

ENCASH ENTERTAINMENT LIMITED

CIN : L92413WB2008PLC124559

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

Ref. No.

Date :

20.09.2017

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

SUB: Submission of Annual Report under Regulation 34(1)

Respected Sir/ Madam,

I am hereby enclosing the Annual Report of the Company for the Financial Year 2016-17 duly approved and adopted in the 9th Annual General Meeting held on Wednesday 20th September, 2017.

Kindly record the same.

Thanking You,
Yours faithfully,

Encash Entertainment Limited

Hanchoti
Company Secretary

ENCASH
Value for Money





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BOARD MEMBERS

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

COMPANY SECRETARY

Ms. Hardika Pancholi

STATUTORY AUDITOR

M/s. Jyoti K Agarwal & Associates

SECRETARIAL AUDITOR

Ms. Manjula Poddar

REGISTERED OFFICE

9, Lal Bazar Street,
3rd Floor, Mercantile Building,
Kolkata - 700001
Tel : +91 33 40063970
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 Nineth Annual General Meeting of **Encash Entertainment Limited** will be held on 20th September, 2017 at 03:00 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, 2017, together with the Reports of the Board of Directors and the Auditors thereon; and
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 auditors of the company to hold office from the conclusion of this Annual General Meeting until the conclusion of fifth consecutive Annual General Meeting and to fix their remuneration, and if thought fit, to pass, with or without modification(s) the following resolution as a Ordinary Resolution :

“**RESOLVED THAT** pursuant to the provisions of Section 139, 142 and all other applicable provisions, if any, of the Companies Act, 2013 and the Rules framed there under, as amended from time to time, the Company hereby ratifies the appointment of M/s Jyoti K Agarwal & Associates, Chartered Accountants (Firm Registration No. 325111E), as Auditors of the Company to hold office from the conclusion of this Annual General Meeting (AGM) till the conclusion of next AGM of the Company to be held in the year 2018 and that the Board be and is hereby authorized to fix such remuneration as may be determined by the Audit Committee in consultation with the Auditors, in addition to reimbursement of all out-of-pocket expenses as may be incurred in connection with the audit of the accounts of the Company”.

SPECIAL BUSINESS

4. Re-appointment of Mr. Sachet Saraf (DIN : 01377285), as Managing Director of the Company.

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 Managing Director of the Company for a period of one year commencing from 18.01.2017 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.

RESOLVED FURTHER that the Board of Directors be and is hereby authorized to alter or vary the scope of remuneration of Mr. Sachet Saraf, Managing Director including the monetary value thereof, to the extent recommended by the Nomination and Remuneration Committee from time to time as may be considered appropriate, subject to the overall limits specified by this resolution and the Companies Act, 2013.

RESOLVED FURTHER that any one of the Directors or Company Secretary of the Company be and are hereby authorized to do all necessary acts, deeds and things, which may be usual, expedient or proper to give effect to the above resolution.”

5. Re-appointment of Mrs. Suman Saraf (PAN : AJNPA2836J), as Chief Financial Officer of the Company.

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 Section 203 of the Companies Act, 2013 read with Rule 8 of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, and other applicable provisions, if any, of Companies Act, 2013, as amended or re-enacted from time to time, Mrs. Suman Saraf (PAN : AJNPA2836J) , be and hereby appointed as “Chief Financial Officer of the Company” (“CFO”) on the Terms and Conditions including the terms of remuneration as recommended by the Nomination and Remuneration Committee with the liberty to the Board of Directors to alter or vary the same as may be agreed to between the Board of Directors and Mrs. Suman Saraf.”

RESOLVED FURTHER that any one of the Directors or Company Secretary of the Company be and are hereby authorized to do all necessary acts, deeds and things, which may be usual, expedient or proper to give effect to the above resolution.”

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.
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 by the Company not less than 48 hours before the commencement of the meeting. A person can act as Proxy on behalf of Members not exceeding 50 and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights. In case a Proxy is proposed to be appointed by a Member holding more than 10% of the total share capital of the Company carrying voting rights, then such person shall not act as a Proxy for any other Member.
3. Members / proxies / authorized representatives should bring the duly filled attendance slip enclosed herewith to attend the meeting.
4. Corporate Members are requested to send to the Registered Office of the Company, a duly certified copy of the Board Resolution, pursuant to Section 113 of the Companies Act, 2013, authorizing their representative to attend and vote at the Annual General Meeting.
5. The Register of Members and Transfer Books of the Company will remain closed from 14th September, 2017 till 20th September, 2017 both days inclusive, for the purpose of AGM.
6. Members holding shares in physical form are requested to consider converting their holdings to dematerialized form to eliminate all risks associated with physical shares and for ease of portfolio management. Members can contact the Company or CBMSPL for assistance in this regard.
7. SEBI & Ministry of Corporate Affairs (MCA) is promoting electronic communication as a contribution to greener environment. Accordingly, as a part of green initiative soft copy of the Annual Report 2016-17 is being sent to all the members whose email address(es) are registered with the Company/Depository Participant(s) unless any member has requested for a hard copy of the same. Further, in accordance with Listing Regulations and Section 136 of the Companies Act, 2013 including Rules made thereunder hard copy of Abridged Annual Report 2016-17 is being sent to all other members who have not registered their email address(es).

Members, who have not yet registered their email address with the Company/RTA/Depository Participant, are requested to do the same at the earliest by submitting the duly filled in “e-Communication Registration Form” (available on Company’s website www.encashentertainment.com in the ‘Investor’ section) to the Company/RTA. Members can also submit their form along with attendance slip at the Registration Counter at the AGM. Members holding shares in dematerialized form are requested to register their email address

with their Depository Participant only. Even after registering for e-communication, members are entitled to receive such communication in physical form, upon receipt of request for the same, free of cost.

8. 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.
9. 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 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.

10. 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.
11. 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.
12. 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.
13. 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.
14. The Notice of AGM, Annual Report and Attendance Slip are being sent in electronic mode to Members whose e-mail IDs are registered with the Company or the Depository Participant(s) unless the Members have registered their request for a hard copy of the same. Physical copy of the Notice of AGM, Annual Report and Attendance Slip are being sent to those Members who have not registered their e-mail IDs with the Company or Depository Participant(s). Members who have received the Notice of AGM, Annual Report and Attendance Slip in electronic mode are requested to print the Attendance Slip and submit a duly filled in Attendance Slip at the registration counter to attend the AGM.

Place : Kolkata

Date : 09.08.2017

Registered Office :

9, Lal Bazar Street

3rd Floor, Mercantile Building

Kolkata - 700001

CIN : L92413WB2008PLC124559

Tel : 033 40063970

E-mail : encashentertainment@gmail.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

This explanatory statement is provided though strictly not required as per Section 102 of the Act.

M/s Jyoti K Agarwal & Associates, (ICAI Firm Registration No. 325111E), Chartered Accountants, Kolkata were appointed as the statutory auditors of the Company for a period of four years at the Annual General Meeting (AGM) of the Company held on 22.09.2014.

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. Accordingly, ratification of the members is being sought for the proposal contained in the Resolution set out at item no. 3 of the Notice.

