**GOVERNANCE CODES****Code of Business Conduct & Ethics**

The Company has adopted a Code of Conduct for the Members of the Board of Directors and Senior Management, and all the Directors and senior functionaries as defined in the said Code provide their annual confirmation of

compliance with the Code. Copy of the Code is available on the website of the Company [www.encashentertainment.com](http://www.encashentertainment.com). Besides the Code, the Company has also put in place a Policy on Ethics at Work Place which is applicable to all employees. The role and responsibilities of Independent Directors (including Code of Conduct) as prescribed in Schedule IV of the Companies Act, 2013 and/or prescribed in SEBI Listing Regulations forms part of the appointment letters issued to Independent Directors.

A declaration affirming compliance with the Code of Conduct by the Members of the Board and Senior Management Personnel is given below :

**DECLARATION**

I confirm that the Company has obtained from all Directors and Senior Management Personnel of the Company their affirmation of compliance with the Code of Conduct for Members of the Board and Senior Management of the Company for the financial year ended March 31, 2019.

Sachet Saraf  
Managing Director  
Kolkata, May 29, 2019

**Conflict of Interests**

Each Director informs the Company on an annual basis about the Board and the Committee positions he occupies in other companies including Chairmanships and notifies changes during the year. The Members of the Board while discharging their duties, avoid conflict of interest in the decision making process. The Members of Board restrict themselves from any discussions and voting in transactions in which they have concern or interest.

**Insider Trading Code**

The Company has adopted an 'Internal Code of Conduct for Regulating, Monitoring and Reporting of Trades by Designated Persons' ("the Code") in accordance with the SEBI (Prohibition of Insider Trading) Regulations, 2015 (The PIT Regulations).

The Code is applicable to Promoters, Member of Promoter's Group, all Directors and such Designated Employees who are expected to have access to unpublished price sensitive information relating to the Company. The Company Secretary is the Compliance Officer for monitoring adherence to the said PIT Regulations.

The Company has also formulated 'The Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information (UPSI)' in compliance with the PIT Regulations. This Code is displayed on the Company's website viz. [www.encashentertainment.com](http://www.encashentertainment.com).

**COMMITTEES OF THE BOARD**

As on 31st March, 2019, the Company had three committees of the Board of Directors - Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee.

The minutes of all Board and Committee meetings are placed before the Board and noted by the Directors at the Board meetings. The role, composition and terms of reference of Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee including the number of meetings held during the year ended 31st March, 2019 and the related attendance are as follows :

**1. AUDIT COMMITTEE****I. COMPOSITION OF THE COMMITTEE**

The Audit Committee comprises of 3 (three) Members and two of them are Non-Executive & Independent Directors which is in accordance with the prescribed guidelines.

The details of the Composition of Audit Committee are as follows :

<b>Name</b>	<b>Designation</b>	<b>Category</b>
Surendra Kumar Sethia	Chairman	Non-Executive & Independent
Rajesh Kumar Singhania	Member	Non-Executive & Independent
Rashmi Saraf	Member	Non-Executive

## **II. TERMS OF REFERENCE**

The roles, powers and functions of the Audit Committee are as per Section 177 of the Companies Act, 2013 read with SEBI(Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Committee, inter alia :

- The recommendation for appointment, remuneration and terms of appointment of auditors of the company.
- Review and monitor the auditor's independence and performance, and effectiveness of audit process.
- Approval or any subsequent modification of transactions of the company with related parties.
- Examination of financial statement and the auditors' report thereon.
- Scrutiny of inter-corporate loans and investments
- Valuation of undertakings or assets of the company, wherever it is necessary.
- Evaluation of internal financial controls and risk management systems.
- Monitoring the end use of funds raised through public offers and related matters.
- Reviews the Company's financial control systems including those of treasury. In particular, it periodically reviews procedures for identifying business risks (including Financial risks) and controlling their Financial impact on the Company.
- Company's policies for preventing or detecting fraud.

## **III. MEETINGS AND ATTENDANCE**

### **MEETINGS**

During the Financial Year 2018-19, four meetings of the Audit Committee were held on 29th May, 2018, 10th August, 2018, 11th November, 2018 and 12th January, 2019. Details of Audit Committee Meeting held and attended by the Members during the financial year 2018-19 are as follows :

<b>Name</b>	<b>Designation</b>	<b>No. of Meetings held during the year</b>	<b>No. of Meetings Attended</b>
Surendra Kumar Sethia	Chairman	4	4
Rajesh Kumar Singhania	Member	4	4
Rashmi Saraf	Member	4	4

### **Details of establishment of vigil mechanism for directors and employees**

The Company has a Whistle Blower Policy. However, no personnel is being denied any access to the Audit Committee. Pursuant to the provisions of Section 177 (9) of the Companies Act, 2013 read with Rule 7 of the Companies (Meetings of Board and its Powers) Rules, 2014, every listed company, Companies which accept deposits from the public and Companies which have borrowed money from banks and Public Financial Institutions in excess of fifty crores rupees shall establish a vigil mechanism for their directors and employees to report their genuine concerns or grievances.

## 2. NOMINATION AND REMUNERATION COMMITTEE

### I. COMPOSITION OF THE COMMITTEE

The Nomination and Remuneration Committee comprises of 3 (three) Members, two of which are Non-Executive & Independent Directors, which is in accordance with prescribed guidelines.

The details of the composition of the Remuneration Committee are as follows :

Name	Designation	Category	No. of Meetings held during the year	No. of Meetings Attended
Surendra Kumar Sethia	Chairman	Non-Executive & Independent	1	1
Rajesh Kumar Singhania	Member	Non-Executive & Independent	1	1
Rashmi Saraf	Member	Non-Executive & Non-Independent	1	1

### II. TERMS OF REFERENCE

The broad terms of reference of the Nomination and Remuneration Committee, as approved by the Board, are in compliance with Section 178 of the Companies Act, 2013 and Regulation 19 of the Listing Regulations, which are as follows :

- To help the Board in determining the appropriate size, diversity and composition of the Board;
- To recommend to the Board appointment/re-appointment and removal of Directors and Senior Management;
- To frame criteria for determining qualifications, positive attributes and independence of Directors;
- To recommend to the Board remuneration payable to the Directors and Senior Management (while fixing the remuneration to Executive Directors the restrictions contained in the Act is to be considered);
- To create an evaluation framework for Independent Directors and the Board;
- To provide necessary reports to the Chairman after the evaluation process is completed by the Directors;
- To assist in developing a succession plan for the Board and Senior Management;
- To assist the Board in fulfilling responsibilities entrusted from time-to-time;
- Delegation of any of its powers to any Member of the Committee or the Compliance Officer.

### III. REMUNERATION POLICY

The remuneration policy of the Company is directed towards rewarding performance, based on review of achievements on a periodic basis. The remuneration policy is in consonance with the existing industry practice.

The remuneration paid to Executive Director is recommended by the Nomination and Remuneration Committee and approved by the Board of Directors in the Board Meeting, subject to the subsequent approval by the shareholders at the general meeting and such other authorities, as the case may be.

No remuneration or compensation is paid to any Non-Executive Directors; however the Company has obtained necessary approval of shareholders to pay remuneration or compensation to Non-Executive Directors.

Pursuant to the provision of Section 178 of the Companies Act, 2013 the Board of Directors of every listed companies, all public companies with a paid up capital of rupees ten crores or more, all public companies having turnover of rupees one hundred crores or more and all public companies, having in aggregate, outstanding loans or borrowings or debentures or deposits exceeding rupees fifty crores or more shall constitute the Nomination and Remuneration Committee consisting of three or more Non executive Directors out of which not less than half shall be Independent Directors.

**Details of remuneration to Executive Directors**

Details of remuneration to Executive Directors during the year ended 31st March, 2019 are given below :

<b>Name of Director</b>	<b>Salary &amp; Allowances</b>	<b>Perquisites / Other Benefits</b>	<b>Sitting Fees</b>	<b>Total</b>
Sachet Saraf (MD)	500000.00	0.00	16000.00	516000.00

**Details of remuneration to other directors**

Details of remuneration to the Non-Executive and Independent Directors during the year ended 31st March, 2019 are given below :

<b>Name of Directors</b>	<b>Sitting Fees</b>
Rajesh Kumar Singhanian	44000
Surendra Kumar Sethia	44000
Rashmi Saraf	44000

Other than the above, the Non-Executive Directors do not have any other pecuniary relationship or transactions with the Company.

**3. STAKEHOLDERS RELATIONSHIP COMMITTEE****I. COMPOSITION OF THE COMMITTEE**

The Shareholders / Investors Grievance Committee comprises of 3 (three) Members, two of which are Non-Executive & Independent Directors, which is in accordance with prescribed guidelines.

The details of the composition of the Shareholders / Investors Grievance Committee are as follows :

<b>Name</b>	<b>Designation</b>	<b>No. of Meetings held during the year</b>	<b>No. of Meetings attended</b>
Rajesh Kumar Singhanian	Chairman	1	1
Surendra Kumar Sethia	Member	1	1
Rashmi Saraf	Member	1	1

The Board of Directors has delegated the power of approving the share transfers, transmission etc. to the Managing Director and Company Secretary of the Company for expediting these processes.

**II. TERMS OF REFERENCE**

The Shareholders / Investors Grievance Committee of our Board look into :

- To consider and resolve the grievances of security holders of the Company including complaints related to transfer/transmission of shares, non-receipt of annual report, non receipt of declared dividends, issue of new/duplicate certificates, general meetings etc.;
- To consider and approve demat/ remat of shares/split/ consolidation/sub-division of share/debenture certificates;
- To consider and approve issue of share certificates (including issue of renewed or duplicate share certificates), transfer and transmission of securities, etc;
- To oversee and review all matters connected with the transfer of the Company's securities;
- To review adherence to the standards adopted by the Company in respect of various services being rendered by the Registrar & Share Transfer Agent;
- To review of the measures and initiatives taken by the Company for reducing the quantum of unclaimed



dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company;

- To carry out any other function as prescribed under the Listing Regulations, the Companies Act, 2013 and other Applicable Law as amended from time to time.
- Also delegates powers to the executives of our Company to process transfers etc.

The Secretarial Department of the Company and the Registrar and Share Transfer Agent, C B Management Services Limited attend to all grievances of the shareholders received directly or through SEBI, Stock Exchanges, Ministry of Corporate Affairs, Registrar of Companies, etc. The Minutes of the Committee of Directors (Stakeholders Relationship Committee) Meetings are circulated to the Board and noted by the Board of Directors.

## GENERAL BODY MEETINGS

### Annual General Meetings

During the preceding three years, the Company's Annual General Meetings were held in the following places and the date and time of Annual General Meetings held during last three years, are as follows :

Year	Date	Time	Venue	Special Resolution Passed
2017-18	28.09.2018	03:30 P.M.	Registered Office	None
2016-17	20.09.2017	03:00 P.M.	Registered Office	None
2015-16	30.09.2016	03:00 P.M.	Registered Office	None

### Disclosures

- **Materially significant related party transactions i.e. transactions of the Company of material nature, with its promoters, the directors or the management, their subsidiaries or relatives etc. that may have potential conflict with the interest of the Company at large :**

None of the transactions with any of the related parties were in conflict with the interests of the Company. However, the related party disclosures about list of related parties and transactions given under Note 26 of Notes to financial statements for the year ended 31st March, 2019 may be referred. All related party transactions are in the ordinary course of business and are at arm's length.

- **Details of non-compliance by the Company, penalties, strictures imposed on the Company by Stock Exchange or SEBI or any statutory authority, on any matter related to the capital markets, during the last year :**

No penalties or strictures have been imposed by any regulatory authority on any matter related to capital markets during the last year.

- **Whistle Blower Policy and affirmation that no personnel has been denied access to the audit committee:**

The Company's Code of Ethics encourages all employees who have concerns about their work or the business of the Company, to discuss these issues with their line managers. The employees also have free access to Internal Audit Department for resolving their concerns.

As per the requirement of the Companies Act, 2013 and the new Listing Agreement, the Company has framed its Whistle Blower policy to enable all employees and the directors to report in good faith any violation of the Code of Ethics as enumerated in the policy.

The policy also offers appropriate protection to the whistle blowers from victimization, harassment or disciplinary proceedings.

### Means of Communication

- The unaudited half yearly financial results in respect of the first half of the financial year were approved, taken on record and submitted to the Stock Exchanges along with "review report" within forty five days of the close of the relevant quarter.

- Financial results will be published during the year on the website.
- The News and Media section in the Company's website includes all major press releases made by the Company.
- Management Discussion and Analysis is a part of the Directors' Report.
- All price sensitive information and matters which are material and relevant to shareholders are intimated to all the Stock Exchanges where the securities of the Company are listed.
- The Company has an exclusive section on "Investor Relations" in its website "www.encashentertainment.com" for the purpose of giving necessary information to the Shareholders on various matters.

**BSE Corporate Compliance & Listing Centre (the 'Listing Centre') :** BSE's Listing Centre is a web-based application designed for corporates. All periodical compliance filings like shareholding pattern, corporate governance report, media releases, among others are also filed electronically on the Listing Centre.

**SEBI Complaints Redress System (SCORES) :** The investor complaints are processed in a centralized web-based complaints redress system. The salient features of this system are : Centralized database of all complaints, online upload of Action Taken Reports (ATRs) by concerned companies and online viewing by investors of actions taken on the complaint and its current status.

**Designated Exclusive email-id :** The Company has designated the following email-id exclusively for investor servicing : [encashentertainment@gmail.com](mailto:encashentertainment@gmail.com)

## GENERAL SHAREHOLDER INFORMATION

### Company Registration Details

The Company is registered in the State of West Bengal, India. The Corporate Identification Number (CIN) allotted to the Company by the Ministry of Corporate Affairs (MCA) is L92413WB2008PLC124559.

### Listing on Stock Exchanges - Equity Shares

#### BSE Limited (BSE SME)

Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai-400001  
Scrip Code 538684

### Registrars and Transfer Agents

CB Management Services Private Limited

P-22, Bondel Road, Kolkata - 700019

Tel: +91-33-40116700, 22806692/93/94/2486

Fax: +91-33-22870263, e-mail: [rta@cbmsl.com](mailto:rta@cbmsl.com), Website: [www.cbmsl.com](http://www.cbmsl.com)

### Distribution of shareholding on 31.03.2019

Number of shares slab	Number of Shareholders	Number of Shares	% of Shareholding
Upto 500	0	0	0.0000
501 – 1000	0	0	0.0000
1001 – 2000	1	1,200	0.0308
2001 – 3000	295	874500	22.4432
3001 – 4000	2	7,200	0.1848
4001 – 5000	101	504,400	12.9450
5001 – 10000	48	386250	9.9128
10001 – 50000	27	513250	13.1721
50001 – 100000	3	216000	5.5434
Above 100000	3	1,393,696	35.7679
<b>TOTAL</b>	<b>480</b>	<b>3,896,496</b>	<b>100.0000</b>

## Shareholding Pattern as on 31.03.2019

Category	Number of Shares held	% of issued paid up share capital
Promoters	1268496	32.55%
Bodies Corporate	381000	9.78%
Indian Public	2237000	57.41%
Trusts	10000	0.26%
<b>Grand Total</b>	<b>3896496</b>	<b>100.00%</b>

## Shareholding Pattern of top ten Shareholders as on 31.03.2019 :

(other than Directors, Promoters and Holders of GDRs and ADRs) :

Sl. No.	Name of Shareholder	Number of Equity Shares held	Percentage Holding
1	ROHANA COMMOSALES PRIVATE LIMITED	142000	3.64
2	SATYAM SECURITIES AND FINANCE P. LIMITED	63000	1.62
3	GOPAL KRISHNA AGARWAL	48000	1.23
4	DEEPAK BHARGAVA	45000	1.15
5	PURPLE TRADECOMM PRIVATE LIMITED	38000	0.98
6	P B ISPAT PRIVATE LIMITED	35000	0.90
7	INNOVATIVE COMMERCIAL PRIVATE LIMITED	30000	0.77
8	YUVRAJ JOHAR	28000	0.72
9	ABHAYAN TRADER PRIVATE LIMITED	25000	0.64
10	PARAG GANDHI	24250	0.62

## DECLARATION REGARDING COMPLIANCE BY BOARD MEMBERS AND SENIOR MANAGEMENT PERSONNEL WITH THE COMPANY'S CODE OF CONDUCT

This is to confirm that the Company has adopted a Code of Conduct for its employees including the Managing Director and Executive Directors. In addition, the Company has adopted a Code of Conduct for its Non-Executive Directors and Independent Directors. These Codes are available on the Company's website.

I confirm that the Company has in respect of the year ended March 31, 2019, received from the Senior Management Team of the Company and the Members of the Board a declaration of compliance with the Code of Conduct as applicable to them.

For the purpose of this declaration, Senior Management Team means the Chief Financial Officer and the Company Secretary as on March 31, 2019.

Place : Kolkata

Date : 29.05.2019

Sachet Saraf

MD

DIN - 01377285

**Certification on Financial Statements of the Company**

I, Suman Saraf, Chief Financial Officer of Encash Entertainment Limited ('the Company'), certify that :

- a) I have reviewed the financial statements and cash flow statement for the year ended March 31, 2019 and that to the best of my knowledge and belief :
  - i) These statements do not contain any materially untrue statement or omit any material fact or contain any statement that might be misleading;
  - ii) 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) To the best of my knowledge and belief, no transactions entered into by the Company during the year ended March 31, 2019 are fraudulent, illegal or violative of the Company's code of conduct.
- c) I accept responsibility for establishing and maintaining internal controls for financial reporting and that I have evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting and have disclosed to the Auditors and 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 proposed to be taken to rectify these deficiencies.
- d) During the year :
  - i) There has not been any significant change in internal control over financial reporting;
  - ii) There have not been any significant changes in accounting policies; and
  - iii) There have been no instances of significant fraud of which we are aware that involve management or other employees having significant role in the Company's internal control system over financial reporting.