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 was appointed as Managing Director of the Company on January 18, 2016 and upon expiration of his tenure he was re-appointed in the Board Meeting held on January 18, 2017 for a period of 1 year with effect from January 18, 2017.

The Board of Directors at its meeting held on January 18, 2017, have recommended to re-appoint Mr. Sachet Saraf as Managing Director of the Company on the remuneration as recommended by the Nomination and Remuneration Committee for a further period of one year, commencing from January 18, 2017 and upto January 17, 2018 subject to necessary approvals.

The Board had further authorized Nomination and Remuneration Committee to approve the revision in the remuneration from time to time within the limit as approved by the Board.

The re-appointment of Mr. Sachet Saraf is appropriate and in the best interest of the Company. Thus, the Board of Directors recommends the resolution set out at Item no. 4 of the notice for your approval.

The remuneration payable to the abovementioned Director is given below :

(i) Fixed Compensation : Up to a maximum of Rs. 6,00,000 per annum

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

This may also be treated as a written memorandum setting out the terms of reappointment of Mr. Sachet Saraf, pursuant to section 190 of the Companies Act, 2013.

Item No. 5

Mrs. Suman Saraf was appointed as "Chief Financial Officer" (CFO) of the Company on May 29, 2015 and upon expiration of her tenure she was re-appointed in the Board Meeting held on May 30, 2017 for a period of 2 years with effect from May 29, 2017.

The Board of Directors at its meeting held on May 30, 2017, have recommended to re-appoint Mrs. Suman Saraf as CFO of the Company on the remuneration as recommended by the Nomination and Remuneration Committee for a further period of two years, commencing from May 29, 2017 and upto May 28, 2019 subject to necessary approvals.

The Board had further authorized Nomination and Remuneration Committee to approve the revision in the remuneration from time to time within the limit as approved by the Board.

The re-appointment of Mrs. Suman Saraf is appropriate and in the best interest of the Company. Thus, the Board of Directors recommends the resolution set out at Item no. 5 of the notice for your approval.

The remuneration payable to the above mentioned CFO is given below :

(i) Fixed Compensation : Up to a maximum of Rs. 4,00,000 per annum

None of the Directors are concerned or interested in the resolution. None of the Key Managerial Personnel or their relatives are concerned or interested in the resolution.

ANNEXURE

Particulars	Mr. Sachet Saraf	Mrs. Rashmi Saraf	Mrs. Suman Saraf
Date of Birth	29.11.1971	10.11.1973	02.08.1986
Date of Appointment	19.01.2011	09.01.2011	29.05.2015
Expert in Functional Area	More than 10 years of experience in film, entertainment and media sector.	4 years experience in Finance.	5 years experience in Finance.
Directorships held in other public companies (excluding foreign companies and Section 8 companies)	Vanshika Securities Limited Daga Pictures Ltd.	Vanshika Securities Limited Encash Securities Limited Daga Pictures Ltd.	Encash Securities Limited
Memberships / Chairmanships of committees of other public companies (includes only Audit Committee and Stakeholders' Relationship Committee)	NIL	NIL	NIL
Number of shares held in the Company	250800	4800	2400

Place : Kolkata
Date : 09.08.2017

Registered Office :

9, Lal Bazar Street
3rd Floor, Mercantile Building
Kolkata - 700001
CIN : L92413WB2008PLC124559
Tel : 033 40063970
E-mail : encashentertainment@gmail.com

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

Hardika Pancholi
Company Secretary

DIRECTORS' REPORT

To,
The Members

Your Directors have pleasure in presenting the Ninth Annual Report of your Company along with Audited Statement of Accounts for the financial year ended 31st March, 2017.

1. FINANCIAL SUMMARY OF THE COMPANY

The Financial Performance of your Company for the year ended 31st March, 2017 is summarized below :

(Amount in Rs. Lacs)

Particulars	31st March, 2017	31st March, 2016
Total Income	435.91	247.88
Profit/(Loss) Before Depreciation & Tax	13.03	7.38
Less : Depreciation	12.05	3.97
Profit/(Loss) Before Tax	0.98	3.41
Less : Tax Expenses	(0.49)	0.63
Profit/(Loss) For The Year	1.47	2.78
Add : Balance as per Last Financial Statements	(5.00)	(7.78)
Surplus/(Deficit) in the Statement of Profit and Loss	(3.53)	(5.00)

REVIEW OF OPERATION

During the year, the management has taken necessary steps for exploring the new Spheres in operation of STUDIO, Associate Services for Film Production, Preview Theatre, Release of Movies, Distribution of Films including exploitation of stock of Films and other rights and focussing on its Style & Fashion Segment.

MATERIAL CHANGES

There have been no material changes and commitments affecting the financial position of the company, which have occurred since 31st March, 2017, being the end of the Financial Year of the Company to which financial statements relate and date of the report.

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, 2017 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 some 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 PERSON :

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 2016-2017 your Board met 5(five) 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 2016-17, 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.	Mrs. 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, 2017 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, 2017 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.

BOARD EVALUATION

Criteria has been formulated for formal evaluation of the individual Directors, Board as a whole and the Board Committees. Every Director evaluated the performance of the other Directors (excepting himself/herself), the Board as a whole and it's Committees and provided feedback to the Nomination & Remuneration Committee reviewed the feedback and made it's recommendation to the Board for final evaluation.

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 Directors 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.

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, 2017 to the Board of Directors.

AUDITORS :**STATUTORY AUDITORS**

The Statutory Auditors M/s Jyoti K Agarwal & Associates, 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 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. Sumit Kumar Baid to undertake the Internal Audit of the Company for the F.Y. 2017-18. There stood no adverse finding & reporting by the Internal Auditor in the Internal Audit Report for the year ended 31st March, 2017.

AUDITORS' REPORT AND SECRETARIAL AUDITORS' REPORT

The auditors' report and secretarial auditors' report does not contain any qualifications, reservations or adverse remarks.

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

The details forming part of the extract from the Company's Annual Return in Form MGT 9 are annexed separately with this Report.

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, 5 (Five) 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.

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.

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 Companies Rules, 1988, 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 was 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 enjoined 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 : 30.05.2017

For and on behalf of the Board of Directors

Sachet Saraf

Managing Director

DIN - 01377285

Signing as per Board Resolution passed

Annexure I to the Board Report

FORM No MR - 3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2017

*[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, 2017 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, 2017 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 Workspace (Prevention Prohibition and Redressal) Act, 2013
 - d) Negotiable Instrument Act, 1881
 - e) Income Tax Act, 1961
 - f) Finance Act, 1994
 - g) Cinematograph Act, 1952

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 TheBombay 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 :

----- NIL -----

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.

Place : Kolkata

Dated : 29th May, 2017

Manjula Poddar

Secretary in practice :

ACS No. : 30520

C.P.No. : 11252

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.