Place : Kolkata  
Date : 29.05.2019

**Suman Saraf**  
(Chief Financial Officer)  
DIN – 06410112

**AUDITOR'S CERTIFICATE ON CORPORATE GOVERNANCE**

To  
The Members,  
**Encash Entertainment Limited**

We have examined the compliance of conditions of Corporate Governance by Encash Entertainment Limited for the year ended on 31st March, 2019, as stipulated in SEBI(Listing Obligations and Disclosure Requirements) Regulation, 2015 of the said company with the stock exchanges in India.

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination has been limited to a review of the procedures and implementations thereof adopted by the Company for ensuring compliance with the conditions of Corporate Governance as stipulated in the said Clause. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us and based on the representation made by the directors and management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in SEBI(Listing Obligations and Disclosure Requirements) Regulation, 2015.

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

Place : Kolkata  
Date : 29.05.2019

**For J. N. Agarwal & Co.**  
Chartered Accountants  
Firm Registration No. 325111E  
( Jyoti Agarwal, FCA )  
Partner  
Membership No. 061301

**FORM NO. MGT 9**  
**EXTRACT OF ANNUAL RETURN**  
**as on financial year ended on 31.03.2019**

of

**ENCASH ENTERTAINMENT LIMITED**

[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 :**

i	CIN	L92413WB2008PLC124559
ii	Registration Date	28/03/2008
iii	Name of the Company	ENCASH ENTERTAINMENT LIMITED
iv	Category/Sub-category of the Company	COMPANY LIMITED BY SHARES/ INDIAN NON-GOVERNMENT COMPANY
v	Address of the Registered office & contact details	9, LAL BAZAR STREET, 3RD FLOOR, MERCANTILE BUILDING, KOLKATA - 700001 PH : 033-22303313
vi	Whether listed company	YES
vii	Name , Address & contact details of the Registrar & Transfer Agent, if any	CB MANAGEMENT SERVICES PRIVATE LIMITED P-22, BONDEL ROAD, KOLKATA - 700019 PH : 033-40116700, 22806692/93/94

**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 :

Sl. No.	Name & Description of main products/services	% to total turnover of the company
1.	STYLE & FASHION	97.13%
2.	STUDIO OPERATION	2.87%

**III. PARTICULARS OF HOLDING, SUBSIDIARY & ASSOCIATE COMPANIES**

Sl. No.	Name & Address of the Company	CIN/GLN	HOLDING/ SUBSIDIARY/ ASSOCIATE	% OF SHARES HELD	APPLICABLE SECTION
1.	ENCASH SECURITIES LIMITED 9, Lal Bazar Street, 3rd Floor Block-B, Kolkata - 700001	U51909WB2007PLC119840	ASSOCIATE	25.69	2(6)

## IV. SHAREHOLDING PATTERN (Equity Share capital Break up as % to total Equity)

## i. Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				%change during the year
	Demat	Physical	Total	% of Total Share	Demat	Physical	Total	% of Total Share	
<b>A. Promoters</b>									
<b>1. Indian</b>									
a) Individual/ HUF	258000	9600	267600	6.87	258000	9600	267600	6.87	0.00
b) Central Govt. or State Govt.	0	0	0	0.00	0	0	0	0.00	0.00
c) Bodies Corporates	1000896	0	1000896	25.69	1000896	0	1000896	25.69	0.00
d) Bank/Fl	0	0	0	0.00	0	0	0	0.00	0.00
e) Other (Specify)	0	0	0	0.00	0	0	0	0.00	0.00
<b>Sub Total:(A) (1)</b>	<b>1258896</b>	<b>9600</b>	<b>1268496</b>	<b>32.55</b>	<b>1258896</b>	<b>9600</b>	<b>1268496</b>	<b>32.55</b>	<b>0.00</b>
<b>2. Foreign</b>									
a) NRI- Individuals	0	0	0	0.00	0	0	0	0.00	0.00
b) Other Individuals	0	0	0	0.00	0	0	0	0.00	0.00
c) Bodies Corp.	0	0	0	0.00	0	0	0	0.00	0.00
d) Banks/Fl	0	0	0	0.00	0	0	0	0.00	0.00
e) Other (Specify)	0	0	0	0.00	0	0	0	0.00	0.00
<b>Sub Total:(A) (2)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0.00</b>
<b>Total Shareholding of Promoter (A)= (A)(1)+(A)(2)</b>	<b>1258896</b>	<b>9600</b>	<b>1268496</b>	<b>32.55</b>	<b>1258896</b>	<b>9600</b>	<b>1268496</b>	<b>32.55</b>	<b>0.00</b>
<b>B. Public Shareholding</b>									
<b>1. Institutions</b>									
a) Mutual Funds	0	0	0	0.00	0	0	0	0.00	0.00
b) Banks/Fl	0	0	0	0.00	0	0	0	0.00	0.00
c) Central Govt.	0	0	0	0.00	0	0	0	0.00	0.00
d) State Govt.	0	0	0	0.00	0	0	0	0.00	0.00
e) Venture Capital Fund	0	0	0	0.00	0	0	0	0.00	0.00
f) Insurance Companies	0	0	0	0.00	0	0	0	0.00	0.00
g) FIs	0	0	0	0.00	0	0	0	0.00	0.00
h) Foreign Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
i) Others (specify) Market Maker	0	0	0	0.00	0	0	0	0.00	0.00
<b>Sub Total (B)(1):</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0.00</b>
<b>(2)Non Institutions</b>									
a) Bodies corporate									
i) Indian	378000	3000	381000	9.78	378000	3000	381000	9.78	0.00
ii) Overseas	0	0	0	0.00	0	0	0	0.00	0.00
b) i) Individual shareholders holding nominal share capital upto Rs.1 lakhs	1495400	263350	1758750	45.14	1539650	258350	1798000	46.14	1.0073
ii) Individual shareholders holding nominal share capital in excess of Rs. 1 lakhs	436250	42000	478250	12.27	397000	42000	439000	11.27	-1.0073
c) Others Specify									
i) Trust	0	10000	10000	0.26	0	10000	10000	0.26	0.00
ii) Clearing Member	0	0	0	0.00	0	0	0	0.00	0.00
<b>Sub Total (B)(2):</b>	<b>2309650</b>	<b>318350</b>	<b>2628000</b>	<b>67.45</b>	<b>2314650</b>	<b>313350</b>	<b>2628000</b>	<b>67.45</b>	<b>0.00</b>
<b>Total Public Shareholding (B)= (B)(1)+(B)(2)</b>	<b>2309650</b>	<b>318350</b>	<b>2628000</b>	<b>67.45</b>	<b>2314650</b>	<b>313350</b>	<b>2628000</b>	<b>67.45</b>	<b>0.00</b>
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0.00</b>
<b>Grand Total (A+B+C)</b>	<b>3568546</b>	<b>327950</b>	<b>3896496</b>	<b>100</b>	<b>3573546</b>	<b>322950</b>	<b>3896496</b>	<b>100</b>	<b>0.00</b>

Note : The shareholding of Promoters includes shares held by relatives of promoters in current year.