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 Workspace (Prevention Prohibition and Redressal) Act, 2013
 - d) Negotiable Instrument Act, 1881
 - e) Income Tax Act, 1961
 - f) Finance Act, 1994
 - g) Cinematograph Act, 1952

Place : Kolkata
Dated : 29th May, 2017

Manjula Poddar
Secretary in practice :
ACS No. : 30520
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

Details of material contracts or arrangements or transactions at arm's length basis :

Sr. No.	Particulars	Details		
(a)	Name(s) of the related party and nature of relationship	Daga Pictures Limited (Same Management)	Rashmi Saraf (Director)	Rashmi Saraf (Director)
(b)	Nature of contracts/ arrangements/ transactions	Rent Agreement	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	11 months
(d)	Salient terms of the contracts or arrangements or transactions including the value, if any	As per Agreement	As per Agreement	As per Agreement
(e)	Date(s) of approval by the Board, if any	30.05.2017	27.04.2017	08.09.2016
(f)	Amount paid as advances, if any	Nil	Nil	Nil

For and on behalf of the Board of Directors

Sachet Saraf

Managing Director

DIN - 01377285

Signing as per Board Resolution passed

Place : Kolkata

Date : 30.05.2017

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)

Composition of the Board as on 31st March, 2017

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, 2017, 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

Declaration by an Independent Director(s) and re-appointment, if any

The Companies Act, 2013 provides for appointment of Independent Directors. Section 149(10) of the Companies Act, 2013 (effective from April 1, 2014) provides that Independent Directors shall hold the office for a term of upto five consecutive years on the Board of a Company; and shall be eligible for re-appointment on passing a Special Resolution by the Shareholders of the Company.

The Company has received the necessary declaration from each independent director under section 149(7) of the Companies Act, 2013, that they meets the criteria of independence laid down under section 149(6) of the Companies Act, 2013.

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 five times during the financial year i.e. from April 1, 2016 to March 31, 2017.

BRIEF INFORMATION ABOUT DIRECTORS		Attendance Record During Financial Year 2016-17			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	5	5	YES	250,800
Non-Executive Directors					
RASHMI SARAF	02096360	5	5	YES	4,800
RAJESH KUMAR SINGHANIA	00122786	5	5	YES	NIL
SURENDRA KUMAR SETHIA	00446974	5	5	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 2016-2017, 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 20th March, 2017 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.

COMMITTEES OF THE BOARD

As on 31st March, 2017, 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 2017 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 :

Name	Designation	Category
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 2016-17, Four meetings of the Audit Committee were held on 15th May, 2016, 10th August, 2016, 12th November, 2016 and 13th January, 2017. Details of Audit Committee Meeting held and attended by the Members during the financial year 2016-17 are as follows :

Name	Designation	No. of Meetings held during the year	No. of Meetings Attended
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

The purpose of the committee is to oversee the Company's Nomination process for the Top-level Management and specifically to identify, screen and review individuals qualified to serve as Executive Directors, Non-executive

Directors and Independent Directors consistent with criteria approved by the Board and to recommend, for approval by the Board, nominees for election at the AGM. The committee also makes recommendations to the Board on candidates for (i) nomination for election or re-election by the shareholders; and (ii) any Board vacancies that are to be filled.

The committee may act on its own in identifying potential candidates, inside or outside the Company, or may act upon proposals submitted by the Chairman of the Board. The committee will review and discuss all matters pertaining to candidates and will evaluate the candidates in accordance with a process that it sees fit and appropriate, passing on the recommendations for the nomination to the Board. The committee coordinates and oversees the annual self-evaluation of the performance of the Board and of individual directors in the governance of the Company.

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 Nomination and Remuneration Committee reviews and makes recommendations on remuneration of Managing Director and Whole Time Directors based on their performance and defined assessment criteria. The committee takes into consideration the remuneration practices followed by leading companies while determining the overall remuneration package.

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, 2017 are given below :

Name of Director	Salary & Allowances	Perquisites / Other Benefits	Sitting Fees	Total
Sachet Saraf (MD)	500000.00	0.00	28000.00	528000.00

Details of remuneration to other directors

Details of remuneration to the Non-Executive and Independent Directors during the year ended 31st March, 2017 are given below :

Name of Directors	Sitting Fees
Rajesh Kumar Singhania	28000
Surendra Kumar Sethia	28000
Rashmi Saraf	28000

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 :

Name	Designation	No. of Meetings held during the year	No. of Meetings attended
Rajesh Kumar Singhania	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 :

- The redressal of investors complaints viz. non-receipt of annual report, dividend payments etc.
- Matters related to share transfer, issue of duplicate share certificate, dematerializations.
- Also delegates powers to the executives of our Company to process transfers etc.

Compliance Officer

Miss Hardika Pancholi, Company Secretary and Compliance Officer, is the Compliance Officer for complying with requirements of Securities Laws and Listing Agreements with Stock Exchanges.

Prohibition of Insider Trading

With a view to regulate trading in securities by the directors and designated employees, the Company has adopted a Code of Conduct for Prohibition of Insider Trading.

Investor Grievance Redressal

There was no complaint received during the year.

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 :

The date and time of Annual General Meetings held during last three years, are as follows :

Year	Date	Time	Venue	Special Resolution Passed
2015-16	30.09.2016	03:00 P.M	Registered Office	NONE
2014-15	15.09.2015	03:30 P.M	The Calcutta Swimming Club	1. Approval of MD's Remuneration
2013-14	22.09.2014	11:00 A.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, 2017 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 new the 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-ids exclusively for investor servicing : **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.

Financial Year - April 1, 2016 to March 31, 2017

Listing on Stock Exchanges -

Equity Shares

BSE Limited (BSE SME)

Phiroze Jeejeebhoy Towers,
Dalal Street, Mumbai - 400 001
Scrip Code 538684

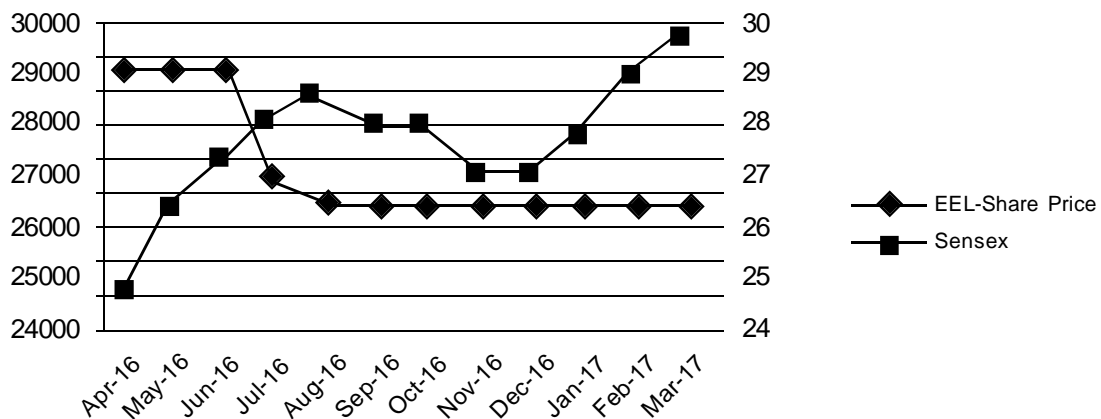
Stock market price data

Monthly high and low quotations and volume of shares traded on Bombay Stock Exchange Ltd. (BSE SME) during the year ended 31st March, 2017.