## ii. SHARE HOLDING OF PROMOTERS

Sl. No.	Shareholders Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in share holding during the year
		No. of shares	% of total shares of the company	% of shares pledged encumbered to total shares	No. of shares	% of total shares of the company	% of shares pledged encumbered to total shares	
1.	Encash Securities Ltd	1000896	25.69	0.00	1000896	25.69	0.00	0.00
2.	Sachet Saraf	250800	6.44	0.00	250800	6.44	0.00	0.00
3.	Rashmi Saraf	4800	0.12	0.00	4800	0.12	0.00	0.00
4.	Shakuntala Saraf	3600	0.09	0.00	3600	0.09	0.00	0.00
5.	Pankaj Saraf	3600	0.09	0.00	3600	0.09	0.00	0.00
6.	Suman Saraf	2400	0.06	0.00	2400	0.06	0.00	0.00
7.	Kashi Nath Saraf	2400	0.06	0.00	2400	0.06	0.00	0.00
	<b>TOTAL</b>	<b>1268496</b>	<b>32.55</b>	<b>0.00</b>	<b>1268496</b>	<b>32.55</b>	<b>0.00</b>	<b>0.00</b>

## iii. CHANGE IN PROMOTERS' SHAREHOLDING

Sl. No.		Share holding at the beginning of the year		Cumulative Share holding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	1268496	32.55	1268496	32.55
	Date wise increase/ decrease in Promoters Share holding during the year specifying the reasons for increase/ decrease (e.g. allotment/ transfer/ bonus/ sweat equity etc)	No Change			
	At the end of the year	1268496	32.55	1268496	32.55

Note : The shareholding of Promoters includes shares held by relatives of promoters in current year

## iv. Shareholding Pattern of top ten Shareholders (other than Directors, Promoters & Holders of GDRs & ADRs)

Sl. No.	Name	Share holding at the end of the year		Cumulative Share holding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	<b>For Each of the Top 10 Shareholders</b>				
1	ROHANA COMMOSALES PRIVATE LIMITED	142000	3.64	142000	3.64
2	SATYAM SECURITIES AND FINANCE PRIVATE LIMITED	63000	1.62	63000	1.62
3	GOPAL KRISHNA AGARWAL	48000	1.23	48000	1.23
4	DEEPAK BHARGAVA	45000	1.15	45000	1.15



5	PURPLE TRADECOMM PRIVATE LIMITED	38000	0.98	38000	0.98
6	P B ISPAT PRIVATE LIMITED	35000	0.90	35000	0.90
7	INNOVATIVE COMMERCIAL PRIVATE LIMITED	30000	0.77	30000	0.77
8	YUVRAJ JOHAR	28000	0.72	28000	0.72
9	ABHAYAN TRADER PRIVATE LIMITED	25000	0.64	25000	0.64
10	PARAG GANDHI	24250	0.62	24250	0.62

## iv. Shareholding of Directors &amp; KMP

Sl. No.	Name of Shareholder	Share holding at the beginning of the year		Cumulative Share holding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	Sachet Saraf As on 01.04.2018 & 31.03.2019	250800	6.44	250800	6.44
2.	Rashmi Saraf As on 01.04.2018 & 31.03.2019	4800	0.12	4800	0.12

## V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment

(in Rs.)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtness at the beginning of the financial year				
i) Principal Amount	2,86,929	10,00,000	0	12,86,929
ii) Interest due but not paid	0	81000	0	81000
iii) Interest accrued but not due	0	0	0	0
<b>Total (i+ii+iii)</b>	<b>2,86,929</b>	<b>10,81,000</b>	<b>0</b>	<b>13,67,929</b>
Change in Indebtedness during the financial year				
Additions	0	59,807	0	59,807
Reduction	2,86,929	10,81,000	0	13,67,929
<b>Net Change</b>	<b>(2,86,929)</b>	<b>(10,21,193)</b>	<b>0</b>	<b>(13,08,122)</b>
Indebtedness at the end of the financial year				
i) Principal Amount	0	0	0	0
ii) Interest due but not paid	0	59,807	0	59,807
iii) Interest accrued but not due	0	0	0	0
<b>Total (i+ii+iii)</b>	<b>0</b>	<b>59,807</b>	<b>0</b>	<b>59,807</b>

## VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

## A. Remuneration to Managing Director, Whole time director and/or Manager :

Sl.	Particulars of Remuneration	Name of MD SACHET SARAF	Total Amount (in Rs.)
1	Gross Salary (a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961 (b) Value of perquisites u/s 17(2) of the Income Tax Act, 1961 (c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	5,00,000.00 0.00 0.00	5,00,000.00 0.00 0.00
2	Stock option	0.00	0.00
3	Sweat Equity	0.00	0.00
4	Commission - as % of profit - others (specify)	0.00 0.00	0.00 0.00
5	Others, please specify – Director Sitting Fees	16,000.00	16,000.00
	<b>Total</b>	<b>5,16,000.00</b>	<b>5,16,000.00</b>
	Ceiling as per the Act	The remuneration is well within the limits prescribed under the Companies Act, 2013	

## B. Remuneration to Other Director

## 1. Independent Director

Particulars of Remuneration	Name of Directors		Total Amount (in Rs.)
	RAJESH KR SINGHANIA	SURENDRA KR SETHIA	
(a) Fee for attending board committee meetings	44,000.00	44,000.00	88,000.00
(b) Commission	0.00	0.00	0.00
(c) Others, please specify	0.00	0.00	0.00
<b>Total (B1)</b>	<b>44,000.00</b>	<b>44,000.00</b>	<b>88,000.00</b>

## 2. Other Non-Executive Director

Particulars of Remuneration	Name of Director	Total Amount (in Rs.)
	RASHMI SARAF	
(a) Fee for attending board committee meetings	44,000.00	44,000.00
(b) Commission	0.00	0.00
(c) Others, please specify	0.00	0.00
Total (B2)	44,000.00	44,000.00

Total (B) = (B1) + (B2) = Rs. 1,32,000.00

**C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD**

Sl. No.	Particulars of Remuneration	Key Managerial Personneel			Total (in Rs.)
		CEO	Suman saraf (Chief Financial Officer)	Hardika Pancholi (Company Secretary)	
1	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961 (b) Value of perquisites u/s 17(2) of the Income Tax Act, 1961 (c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	NOT APPLI- CABLE	3,00,000.00	3,24,000.00	6,24,000.00
			0.00	0.00	0.00
			0.00	0.00	0.00
2	Stock option		0.00	0.00	0.00
3	Sweat Equity		0.00	0.00	0.00
4	Commission - as % of profit - others (specify)		0.00 0.00	0.00 0.00	0.00 0.00
5	Others, please specify		0.00	0.00	0.00
	<b>Total</b>		<b>3,00,000.00</b>	<b>3,24,000.00</b>	<b>6,24,000.00</b>

**VII. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES**

Type	Section of the Companies Act	Brief Description	Details of Penalty/ Punishment/ Compounding fees imposed	Authority (RD/ NCLT/ Court)	Appeal made if any (give details)
A. COMPANY					
Penalty	N I L				
Punishment					
Compounding					
B. DIRECTORS					
Penalty	N I L				
Punishment					
Compounding					
C. OTHER OFFICER IN DEFAULT					
Penalty	N I L				
Punishment					
Compounding					

## INDEPENDENT AUDITORS' REPORT

To  
The Members of  
Encash Entertainment Limited

## Report on the Audit of the Standalone Financial Statements

## Opinion

We have audited the accompanying standalone financial statements of **ENCASH ENTERTAINMENT LIMITED** ("the Company"), which comprise the Balance Sheet as at March 31, 2019, the Statement of Profit and Loss and the Statement of Cash Flows for the year ended on that date, and notes to financial statements, including a summary of the 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 Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2019, the profit/loss and its cash flows for the year ended on that date.

## Basis for Opinion

We conducted our audit of the in accordance with the Standards on Auditing specified under section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone 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 (ICAI) together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules made thereunder, 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 audit opinion on the financial statements.

## Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Sr. No.	Key Audit Matter	Auditor's Response
1	Compliance of GST	<p>The Company have defaulted in timely filing of GSTR3B and GSTR1 for the period April-March 2019.</p> <p>As such we are unable to comment on the same.</p> <p>As discussed with the Management, due to technical errors, timely filing of GST Returns could not be made. Further the Management is under process of filing of the returns.</p>

**Management's Responsibility for the Standalone Financial Statements**

The Company's Board of Directors is responsible for the matters stated in section 134(5) of 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 Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate 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 standalone financial statements 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.

The Board of Directors are responsible for overseeing the Company's financial reporting process.

**Auditor's Responsibilities for the Audit of the Standalone 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 SAs 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.

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 standalone 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 financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, 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 standalone financial statements, including the disclosures, and whether the standalone 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 standalone 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.

### **Report on Other Legal and Regulatory Requirements**

As required by the Companies (Auditor's Report) Order, 2016 ("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 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, based on our audit 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 including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account.
- d) In our opinion, the aforesaid standalone financial statements comply with applicable Accounting Standards. The Ind AS specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 is not applicable as the Company is listed on BSE SME platform.
- e) On the basis of the written representations received from the directors as on March 31, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2019 from being appointed as a director in terms of Section 164 (2) of the Act.

- f) 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**”. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company’s internal financial controls over financial reporting.
  - g) 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, as amended in our opinion and to the best of our information and according to the explanations given to us:
    - i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements.
    - ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.
    - iii. There is no requirement to transfer any amount to the Investor Education and Protection Fund by the Company.
2. As required by the Companies (Auditor's Report) Order, 2016 (“the Order”) issued by the Central Government in terms of Section 143(11) of the Act, we give in “**Annexure B**” a statement on the matters specified in paragraphs 3 and 4 of the Order.

Place : Kolkata  
Date : 29.05.2019

For **J. N. Agarwal & Co.**  
Chartered Accountants  
Firm Registration No. 325111E  
( Jyoti Agarwal, FCA )  
Partner  
Membership No. 061301

**ANNEXURE “A” TO THE INDEPENDENT AUDITOR’S REPORT**

**(Referred to in paragraph 1(f) under ‘Report on Other Legal and Regulatory Requirements’ section of our report to the Members of Infosys Limited of even date)**

**Report on the Internal Financial Controls Over Financial Reporting 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 **ENCASH ENTERTAINMENT LIMITED** (“the Company”) as of March 31, 2019 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

**Management’s Responsibility for Internal Financial Controls**

The Board of Directors of the Company 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 respective 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.