Month	B S E	
	Closing	Sensex
April 2016	28.90	25060.62
May 2016	28.90	26667.96
June 2016	28.90	26999.72
July 2016	26.35	28051.86
August 2016	25.85	28452.17
September 2016	25.85	27865.96
October 2016	25.85	27930.21
November 2016	25.85	26652.81
December 2016	25.85	26626.46
January 2017	25.85	27655.96
February 2017	25.85	28743.32
March 2017	25.85	29620.50

Graph :

Performance comparison Chart with BSE - Sensex :

**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, Website: www.cbmsl.com

Distribution of shareholding on 31.03.2017

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	302	895,500	22.9822
3001 – 4000	2	7,200	0.1848
4001 - 5000	101	504,400	12.9450
5001 - 10000	48	395,250	10.1437
10001 - 50000	34	636,250	16.3288
50001 – 100000	1	63,000	1.6168
Above 100000	3	1,393,696	35.7679
TOTAL	492	3,896,496	100.0000

Shareholding Pattern as on 31.03.2017

Category	Number of Shares held	% of issued paid up share capital
Promoters	1268496	32.55%
Bodies Corporate	387000	9.93%
Indian Public	2231000	57.26%
Trusts	10000	0.26%
Grand Total	3896496	100.00%

Shareholding Pattern of top ten Shareholders as on 31.03.2017 :

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

Sl. No.	Name of Shareholder	Number of Equity share capital	Percentage Holding
1	Rohana Commosales Private Limited	142000	3.64
2	Satyam Securities And Finance Private Limited	63000	1.62
3	Gopal Krishna Agarwal	48000	1.23
4	Purple Tradecomm Private Limited	38000	0.98
5	P B Ispat Private Limited	35000	0.90
6	Innovative Commercial Private Limited	30000	0.77
7	Yuvraj Johar	28000	0.72
8	Abhayan Trader Private Limited	25000	0.64
	Shila Singh	25000	0.64
9	Parag Gandhi	24250	0.62
10	Roop Chand Rosniwal	21000	0.54
	Amit Kumar Modi	21000	0.54

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, 2017, 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, 2017.

Place : Kolkata

Date : 30.05.2017

Sachet Saraf

Managing Director

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, 2017 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, 2017 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 : 30.05.2017

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, 2017, 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 an 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 : 30.05.2017

For JYOTI K AGARWAL & ASSOCIATES
Chartered Accountants
Firm Registration No. 325111E
(Jyoti Agarwal, FCA)
Partner
Membership No. 061301

Annexure II to the Board Report

**FORM NO. MGT 9
EXTRACT OF ANNUAL RETURN
as on financial year ended on 31.03.2017**

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 : 033-40063970
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	NIC Code of the Product / service	% to total turnover of the company
1.	PRODUCTION OF MOVIES & STUDIO OPERATION	59111	1.88%
2.	STYLE & FASHION	74101	93.80%

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	
A. Promoters									
1. Indian									
a) Individual/ HUF	255600	12000	267600	6.87	255600	12000	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
Sub Total:(A) (1)	1256496	12000	1268496	32.55	1256496	12000	1268496	32.55	0.00
2. Foreign									
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
Sub Total:(A) (2)	0	0	0	0.00	0	0	0	0.00	0.00
Total Shareholding of Promoter (A)= (A)(1)+(A)(2)	1256496	12000	1268496	32.55	1256496	12000	1268496	32.55	0.00
B. Public Shareholding									
1. Institutions									
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	18000	0	18000	0.46	0	0	0	0.00	(0.46)
Sub Total (B)(1):	18000	0	18000	0.46	0	0	0	0.00	(0.46)
(2)Non Institutions									
a) Bodies corporate									
i) Indian	101000	0	101000	2.59	384000	3000	387000	9.93	7.34
ii) Overseas	0	0	0	0.00	0	0	0	0.00	0.00
i) Individual shareholders holding nominal share capital upto Rs.1 lakhs	2020650	339350	2360000	60.57	1489400	263350	1752750	44.98	(15.58)
ii) Individual shareholders holding nominal share capital in excess of Rs. 1 lakhs	139000	0	139000	3.57	436250	42000	478250	12.27	8.71
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
Sub Total (B)(2):	2260650	349350	2610000	66.98	2309650	318350	2628000	67.45	0.46
Total Public Shareholding (B)= (B)(1)+(B)(2)	2260650	349350	2610000	66.98	2309650	318350	2628000	67.45	0.46
C. Shares held by Custodian for GDRs & ADRs	0	0	0	0.00	0	0	0	0.00	0.00
Grand Total (A+B+C)	3535146	361350	3896496	100	3566146	330350	3896496	100	0.00

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
	TOTAL	1256496	32.55	0.00	1256496	32.55	0.00	0.00

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	1256496	32.25	1256496	32.25
	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	1256496	32.25	1256496	32.25

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
	For Each of the Top 10 Shareholders				
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	Purple Tradecomm Private Limited	38000	0.98	38000	0.98
5	P B Ispat Private Limited	35000	0.90	35000	0.90
6	Innovative Commercial Private Limited	30000	0.77	30000	0.77

7	Yuvraj Johar	28000	0.72	28000	0.72
8	Abhayan Trader Private Limited	25000	0.64	15000	0.64
	Shila Singh	25000	0.64	25000	0.64
9	Parag Gandhi	24250	0.62	24250	0.62
10	Roop Chand Tosniwal	21000	0.54	21000	0.54
	Amit Kumar Modi	21000	0.54	21000	0.54

v. Shareholding of Directors & 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 01.04.2016 & 31.03.2017	250800	6.44	250800	6.44
2.	Rashmi Saraf As on 01.04.2016 & 31.03.2017	4800	0.12	4800	0.12
3.	Suman Saraf As on 01.04.2016 & 31.03.2017	2400	0.06	2400	0.06

vi. 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	10,15,538	10,00,000	0	20,15,538
ii) Interest due but not paid	0	81,000	0	81,000
iii) Interest accrued but not due	0	0	0	0
Total (i+ii+iii)	10,15,538	10,81,000	0	20,96,538
Change in Indebtedness during the financial year				
Additions	0	0	0	0
Reduction	3,41,235	81,000	0	4,22,235
Net Change	(-3,41,235)	(-81,000)	0	(-4,22,235)
Indebtedness at the end of the financial year				
i) Principal Amount	6,74,303	10,00,000	0	16,74,303
ii) Interest due but not paid	0	81,000	0	81,000
iii) Interest accrued but not due	0	0	0	0
Total (i+ii+iii)	6,74,303	10,81,000	0	17,55,303

vii. 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	28,000.00	28,000.00
	Total	5,28,000.00	5,28,000.00
	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 SINGHANIA	SURENDRA KR SETHIA	
(a) Fee for attending board committee meetings	28,000.00	28,000.00	56,000.00
(b) Commission	0.00	0.00	0.00
(c) Others, please specify	0.00	0.00	0.00
Total (B1)	28,000.00	28,000.00	56,000.00

2. Other Executive / Non-Executive Director

Particulars of Remuneration	Name of Director	Total Amount (in Rs.)
	RASHMI SARAF	
(a) Fee for attending board committee meetings	28,000.00	28,000.00
(b) Commission	0.00	0.00
(c) Others, please specify	0.00	0.00
Total (B2)	28,000.00	28,000.00

Total (B) = (B1) + (B2) = Rs. 84,000.00

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

Sl. No.	Particulars of Remuneration	Key Managerial Personnel			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		3,00,000.00	2,16,000.00	4,92,000.00
		NOT	0.00	0.00	0.00
		APPLI-	0.00	0.00	0.00
2	Stock option		0.00	0.00	0.00
3	Sweat Equity	CABLE	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
	Total		3,00,000.00	2,16,000.00	5,16,000.00

viii. 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

We have audited the accompanying financial statements of **Encash Entertainment Limited** ('the company'), which comprises the Balance Sheet as at 31st March, 2017, the Statement of Profit and Loss, the Cash Flow Statement for year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements :

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ('the Act') with respect to the preparation and presentation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes the maintenance of adequate accounting records in accordance with the provision of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility :

Our responsibility is to express an opinion on these financial statements based on our audit. While conducting the audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by Company's Directors, as well as evaluating the overall presentation of the financial statements.

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.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, except for the effects of the matters described in the Basis of Qualified Opinion paragraph, the financial statements, read

together with the Notes thereon and attached thereto, give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2017, its profit and its cash flows for the year ended on that date.

Report on other Legal and Regulatory Requirements

As required by the Companies (Auditor's Report) Order, 2015 ("the Order") issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, 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, 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 appears from our examination of those books;
- c) The Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;
- d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
- e) On the basis of written representations received from the directors as on 31st March, 2017, taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2017, 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 "B"; and
- g) With respect to the other matters included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us :
 - i) The Company has no pending litigations on its financial position in its financial statements which will be effecting it going concern status and company's operation in future;
 - ii) The Company did not have any long-term contracts including derivatives contracts as at 31st March, 2017;
 - iii) There were no amounts which required to be transferred to the Investor Education and Protection Fund by the Company.
 - iv) The Company has provided requisite disclosures in the financial statements as to holdings as well as dealings in Specified Bank Notes during the period from November 8, 2016 to December 30, 2016. Based on audit procedures and relying on the management representation we report that the disclosures are in accordance with books of account maintained by the Company and as produced to us by the Management.

For, JYOTI K AGARWAL & ASSOCIATES
Chartered Accountants
Firm Registration No. 325111E

(Jyoti Agarwal, FCA)
Partner

Membership No. 061301

Place : Kolkata

Date : 30.05.2017

Annexure to Independent Auditors' 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, 2017.)

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. No material discrepancies have been 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 there under 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.

(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 : 30.05.2017

For, JYOTI K AGARWAL & ASSOCIATES
Chartered Accountants
Firm Registration No. 325111E
(Jyoti Agarwal, FCA)
Partner
Membership No. 061301

ANNEXURE - B TO THE INDEPENDENT AUDITOR'S REPORT

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

We have audited the internal financial controls over financial reporting of Encash Entertainment Limited ("the Company") as of 31st March, 2017 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

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

AUDITOR'S RESPONSIBILITY

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

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

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

MEANING OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in

accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that :

- (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and
- (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

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

OPINION

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March, 2017, 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 : 30.05.2017

For, JYOTI K AGARWAL & ASSOCIATES
Chartered Accountants
Firm Registration No. 325111E
(Jyoti Agarwal, FCA)
Partner
Membership No. 061301

BALANCE SHEET AS AT 31ST MARCH, 2017

	<u>Note</u>	As at March 31, 2017 Rs.	As at March 31, 2016 Rs.
I. EQUITY AND LIABILITIES			
Shareholder's Fund			
(a) Share Capital	2	38,964,960	38,964,960
(b) Reserve and Surplus	3	55,626,291	55,478,694
		94,591,251	94,443,654
Non-current Liabilities			
(a) Long Term Borrowings	4	1,367,929	674,705
(b) Deferred Tax Liabilities (Net)	5	(117,399)	(68,097)
		1,250,530	606,608
Current Liabilities			
(a) Short Term Borrowings	6	—	1,081,000
(b) Trade Payables	7	7,452,760	5,278,826
(c) Other Current Liabilities	8	2,089,079	1,671,995
(d) Short Term Provisions	9	130,000	130,000
		9,671,839	8,161,821
TOTAL		105,513,620	103,212,083
II. ASSETS			
Non-current Assets			
(a) Fixed Assets			
(i) Tangible Assets	10	8,475,418	2,148,467
		8,475,418	2,148,467
(b) Non - current Investments	11	13,647,600	18,347,600
(c) Other Non-current Assets	12	439,200	439,200
		22,562,218	20,935,267
Current Assets			
(a) Inventories	13	42,744,066	39,785,479
(b) Trade Receivables	14	10,678,339	9,140,432
(c) Cash and Cash Equivalents	15	3,972,919	5,024,738
(d) Short Term Loans and Advances	16	25,556,079	28,326,168
(e) Other Current Assets		—	—
		82,951,402	82,276,817
TOTAL		105,513,620	103,212,083
Notes Forming Part of the Financial Statements	1-29		

As per our report attached

For and on behalf of the Board

For Jyoti K Agarwal & Associates
Chartered Accountants

Sachet Saraf
Managing Director

Suman Saraf
Chief Financial Officer

Date : 30.05.2017

Jyoti Agarwal

Partner

Hardika Pancholi
Company Secretary

Place : Kolkata

M No. 061301

STATEMENT OF PROFIT AND LOSS FOR THE PERIOD ENDED 31ST MARCH, 2017

	<u>Note</u>	As at March 31, 2017 Rs.	As at March 31, 2016 Rs.
I. INCOME			
(a) Revenue From Operations	18	41,708,530	22,611,808
(b) Other Income	19	1,882,667	2,176,230
TOTAL REVENUE		<u>43,591,197</u>	<u>24,788,038</u>
II. EXPENSES			
(a) Operational Cost	20	34,229,890	17,094,180
(b) Employee Benefit Expenses	21	4,300,214	2,573,950
(c) Finance Costs	22	201,489	295,110
(d) Depreciation and Amortization Expenses	23	1,205,370	397,402
(e) Other Expenses	24	3,555,940	4,086,517
TOTAL EXPENSES		<u>43,492,902</u>	<u>24,447,159</u>
III. Profit before taxes		98,295	340,879
IV. Tax Expenses			
(a) Income Tax		—	130,000
(b) Deferred		(49,302)	(29,850)
(b) For Earlier Years		—	(36,803)
		<u>(49,302)</u>	<u>63,347</u>
V. Profit for the Year		<u>147,597</u>	<u>277,532</u>
VI. Earnings per Equity Share	25		
(a) Basic		0.04	0.07
(b) Diluted		0.04	0.07
Notes Forming Part of the Financial Statements	1-29		