**Auditor’s Responsibility**

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Company 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”) issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. 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 internal financial controls system over financial reporting of the Company.



**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 authorisations of management and directors of the company; and
- (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

**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, to the best of our information and according to the explanations given to us, 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 March 31, 2019, 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.

Place : Kolkata

Date : 29.05.2019

For **J. N. Agarwal & Co.**  
Chartered Accountants  
Firm Registration No. 325111E  
( Jyoti Agarwal, FCA )  
Partner  
Membership No. 061301

**ANNEXURE “B” TO THE INDEPENDENT AUDITOR’S REPORT**

(Referred to in Paragraph 1 under the heading of “Report on Other Legal and Regulatory Requirements” of our report of even date to the Members of Encash Entertainment Limited for the year ended March 31, 2019.)

1. (a) The Company is maintaining proper records showing full particulars including quantitative details and situation of fixed assets.  
(b) The fixed assets of the Company have been physically verified by the management during the year and no material discrepancies were noticed on such verification.
2. (a) Inventories have been physically verified by the management during the year at reasonable intervals.  
(b) The procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.  
(c) The Company is maintaining proper records of its inventories and no material discrepancies noticed on physical verification of inventories.
3. The Company has not granted loans, secured or unsecured to companies, firms or parties covered in the Register maintained under section 189 of the Companies Act, 2013. Therefore the provisions of clause 3(iii), (iii)(a) and (iii)(b) of the said Order are not applicable to the Company.
4. In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the company and the nature of its business with regard to purchase of inventories and fixed assets and for sale of goods. During the course of our audit, no major weakness has been noticed in the internal controls. During the course of our audit, we have not observed any continuing failure to correct major weakness in internal control system of the Company.
5. The company has not accepted any deposits from the public within the meaning of section 73, 74, 75 and 76 of the Companies Act, 2013 and the Rules framed thereunder to the extent notified.
6. The Central Government of India has not specified the maintenance of cost records under sub-section (1) of section 148 of the Companies Act, 2013 for any of the products of the Company.
7. (a) According to the information and explanations given to us and on the basis of the examination of the records of the Company, we are of the opinion that the Company has been generally regular in depositing undisputed statutory dues including provident fund, employees state insurance, income tax, sales tax, wealth tax, service tax, and other material statutory dues, as applicable, with the appropriate authorities, except GST.  
(b) There were no amounts which required to be transferred to the investor education and protection fund by the Company.
8. The accumulated losses of the Company at the end of the financial year are less than fifty percentage of its networth. The Company has not incurred cash losses during the current year.
9. The company did not raise any money by way of initial public offer or further public offer including debt instruments during the year.

10. According to the information and explanations given to us, no fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.
11. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.
12. The Company is not a Nidhi Company. Accordingly, paragraph 3(xii) of the Order is not applicable.
13. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
14. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly paragraph 3(xiv) of the Order is not applicable to the Company.
15. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions in terms of section 192 of the Act, with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.
16. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

Place : Kolkata

Date : 29.05.2019

For **J. N. Agarwal & Co.**  
Chartered Accountants  
Firm Registration No. 325111E  
( Jyoti Agarwal, FCA )  
Partner  
Membership No. 061301

## BALANCE SHEET AS AT 31ST MARCH, 2019

	<u>Note</u>	<u>As at</u> <u>March 31, 2019</u> Rs.	<u>As at</u> <u>March 31, 2018</u> Rs.
<b>I. EQUITY AND LIABILITIES</b>			
<b>Shareholder's Fund</b>			
(a) Share Capital	2	3,89,64,960	3,89,64,960
(b) Reserve and Surplus	3	5,40,38,714	5,57,88,041
		<b>9,30,03,674</b>	<b>9,47,53,001</b>
<b>Non-current Liabilities</b>			
(a) Long Term Borrowings	4	—	10,81,000
(b) Deferred Tax Liabilities (Net)	5	(2,05,626)	(54,663)
		<b>(2,05,626)</b>	<b>10,26,337</b>
<b>Current Liabilities</b>			
(a) Short Term Borrowings	6	—	—
(b) Trade Payables	7	57,14,069	17,03,679
(c) Other Current Liabilities	8	22,03,84,433	22,01,37,183
(d) Short Term Provisions	9	47,250	47,250
		<b>22,61,45,752</b>	<b>22,18,88,112</b>
<b>TOTAL</b>		<b>31,89,43,800</b>	<b>31,76,67,450</b>
<b>II. ASSETS</b>			
<b>Non-current Assets</b>			
(a) Fixed Assets			
(i) Tangible Assets	10	69,56,917	87,26,663
		<b>69,56,917</b>	<b>87,26,663</b>
(b) Non - current Investments	11	—	—
(c) Other Non-current Assets	12	4,39,200	4,39,200
		<b>73,96,117</b>	<b>91,65,863</b>
<b>Current Assets</b>			
(a) Inventories	13	29,56,25,526	28,52,01,266
(b) Trade Receivables	14	43,72,089	92,05,694
(c) Cash and Cash Equivalents	15	74,20,234	99,35,623
(d) Short Term Loans and Advances	16	41,29,835	41,59,005
(e) Other Current Assets	17	—	—
		<b>31,15,47,684</b>	<b>30,85,01,587</b>
<b>TOTAL</b>		<b>31,89,43,800</b>	<b>31,76,67,450</b>
<b>Notes Forming Part of the Financial Statements</b>	1-28		

As per our report attached

For J N Agarwal & Co.  
Chartered AccountantsJyoti Agarwal  
Partner  
M No. 061301

For and on behalf of the Board

Sachet Saraf  
Chairman & Managing DirectorSuman Saraf  
Chief Financial OfficerHardika Pancholi  
Company Secretary

Date : 29.05.2019

Place : Kolkata

## STATEMENT OF PROFIT AND LOSS FOR THE PERIOD ENDED 31ST MARCH, 2019

	<u>Note</u>	<u>As at March 31, 2019 Rs.</u>	<u>As at March 31, 2018 Rs.</u>
<b>I. INCOME</b>			
(a) Revenue From Operations	18	5,33,06,400	2,09,64,580
(b) Other Income	19	1,42,897	13,11,778
<b>TOTAL REVENUE</b>		<b>5,34,49,297</b>	<b>2,22,76,358</b>
<b>II. EXPENSES</b>			
(a) Operational Cost	20	4,65,16,900	1,34,63,520
(b) Employee Benefit Expenses	21	30,67,696	35,11,739
(c) Finance Costs	22	1,03,995	1,55,927
(d) Depreciation and Amortization Expenses	23	20,45,972	18,59,771
(e) Other Expenses	24	35,96,293	31,43,664
<b>TOTAL EXPENSES</b>		<b>5,53,30,856</b>	<b>2,21,34,621</b>
<b>III. Profit before taxes</b>		<b>(18,81,559)</b>	<b>1,41,736</b>
<b>IV. Tax Expenses</b>			
(a) Income Tax		—	47,250
(b) Deferred		(1,50,963)	62,736
(b) For Earlier Years		18,731	—
		<b>(1,32,232)</b>	<b>1,09,986</b>
<b>V. Profit for the Year</b>		<b>(17,49,327)</b>	<b>31,750</b>
<b>VI. Earnings per Equity Share</b>	25		
(a) Basic		(0.45)	0.01
(b) Diluted		(0.45)	0.01
<b>Notes Forming Part of the Financial Statements</b>	1-28		

As per our report attached

For J N Agarwal & Co.  
Chartered AccountantsJyoti Agarwal  
Partner

M No. 061301

For and on behalf of the Board

Sachet Saraf  
Chairman & Managing DirectorSuman Saraf  
Chief Financial OfficerHardika Pancholi  
Company Secretary