As per our report attached

For Jyoti K Agarwal & Associates
Chartered Accountants

Jyoti Agarwal

Partner

M No. 061301

Date : 30.05.2017

Place : Kolkata

For and on behalf of the Board

Sachet Saraf

Managing Director

Suman Saraf

Chief Financial Officer

Hardika Pancholi

Company Secretary

CASH FLOW STATEMENT

DESCRIPTION	Year Ended	Year Ended
	31st March, 2017	31st March, 2016
	Rs.	Rs.
A. Cash Flow from Operating Activities		
Profit Before Tax as per Statement of Profit and Loss Account	98,295	340,879
Add : Non cash Items		
Depreciation and Amortisation Expenses	1,205,370	397,402
Operating Profit Before Working Capital Changes	1,303,664	738,281
Adjusted For :		
Inventories	(2,958,587)	(11,140,883)
Trade Receivables	(1,537,907)	10,116,608
Loans and Advances	2,770,089	(4,034,064)
Trade Payable	2,173,934	1,989,246
Other Current Liabilities	417,084	255,060
Income Tax	—	36,803
Short Term Provisions	—	(230,000)
	864,614	(3,007,230)
Cash Flow from Operating Activities (A)	2,168,279	(2,268,949)
B. Cash Flow from Investing Activities		
Purchase/ (Sale) of Investments	4,700,000	6,000,000
Increase in Non-Current Assets	—	—
Purchase of Fixed Assets	(7,532,321)	(1,612,376)
Cash Flow from Investing Activities (B)	(2,832,321)	4,387,624
C. Cash Flow from Financing Activities		
Increase in Share Capital (Incl. Security Premium)	—	—
Dividend Paid	—	(97,412)
Increase/(Decrease) in Long Term Borrowings	693,224	674,705
Increase/ (Decrease) in Short term Borrowings	(1,081,000)	(4,919,000)
Cash Flow from Financing Activities (C)	(387,776)	(4,341,708)
Net Increase in Cash and Cash Equivalents (A+B+C)	(1,051,818)	(2,223,033)
Opening Balance of Cash and Cash Equivalents	5,024,738	7,247,771
Closing Balance of Cash and Cash Equivalents	3,972,919	5,024,738

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 and on behalf of the Board

For Jyoti K Agarwal & Associates
Chartered Accountants

Sachet Saraf
Managing Director

Suman Saraf
Chief Financial Officer

Date : 30.05.2017

Jyoti Agarwal
Partner

Hardika Pancholi
Company Secretary

Place : Kolkata

M No. 061301

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

<u>Particulars</u>	<u>As at March 31, 2017</u>		<u>As at March 31, 2016</u>	
	<u>Number</u>	<u>Amount (Rs.)</u>	<u>Number</u>	<u>Amount (Rs.)</u>
2. SHARE CAPITAL				
Authorised				
Equity Share of Rs. 10/- each	10,000,000	100,000,000	10,000,000	100,000,000
Total	10,000,000	100,000,000	10,000,000	100,000,000
Issued, Subscribed and Paid-up				
Equity Share of Rs. 10/- each				
Opening	3,896,496	38,964,960	3,896,496	38,964,960
Additions	—	—	—	—
Deductions	—	—	—	—
Closings	3,896,496	38,964,960	3,896,496	38,964,960
Total	3,896,496	38,964,960	3,896,496	38,964,960

- 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.

<u>Particulars</u>	<u>As at March 31, 2017 Rs.</u>	<u>As at March 31, 2016 Rs.</u>
3 RESERVE AND SURPLUS		
Security Premium Account		
Opening Balance	55,978,876	56,076,288
Add : Addition During the Year	—	—
Less : Utilised During the Year	—	97,412
Closing Balance	55,978,876	55,978,876
Surplus in Statement of Profit & Loss As per Last Balance Sheet	(500,181)	(777,713)
Add : Net Profit for the Current Year	147,597	277,532
Less : Dividend paid for previous year	—	—
Closing Balance	(352,584)	(500,181)
Total	55,626,291	55,478,695

NOTES TO FINANCIAL STATEMENTS

<u>Particulars</u>	<u>As at March 31, 2017</u> Rs.	<u>As at March 31, 2016</u> Rs.
4 LONG TERM BORROWINGS		
Vechile Loan (Secured)		
From Bank	286,929	674,705
Unsecured Loan		
Others	1,081,000	—
Total	<u>1,367,929</u>	<u>674,705</u>

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

From HDFC Bank Ltd.

Balance Outstanding	674,303	1,015,538
Current Maturity	387,374	340,834
Non-Current Maturity	286,929	674,705

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	(68,097)	(38,247)
Add : During the year	—	—
Less : During the year	49,302	29,850
Closing Balance	<u>(117,399)</u>	<u>(68,097)</u>

6 SHORT TERM BORROWINGS

From Bodies Corporate	—	—
From Others	—	1,081,000
Total	<u>—</u>	<u>1,081,000</u>

NOTES TO FINANCIAL STATEMENTS

<u>Particulars</u>	As at <u>March 31, 2017</u> Rs.	As at <u>March 31, 2016</u> Rs.
7 TRADE PAYABLE		
For Purchases		
Dues of MSMEs	—	—
Dues of Other Than MSMEs	<u>5,962,370</u>	<u>4,296,710</u>
	5,962,370	4,296,710
For Trade Expenses		
Dues of MSMEs	—	—
Dues of Other Than MSMEs	<u>1,490,390</u>	<u>982,116</u>
	1,490,390	982,116
Total	<u>7,452,760</u>	<u>5,278,826</u>
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".		
8 OTHER CURRENT LIABILITIES		
Current Maturities on Long Term Loan (Refer Note No. 4.1)		
From Banks (Vechile Loan)	387,374	340,834
Other Payable		
IPO Expenses	1,548,455	1,206,355
Statutory Dues	153,250	124,806
Total	<u>2,089,079</u>	<u>1,671,995</u>
9 SHORT TERM PROVISIONS		
Provision for Income Tax	130,000	130,000
Total	<u>130,000</u>	<u>130,000</u>

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 01.04.16	Addition during the Period	Deletion during the Period	Closing as at 31.03.17	Opening	During the Period	Total	As at 31.03.17	As at 31.03.16
Plant & Machinery	1,273,935	5,373,571	—	6,647,506	639,007	815,333	1,454,340	5,193,166	634,928
Computer	402,270	810,656	—	1,212,926	330,077	138,222	468,299	744,627	72,193
Furniture & Fittings	97,247	1,348,094	—	1,445,341	44,327	50,239	94,566	1,350,775	52,920
Motor Car	1,826,742	—	—	1,826,742	438,316	201,576	639,892	1,186,850	1,388,426
Total	3,600,194	7,532,321	—	11,132,515	1,451,727	1,205,370	2,657,097	8,475,418	2,148,467
Last Year	1,987,818	1,612,376	—	3,600,194	1,054,326	397,401	1,451,727	2,148,467	933,492

NOTES TO FINANCIAL STATEMENTS

<u>Particulars</u>	<u>As at March 31, 2017</u>	<u>As at March 31, 2016</u>
	Rs.	Rs.
11 NON-CURRENT INVESTMENTS		
(Long Term Investments)		
Trade Investments		
In Equity Shares - Unquoted, fully paid up		
18000 (18000) AROMATIC TIE UP PVT. LTD.	18,000	18,000
1072 (1072) BAVISCON TRADECOM PVT. LTD.	1,072,000	1,072,000
18500 (18500) EXPERT DEALERS PVT. LTD.	18,500	18,500
0 (3066) FAIRLAND SALES PVT. LTD.	—	3,066,000
1095 (1095) HAPPY VINCOM PVT. LTD.	1,095,000	1,095,000
21 (21) INNOVATIVE COMMERCIAL PVT. LTD.	2,100	2,100
3011 (3011) LINKPOINT TRADELINKS PVT. LTD.	3,011,000	3,011,000
3300 (3300) NILGIRI VINTRADE PVT. LTD	3,300,000	3,300,000
505 (505) RANGOLI DEALTRADE PVT. LTD.	505,000	505,000
3100 (3100) SANSKAR DEALTRADE PVT. LTD.	3,100,000	3,100,000
1526 (3160) TRIDENT DEALERS PVT. LTD.	1,526,000	3,160,000
Total	13,647,600	18,347,600
Aggregate amount of unquoted investments	13,647,600	18,347,600
12 OTHER NON-CURRENT ASSETS		
Exchange Deposit	439,200	439,200
Total	439,200	439,200
13 INVENTORIES		
As certified by the Management		
Finished Goods	7,565,840	7,715,310
Work in Progress	35,178,226	32,070,169
Total	42,744,066	39,785,479
14 TRADE RECEIVABLE		
Unsecured, Considered Good		
Trade Outstanding for a period exceeding six months	—	4,965,202
Others	10,678,339	4,175,230
Total	10,678,339	9,140,432

NOTES TO FINANCIAL STATEMENTS

<u>Particulars</u>	As at <u>March 31, 2017</u> Rs.	As at <u>March 31, 2016</u> Rs.
15 CASH AND CASH EQUIVALENTS		
Cash and Cash Equivalents		
Cash in Hand	1,461,195	386,928
Balances with Banks In Current Accounts	<u>2,511,724</u>	<u>4,637,810</u>
Total	<u><u>3,972,919</u></u>	<u><u>5,024,738</u></u>
16 SHORT TERM LOANS AND ADVANCES		
Unsecured, Considered Good		
Advance For Expenses	17,175	16,695
Advance For Furniture (Studio)	—	382,483
Advance For Plant & Machinery (Studio)	—	920,500
Advance For Premises (Studio) Tolly - (I) (II) (III)	250,000	230,000
Advances (Studio) Others	4,218,600	2,392,367
Advances For Camera	—	1,500,000
Deposit CESC Studio Tolly - I	1,33,835	—
Loans to Corporates	20,520,315	22,661,131
Balance with Income Tax Authorities	416,154	222,992
Total	<u><u>25,556,079</u></u>	<u><u>28,326,168</u></u>
17 OTHER CURRENT ASSETS		
To the extent not written off		
Preliminary Expenses	—	—
Total	—	—
18 REVENUE FROM OPERATIONS		
Sale of Products	40,889,030	21,733,360
Proceeds from Studio & Film Realisation	—	100,000
Studio Operation	819,500	778,448
Total	<u><u>41,708,530</u></u>	<u><u>22,611,808</u></u>
19 OTHER INCOME		
Commission Income	—	—
Interest Income	1,821,667	2,176,230
Other Income	61,000	—
Total	<u><u>1,882,667</u></u>	<u><u>2,176,230</u></u>

NOTES TO FINANCIAL STATEMENTS

<u>Particulars</u>	As at <u>March 31, 2017</u> Rs.	As at <u>March 31, 2016</u> Rs.
20 OPERATIONAL COST		
(a) Cost of Material Sold	34,229,890	17,094,180
(b) Pictures Content**		
Opening Inventory	32,070,169	17,934,146
Add : Production Expenses	3,108,057	14,136,023
	<u>35,178,226</u>	<u>32,070,169</u>
Less : Closing Inventory	35,178,226	32,070,169
	—	—
Total (a+b)	<u><u>34,229,890</u></u>	<u><u>17,094,180</u></u>
 ** Includes cost / unamortised cost of Film Production, Films rights, Music rights, Story Rights.		
21 EMPLOYEE BENEFIT EXPENSES		
Salary & Bonus	3,901,104	2,360,670
Staff Welfare Expenses	399,110	213,280
Total	<u><u>4,300,214</u></u>	<u><u>2,573,950</u></u>
22 FINANCE COST		
Interest on Car Loan	109,989	48,051
Interest on Unsecured Loan	90,000	247,059
Other Interest	1,500	—
Total	<u><u>201,489</u></u>	<u><u>295,110</u></u>
23 DEPRECIATION AND AMORTIZATION EXPENSES		
Depreciation	1,205,370	397,402
Total	<u><u>1,205,370</u></u>	<u><u>397,402</u></u>

NOTES TO FINANCIAL STATEMENTS

<u>Particulars</u>	As at <u>March 31, 2017</u> Rs.	As at <u>March 31, 2016</u> Rs.
24 OTHER EXPENSES		
Auditor's Remuneration	51,000	51,000
Advertisement	109,977	36,278
Bank Expenses	7,757	6,721
Conveyance	185,820	169,720
Director's Sitting Fees	112,000	112,000
Exchanges Expenses	56,510	49,042
Electricity Charges	123,375	110,260
Magazine Expenses	—	224,645
General Expenses	252,113	268,504
Motor Car Expenses	350,641	278,933
Printing & Stationery	97,410	89,355
Professional Fees	430,475	379,805
Rent	291,600	278,400
Rates & Taxes	—	3,960
Studio Expenses	1,425,525	1,961,568
Telephone Expenses	51,190	45,680
Website & Logo Expenses	10,547	20,646
Total	<u>3,555,940</u>	<u>4,086,517</u>
25 EARNING PER SHARE		
Net Profit after Tax as per Statement of Profit and Loss	147,597	277,532
Number of Equity Shares	3,896,496	3,896,496
Face Value per Equity Shares	10	10
Basic Earning Per Share	0.04	0.07
Diluted Earning Per Share	0.04	0.07
26 Related Party Transactions		
Associate Company	:	Encash Securities Ltd. Daga Pictures Ltd.
Directors / Key Management Personnel	:	Sachet Saraf Rashmi Saraf

NOTES TO FINANCIAL STATEMENTS

<u>Particulars</u>	As at <u>March 31, 2017</u> Rs.	As at <u>March 31, 2016</u> Rs.
Transactions with Related Parties		
Rent Paid (in Rs.)	291,600	278,400
Total	291,600	278,400

27 SEGMENT INFORMATION

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

Revenue From Trading Activities	40,889,030	21,733,360
Revenue From Film Production	—	878,448
	40,889,030	22,611,808

28 Disclosure on Specified Bank Notes (SBNs) Specified Bank Notes (SBNs) and other denominations held and transacted during the period from November 8, 2016 to December 30, 2016, is given below as per MCA notification G.S.R 308(E) dated March 30, 2017 :

Particulars	SBNs*	Other Denomination	Total
Closing cash in hand as on November 08, 2016	8,00,000.00	4,70,784.95	12,70,784.95
(+) Permitted Receipts	—	31,66,850.00	31,66,850.00
(-) Permitted Payments	—	23,67,235.00	23,67,235.00
(-) Amount Deposited in Bank	8,00,000.00	—	8,00,000.00
Closing Cash in Hand as on December 30, 2016		—	12,70,399.95

* For the purpose of this clause, the term "Specified Bank Notes" shall have the same meaning as provided in the notification of the Govt. of India in Ministry of Finance, department of Economics Affairs number S.O. 3407(E) dated the 8th November, 2016.