Date : 29.05.2019

Place : Kolkata

## CASH FLOW STATEMENT

<u>DESCRIPTION</u>	<u>Year Ended</u> <u>31st March, 2019</u> <u>Rs.</u>	<u>Year Ended</u> <u>31st March, 2018</u> <u>Rs.</u>
<b>A. Cash Flow from Operating Activities</b>		
Profit Before Tax as per Statement of Profit and Loss Account	(18,81,559)	1,41,736
Add : Non cash Items		
Depreciation and Amortisation Expenses	20,45,972	18,59,771
<b>Operating Profit Before Working Capital Changes</b>	<b>1,64,413</b>	<b>20,01,508</b>
Adjusted For :		
Inventories	(1,04,24,260)	(24,24,57,200)
Trade Receivables	48,33,605	14,72,645
Loans and Advances	29,170	2,13,97,074
Trade Payable	40,10,391	(57,49,081)
Other Current Liabilities	21,80,48,104	4,17,084
Income Tax	—	—
Short Term Provisions	—	—
	<b>(13,03,844)</b>	<b>(72,88,457)</b>
<b>Cash Flow from Operating Activities (A)</b>	<b>(11,39,431)</b>	<b>(52,86,949)</b>
<b>B. Cash Flow from Investing Activities</b>		
Purchase/ (Sale) of Investments	—	1,36,47,600
Increase in Non-Current Assets	—	—
Purchase of Fixed Assets	(2,76,226)	(21,11,016)
<b>Cash Flow from Investing Activities (B)</b>	<b>(2,76,226)</b>	<b>1,15,36,584</b>
<b>C. Cash Flow from Financing Activities</b>		
Increase in Share Capital (Incl. Security Premium)	—	—
Dividend Paid	—	—
Increase/(Decrease) in Long Term Borrowings	(10,81,000)	(2,86,929)
Increase/(Decrease) in Short Term Borrowings	—	—
Tax Expenses For Earlier Year	(18,731)	—
<b>Cash Flow from Financing Activities (C)</b>	<b>(10,99,731)</b>	<b>(2,86,930)</b>
<b>Net Increase in Cash and Cash Equivalents (A+B+C)</b>	<b>(25,15,388)</b>	<b>59,62,705</b>
<b>Opening Balance of Cash and Cash Equivalents</b>	<b>99,35,623</b>	<b>39,72,919</b>
<b>Closing Balance of Cash and Cash Equivalents</b>	<b>74,20,234</b>	<b>99,35,623</b>

Notes :

1. All figures in brackets are outflow.

2. Cash and cash Equivalent is cash and Bank Balances as per Balance Sheet.

As per our report attached

For J N Agarwal & Co.  
Chartered AccountantsJyoti Agarwal  
Partner

M No. 061301

For and on behalf of the Board

Sachet Saraf  
Chairman & Managing DirectorSuman Saraf  
Chief Financial OfficerHardika Pancholi  
Company Secretary

Date : 29.05.2019

Place : Kolkata

**NOTES FORMING PART OF FINANCIAL STATEMENTS****1) COMPANY INFORMATION :**

Encash Entertainment Limited (the Company) is a public limited company domicile in India and incorporated under the Companies Act, 1956. Its shares are listed on the Bombay Stock Exchange (BSE) SME since 29th September, 2014. It is mainly engaged in the business of entertainment and style & fashion garments sector.

**1.1) SIGNIFICANT ACCOUNTING POLICIES :****(i) Basis of Accounting**

The financial statements are prepared under the historical cost convention, except stated otherwise, on an accrual basis and in accordance with generally accepted accounting principles in India, the applicable mandatory Accounting Standards as prescribed under Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014 and the provisions of the Act.

The financial statements have been prepared and presented as per the requirement of Schedule III as notified under Companies Act, 2013.

**(ii) Use of Estimates**

The preparation of financial statements require judgements, estimates and assumptions to be made that affect the reported amount of assets and liabilities including contingent liabilities on the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Difference between actual results and estimates are recognized in the period in which the results are known/materialised.

**(iii) Fixed Assets**

Tangible Fixed Assets are stated at cost less accumulated depreciation and impairment loss thereon, if any. Cost comprises of purchase price and any attributable cost of bringing the assets to its working conditions for its intended use.

**(iv) Depreciation and Amortisation**

Depreciation has been provided on the straight line method based on life assigned to each asset in accordance with Schedule II of the Companies Act, 2013.

**(v) Revenue Recognition**

Sales (including Programs, Film Rights, and Merchandise) are recognized, when the significant risks and reward have been transferred to the customers.

Revenue from services is recognized on the completion of the service.

**(vi) Investments**

Investments, which are readily realizable and intended to be held not more than one year from the date on which such investments are made, are classified as current investment. All other investments are classified as long-term investments.

**NOTES TO FINANCIAL STATEMENTS**

Investments are value at cost. Diminution in the value of investments is considered only when such diminution is other than temporary in nature.

**(vii) Inventories**

Inventories includes Films (under production), Film Rights, Music Rights, Story Rights, are stated at lower of cost / unamortized cost or realizable value. Cost comprises acquisition / director production cost.

Inventories of merchandise are stated at lower of purchase cost or realizable value.

**(viii) Employee Benefit**

Employee benefits are recognized as expenses as and when these accrue.

**(ix) Segment Reporting**

The Company has presented Segment information on the basis of financial statements as permitted by Accounting Standard-17.

**(x) Taxes on Income**

Tax expenses comprises of current tax and deferred tax.

Current tax is determined as the amount of tax payable in respect of the taxable income for the period under provisions of the Income Tax Act, 1961.

Deferred tax assets and deferred tax liabilities are recognized at substantively enacted tax rates, subject to the consideration of prudence, on timing difference, being the difference between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods.

**(xi) Provisions, Contingent Liabilities and Contingent Assets**

Provision is recognized when there is a present obligation as a result of past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation. Disclosure of contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. No provision is recognized or disclosure for contingent liabilities is made when there is a possible obligation or a present obligation and the likelihood of outflow of resources is remote. Contingent Asset is neither recognized not disclosed in the financial statements.

**(xii) Earnings per Share**

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

Diluted earnings per shares is calculated by adjustments of all the effects of dilutive potential equity shares from the net profit or loss for the period attributed to equity shareholders on weighted average numbers of shares outstanding during the period.



## NOTES TO FINANCIAL STATEMENTS

Particulars	As at March 31, 2019		As at March 31, 2018	
	Number	Amount (Rs.)	Number	Amount (Rs.)
<b>2. SHARE CAPITAL</b>				
<b>Authorised</b>				
Equity Share of Rs. 10/- each	1,00,00,000	10,00,00,000	1,00,00,000	10,00,00,000
<b>Total</b>	<b>1,00,00,000</b>	<b>10,00,00,000</b>	<b>1,00,00,000</b>	<b>10,00,00,000</b>
<b>Issued, Subscribed and Paid-up</b>				
Equity Share of Rs. 10/- each				
Opening	38,96,496	3,89,64,960	38,96,496	3,89,64,960
Additions	—	—	—	—
Deductions	—	—	—	—
Closings	38,96,496	3,89,64,960	38,96,496	3,89,64,960
<b>Total</b>	<b>38,96,496</b>	<b>3,89,64,960</b>	<b>38,96,496</b>	<b>3,89,64,960</b>

- 2.1 The Company has only one class of shares referred to as equity shares having a par value of Rs. 10/-. Each shareholder is entitled to one vote per share. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company, after distribution of all preferential amounts, if any. The distribution will be in proportion to the number of equity shares held by the shareholders.

Particulars	As at March 31, 2019 Rs.	As at March 31, 2018 Rs.
<b>3 RESERVE AND SURPLUS</b>		
<b>Security Premium Account</b>		
Opening Balance	5,59,78,876	5,59,78,876
Add : Addition During the Year	—	—
Less : Utilised During the Year	—	—
Closing Balance	<b>5,59,78,876</b>	<b>5,59,78,876</b>
Surplus in Statement of Profit & Loss		
As per Last Balance Sheet	(1,90,834)	(3,52,584)
Add : Net Profit for the Current Year	(17,49,327)	31,750
Add : Provision for Earlier	—	1,30,000
Closing Balance	(19,40,161)	(1,90,834)
<b>Total</b>	<b>5,40,38,714</b>	<b>5,57,88,041</b>

## NOTES TO FINANCIAL STATEMENTS

<u>Particulars</u>	<u>As at</u> <u>March 31, 2019</u> Rs.	<u>As at</u> <u>March 31, 2018</u> Rs.
<b>4 LONG TERM BORROWINGS</b>		
<b><u>Vehicle Loan (Secured)</u></b>		
From Bank	—	—
<b><u>Unsecured Loan</u></b>		
Others	—	10,81,000
<b>Total</b>	<b>—</b>	<b>10,81,000</b>

## 4.1 The requisite particulars in respect of secured borrowings are as under :

**From HDFC Bank Ltd.**

Balance Outstanding	—	2,86,929
Current Maturity	—	2,86,929
Non-Current Maturity	—	—

Particulars of security/ guarantees / default of the Car Loan from HDFC Bank Ltd is as under :

Primary Security : Secured against respective motor car

**5 DEFERRED TAX LIABILITIES (NET)****Deferred Tax Liabilities**

Opening Balance	(54,663)	(1,17,399)
Add : During the year	—	1,25,080
Less : During the year	1,50,963	62,344
Closing Balance	<b>(2,05,626)</b>	<b>(54,663)</b>