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

As per our Annexed Report of even date.

For Jyoti K Agarwal & Associates
Chartered Accountants

Jyoti Agarwal
Partner
M No. 061301

Date : 30.05.2017
Place : Kolkata

For and on behalf of the Board

Sachet Saraf
Managing Director

Suman Saraf
Chief Financial Officer

Hardika Pancholi
Company Secretary

ENCASH ENTERTAINMENT LIMITED

CIN : L92413WB2008PLC124559

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

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

ATTENDANCE SLIP

(To be presented at the entrance of the hall)

9TH ANNUAL GENERAL MEETING ON WEDNESDAY SEPTEMBER 20, 2017 AT 3.00 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 : encash_entertainment@outlook.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 eighth Annual General Meeting of the Company to be held on Wednesday, September 20, 2017 at 3.00 P.M. at 9, Lal Bazar Street, 3rd Floor, Mercantile Building, Kolkata - 700001 and at any adjournment thereof in respect of such resolutions as are indicated below :

P.T.O.

..... (Tear here)

Resolution No.	Resolution Proposed
	ORDINARY BUSINESS
1	Adoption of Financial Statement, Reports of Board of Directors' and Auditors' for 2016-17
2	Re-appointment of Ms. Rashmi Saraf as a Director of the Company
3	Appointment of Auditors and fixing their remuneration
	SPECIAL BUSINESS
4	Re-appointment of Managing Director
5	Re-appointment of CFO

Affix
Re. 1/-
Revenue
Stamp

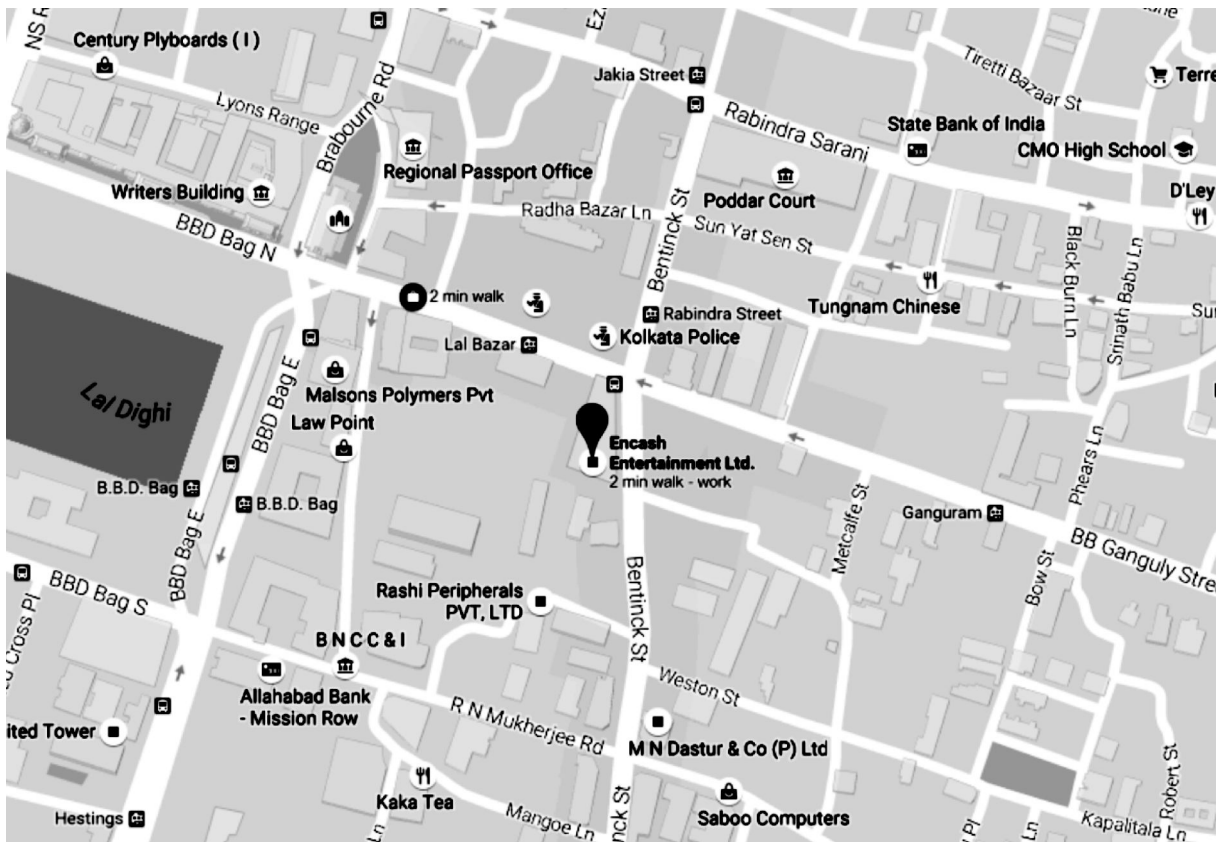
Signed this _____ day of _____ 2017

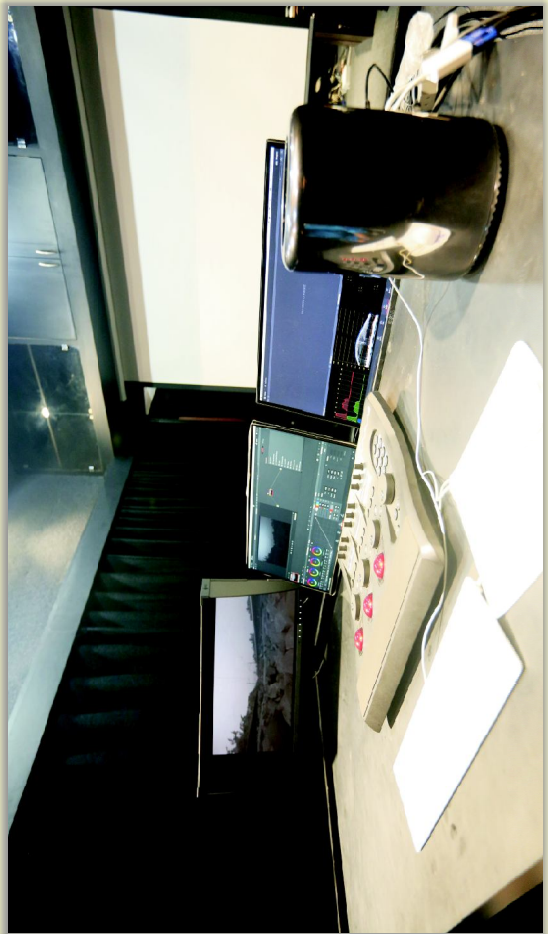
Signature of shareholder _____ Signature of Proxyholder(s) _____

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