**6 SHORT TERM BORROWINGS**

From Bodies Corporate	—	—
From Others	—	—
<b>Total</b>	<b>—</b>	<b>—</b>

## NOTES TO FINANCIAL STATEMENTS

<u>Particulars</u>	<u>As at March 31, 2019 Rs.</u>	<u>As at March 31, 2018 Rs.</u>
<b>7 TRADE PAYABLE</b>		
<b>For Purchases</b>		
Dues of MSMEs	—	—
Dues of Other Than MSMEs	38,78,228	1,89,240
	<b>38,78,228</b>	<b>1,89,240</b>
<b>For Trade Expenses</b>		
Dues of MSMEs	—	—
Dues of Other Than MSMEs	18,35,841	15,14,439
	<b>18,35,841</b>	<b>15,14,439</b>
<b>Total</b>	<b>57,14,069</b>	<b>17,03,679</b>
7.1 Disclosure of Trade payables is based on the Information available with the company regarding the status of the suppliers as defined under the "Micro, Small and Medium Enterprise Development Act, 2006".		
<b>8 OTHER CURRENT LIABILITIES</b>		
<b>Current Maturities on Long Term Loan (Refer Note No. 4.1)</b>		
From Banks (Vehicle Loan)	—	2,86,929
<b>Other Payable</b>		
IPO Expenses	16,94,735	17,04,205
Advance for Production	21,80,00,000	21,80,00,000
Interest on Loan	59,807	—
Statutory Dues	6,29,891	1,46,049
<b>Total</b>	<b>22,03,84,433</b>	<b>22,01,37,183</b>
<b>9 SHORT TERM PROVISIONS</b>		
Provision for Income Tax	47,250	47,250
<b>Total</b>	<b>47,250</b>	<b>47,250</b>

## NOTES TO FINANCIAL STATEMENTS

## 10 FIXED ASSETS

## 10.1 Tangible Assets

PARTICULARS	G R O S S B L O C K			D E P R E C I A T I O N			N E T B L O C K	
	Opening as at 01.04.18	Addition during the Period	Deletion during the Period	Closing as at 31.03.19	Opening	During the Period	Total	As at 31.03.19
Plant & Machinery	71,31,866	70,066	—	72,01,932	26,07,586	12,00,432	38,08,017	33,93,915
Computer	15,57,955	2,06,160	—	17,64,115	7,96,216	3,86,230	11,82,446	5,81,669
Furniture & Fittings	27,26,969	—	—	27,26,969	2,71,600	2,57,735	5,29,334	21,97,635
Motor Car	18,26,742	—	—	18,26,742	8,41,468	2,01,576	10,43,044	7,83,698
<b>Total</b>	<b>1,32,43,532</b>	<b>2,76,226</b>	<b>—</b>	<b>1,35,19,758</b>	<b>45,16,869</b>	<b>20,45,972</b>	<b>65,62,841</b>	<b>69,56,917</b>
Last Year	1,11,32,516	21,11,016	—	1,32,43,532	26,57,098	18,59,771	45,16,869	87,26,663
								84,75,418

## NOTES TO FINANCIAL STATEMENTS

<u>Particulars</u>	As at March 31, 2019 Rs.	As at March 31, 2018 Rs.
<b>11 NON-CURRENT INVESTMENTS</b> (Long Term Investments)		
Trade Investments	—	—
<b>Total</b>	—	—
Aggregate amount of unquoted investments	—	—
<b>12 OTHER NON-CURRENT ASSETS</b>		
Exchange Deposit	4,39,200	4,39,200
<b>Total</b>	<b>4,39,200</b>	<b>4,39,200</b>
<b>13 INVENTORIES</b>		
As certified by the Management		
Finished Goods	26,33,000	45,64,740
Work in Progress	29,29,92,526	28,06,36,526
<b>Total</b>	<b>29,56,25,526</b>	<b>28,52,01,266</b>
<b>14 TRADE RECEIVABLE</b>		
Unsecured, Considered Good		
Trade Outstanding for a period exceeding six months	—	38,56,540
Others	43,72,089	53,49,154
<b>Total</b>	<b>43,72,089</b>	<b>92,05,694</b>
<b>15 CASH AND CASH EQUIVALENTS</b>		
Cash and Cash Equivalents		
Cash on Hand	6,61,961	7,31,604
Balances with Banks		
In Current Accounts	67,58,273	92,04,018
<b>Total</b>	<b>74,20,234</b>	<b>99,35,623</b>

## NOTES TO FINANCIAL STATEMENTS

<u>Particulars</u>	<u>As at March 31, 2019 Rs.</u>	<u>As at March 31, 2018 Rs.</u>
<b>16 SHORT TERM LOANS AND ADVANCES</b>		
<b>Unsecured, Considered Good</b>		
Advance For Expenses	21,595	37,251
Advance For Exp / Furniture (Studio)	10,57,217	6,70,091
Advance For Premises (Studio) Tolly - (I) (II) (III)	2,50,000	2,50,000
Deposit CESC Studio Tolly - I	89,669	89,669
Loans to Corporates	—	13,12,572
Balance with Income Tax Authorities	10,27,528	2,79,871
GST Input	1,83,827	19,551
Others	15,00,000	15,00,000
<b>Total</b>	<b>41,29,835</b>	<b>41,59,005</b>
<b>17 OTHER CURRENT ASSETS</b>		
<b>To the extent not written off</b>		
Preliminary Expenses	—	—
<b>Total</b>	<b>—</b>	<b>—</b>
<b>18 REVENUE FROM OPERATIONS</b>		
Sale of Products	5,17,77,100	1,94,93,430
Proceeds from Film Release	—	29,250
Studio Operation	15,29,300	14,41,900
<b>Total</b>	<b>5,33,06,400</b>	<b>2,09,64,580</b>
<b>19 OTHER INCOME</b>		
Profit on Sale of Investment in Unquoted Shares	—	1,27,400
Interest Income	—	9,74,732
Interest on I Tax Refund	8,688	29,245
Other Income	1,34,209	1,80,401
<b>Total</b>	<b>1,42,897</b>	<b>13,11,778</b>

## NOTES TO FINANCIAL STATEMENTS

<u>Particulars</u>	As at <u>March 31, 2019</u> Rs.	As at <u>March 31, 2018</u> Rs.
<b>20 OPERATIONAL COST</b>		
(a) Cost of Material Sold	4,65,16,900	1,34,63,520
(b) Pictures Content**		
Opening Inventory	28,06,36,526	3,51,78,226
Add : Production Expenses	1,23,56,000	24,54,58,300
	<u>29,29,92,526</u>	<u>28,06,36,526</u>
Less : Closing Inventory	29,29,92,526	28,06,36,526
	<u>—</u>	<u>—</u>
<b>Total (a+b)</b>	<b><u>4,65,16,900</u></b>	<b><u>1,34,63,520</u></b>
** Includes cost / unamortised cost of Film Production, Films rights, Music rights, Story Rights.		
<b>21 EMPLOYEE BENEFIT EXPENSES</b>		
Salary & Bonus	27,40,626	32,06,909
Staff Welfare Expenses	3,27,070	3,04,830
<b>Total</b>	<b><u>30,67,696</u></b>	<b><u>35,11,739</u></b>
<b>22 FINANCE COST</b>		
Interest on Car Loan	14,536	64,577
Interest on Unsecured Loan	66,452	90,000
Other Interest	23,007	1,350
<b>Total</b>	<b><u>1,03,995</u></b>	<b><u>1,55,927</u></b>
<b>23 DEPRECIATION AND AMORTIZATION EXPENSES</b>		
Depreciation	20,45,972	18,59,771
<b>Total</b>	<b><u>20,45,972</u></b>	<b><u>18,59,771</u></b>

## NOTES TO FINANCIAL STATEMENTS

<u>Particulars</u>	<u>As at March 31, 2019 Rs.</u>	<u>As at March 31, 2018 Rs.</u>
<b>24 OTHER EXPENSES</b>		
Annual Renewal Charges	12,402	23,256
Auditor's Remuneration	51,000	51,000
Advertisement	2,880	16,880
Bank Expenses	5,482	4,445
Conveyance	1,66,180	1,76,900
Director's Sitting Fees	1,48,000	1,12,000
Exchanges Expenses	79,000	56,454
Electricity Charges	1,57,827	1,84,503
General Expenses	2,64,427	2,33,857
Motor Car Expenses	3,53,996	2,66,529
Printing & Stationery	57,789	69,745
Professional Fees	8,06,876	2,57,390
Rent	1,52,686	3,61,786
Repair & Maintainance	73,476	9,500
Studio Expenses	12,04,040	12,52,895
Telephone Expenses	49,940	52,620
Website & Logo Expenses	10,293	13,904
<b>Total</b>	<b>35,96,293</b>	<b>31,43,664</b>

**25 EARNING PER SHARE**

Net Profit after Tax as per Statement of Profit and Loss	(17,49,327)	31,750
Number of Equity Shares	38,96,496	38,96,496
Face Value per Equity Shares	10	10
Basic Earning Per Share	(0.45)	0.01
Diluted Earning Per Share	(0.45)	0.01

**26 Related Party Transactions**

Associate Company	:	Encash Securities Ltd.
Directors / Key Management Personnel	:	Sachet Saraf Rashmi Saraf



## NOTES TO FINANCIAL STATEMENTS

<u>Particulars</u>	<u>As at March 31, 2019 Rs.</u>	<u>As at March 31, 2018 Rs.</u>
<b>Transactions with Related Parties</b>		
Rent Paid (in Rs.)	3,61,786	2,91,600
<b>Total</b>	<b>3,61,786</b>	<b>2,91,600</b>

## 27 SEGMENT INFORMATION

The business segment considered for disclosure are trading and film production.

Revenue From Trading Activities	5,17,77,100	1,94,93,430
Proceeds from Film Exhibition	—	—
Revenue From Production of Movies & Studio Operation	15,29,300	14,41,900
	<b>5,33,06,400</b>	<b>2,09,35,330</b>

28 Figures of previous year are regrouped, recasted and rearranged wherever necessary.

	As per our report attached	For and on behalf of the Board
	<b>For J N Agarwal &amp; Co.</b>	<b>Sachet Saraf</b>
	<i>Chartered Accountants</i>	<i>Chairman &amp; Managing Director</i>
	<b>Jyoti Agarwal</b>	<b>Suman Saraf</b>
	<i>Partner</i>	<i>Chief Financial Officer</i>
Date : 29.05.2019	M No. 061301	<b>Hardika Pancholi</b>
Place : Kolkata		<i>Company Secretary</i>

## ENCASH ENTERTAINMENT LIMITED

CIN : L92413WB2008PLC124559

Registered Office : 9, Lal Bazar Street, 3rd Floor, Mercantile Building, Kolkata - 700001

Phone : (033) 22303313, E-mail : encashentertainment@gmail.com, Website : www.encashentertainment.com

### ATTENDANCE SLIP

(To be presented at the entrance of the hall)

11TH ANNUAL GENERAL MEETING ON MONDAY, SEPTEMBER 30, 2019 AT 03.30 P.M.  
at Registered Office 9, Lal Bazar Street, 3rd Floor, Block-B, Mercantile Building, Kolkata-700001

Folio No. \_\_\_\_\_ DP ID No. \_\_\_\_\_ Client ID No. \_\_\_\_\_

Name of the Member \_\_\_\_\_ Signature \_\_\_\_\_

Name of the proxyholder \_\_\_\_\_ Signature \_\_\_\_\_

1. Only Member/Proxyholder can attend the Meeting.

2. Member/Proxyholder should bring his/her copy of the Annual Report for reference at the Meeting.

..... (Tear here) .....

## ENCASH ENTERTAINMENT LIMITED

CIN : L92413WB2008PLC124559

Registered Office : 9, Lal Bazar Street, 3rd Floor, Mercantile Building, Kolkata - 700001

Phone : (033) 22303313, E-mail : encashentertainment@gmail.com, Website : www.encashentertainment.com

### 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 Member(s) : \_\_\_\_\_

Registered Address : \_\_\_\_\_

E-mail Id : \_\_\_\_\_

Folio No. / Client ID No. : \_\_\_\_\_ DP ID No. \_\_\_\_\_

I / We, being the member(s) of ..... Shares of Encash Entertainment Limited, hereby appoint

1. Name : \_\_\_\_\_ E-mail Id : \_\_\_\_\_

Address : \_\_\_\_\_

Signature : \_\_\_\_\_

or failing him

1. Name : \_\_\_\_\_ E-mail Id : \_\_\_\_\_

Address : \_\_\_\_\_

Signature : \_\_\_\_\_

or failing him

1. Name : \_\_\_\_\_ E-mail Id : \_\_\_\_\_

Address : \_\_\_\_\_

Signature : \_\_\_\_\_

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the Eleventh Annual General Meeting of the Company to be held on Monday, September 30, 2019 at 03.30 P.M. at Registered Office 9, Lal Bazar Street, 3rd Floor, Block-B, Mercantile Building, Kolkata - 700001 and at any adjournment thereof in respect of such resolutions as are indicated below :

P.T.O.

**ENCASH**  
*Value for Money*

..... (Tear here) .....

Resolution No.	Resolution Proposed
	<b>ORDINARY BUSINESS</b>
1	Adoption of Financial Statement, Reports of Board of Directors' and Auditors' for 2018-2019
2	Re-appointment of Ms. Rashmi Saraf as a Director of the Company
3	Re-appointment of Auditors and fixing their remuneration
	<b>SPECIAL BUSINESS</b>
4	Re-Appointment of Mr. Sachet Saraf as Managing Director
5	Re-Appointment of Mr. Rajesh Kumar Singhania as Independent Director
6	Re-Appointment of Mr. Surendra Kumar Sethia as Independent Director

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2019

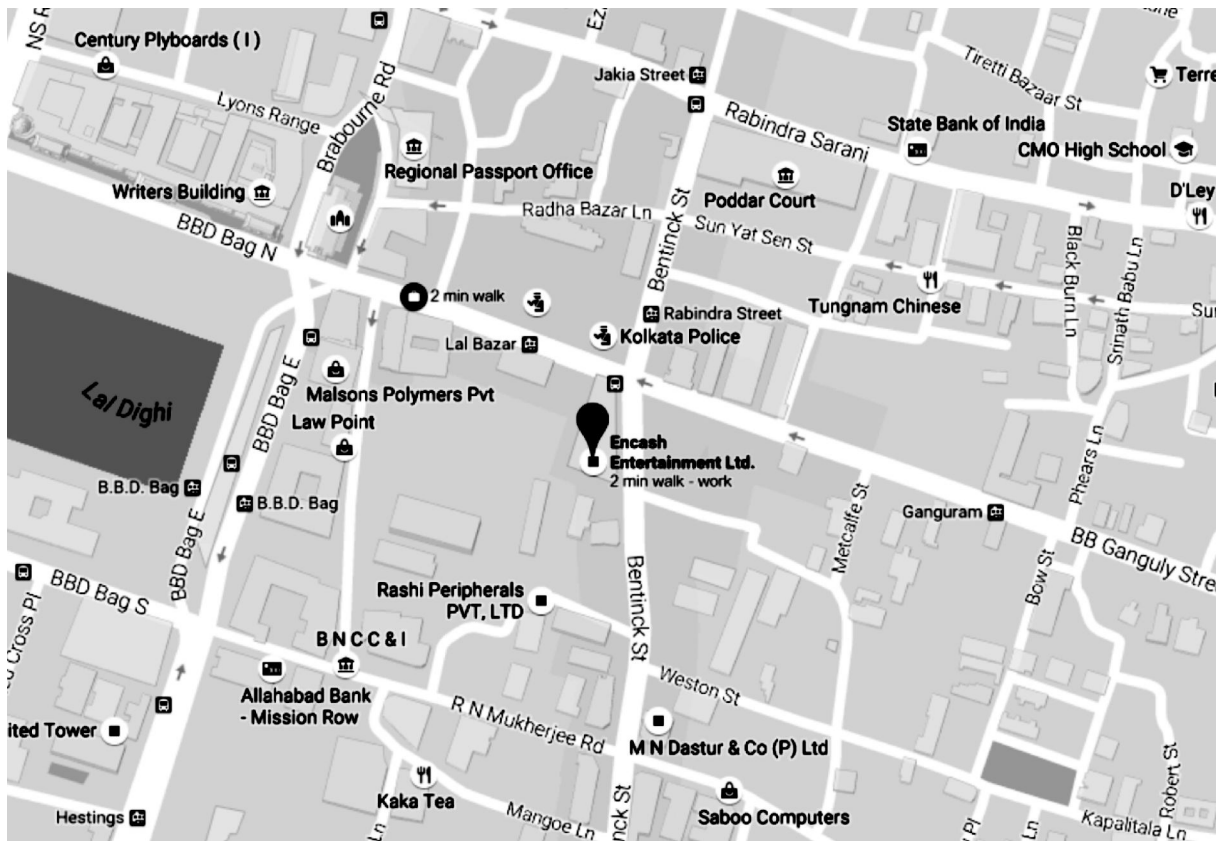
Affix  
Re. 1/-  
Revenue  
Stamp

Signature of shareholder \_\_\_\_\_ Signature of Proxyholder(s) \_\_\_\_\_

**NOTES :**

1. This Form in order to be effective should be duly completed and deposited at the Registered Office of the Company at 9, Lal Bazar Street, 3rd Floor Mercantile Building, Kolkata - 700001, not less than 48 hours before the commencement of the Meeting.
2. Those Members who have multiple folios with different jointholders may use copies of this Attendance slip/ Proxy.

Route map of the Venue of the Annual General Meeting is appended below :



# **ENCASH**

*Value for Money*