



CINERAD COMMUNICATIONS LIMITED

ANNUAL
REPORT
2018-19



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:: Board of Directors ::

Mrs. Vinita Daga	-	Managing Director cum CEO
Mr. Pradeep Kumar Daga	-	Non-Executive Director
Ms. Kirti Sharma	-	Non-Executive Woman Director
Mr. Sudarson Kayori	-	Independent Director
Mr. Rathindra Nath Ghosh	-	Independent Director
Mr. Arun Chakraborty	-	Independent Director

:: Senior Management ::

Mr. Dilip Kumar Hela	-	Chief Financial Officer
Mrs. Pooja Goenka (resigned w.e.f. 22.05.2019)	-	Company Secretary cum Compliance Officer
Mrs. Sneha Gupta (appointed w.e.f. 01.06.2019)	-	Company Secretary cum Compliance Officer

:: Board Committees ::

Audit Committee	- - -	Mr. Arun Chakraborty (Chairman) Mr. Pradeep Kumar Daga Mr. Sudarson Kayori
Nomination and Remuneration Committee	- - -	Mr. Arun Chakraborty (Chairman) Mr. Rathindra Nath Ghosh Mr. Sudarson Kayori
Stakeholders Relationship Committee	- - -	Mr. Arun Chakraborty (Chairman) Mr. Rathindra Nath Ghosh Mr. Sudarson Kayori

Mr. Utpal Dey, Non-Executive Director of the company has been resigned w.e.f. 12.11.2018.

:: Registered Office ::

Subol Dutt Building,
13, Brabourne Road,
Mezzanine Floor,
Kolkata-700001, (W.B)
Phone: +91 33 2231 5686-5687
Fax: +91 33 22315683
E-mail: cinerad@responce.in
www.cineradcommunications.com

:: Registrar & Transfer Agent ::

Niche Technologies Pvt. Ltd.
3A Auckland Place,
7th Floor, Room No. 7A & 7B, Kolkata 700 017
Tel.: +91 33 2280 6616 / 17 / 18;
Fax: +91 33 2280 6619
E-mail: nichetechpl@nichetechpl.com

:: Auditors ::

M/s. Maroti & Associates
Chartered Accountants
9/12, Lal Bazar Street,
Block-E, 3rd Floor, Room No. 2,
Kolkata-700001, WB (India)
Tel.: +91 33 2231 9392 / 9391
Fax: +91 33 2243 8371
E-mail: mkmaroti@gmail.com

:: Company Secretary ::

Mrs. Pooja Goenka (upto 22.05.2019)
Mrs. Sneha Gupta (w.e.f. 01.06.2019)
Phone: +91 33 2231 5686
+91 33 2231 5687
E-mail: cinerad@responce.in

:: Bankers ::

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

:: Corporate Identification Number ::

L92100WB1986PLC218825

"DIRECTORS' REPORT"**To the Members,**

The Directors submit 33rd Annual Report of the Company along with the Standalone Audited Statement of Accounts for the Year ended March 31, 2019. The financial results for the year are shown below.

1. SUMMARISED FINANCIAL RESULTS :

(` in Lakhs)

Particulars	March 31, 2019	March 31, 2018
Sales and Other Income	13.89	1.53
Profit before depreciation & taxation	1.92	(10.58)
Less: Depreciation	0.00	0.00
Less: Deferred Tax	(11.88)	(0.16)
Profit after taxation	1.81	(10.74)
Add: Balance brought forward from previous year	(883.20)	(857.18)
Surplus available for appropriation	(881.40)	(883.20)
<i>Appropriations</i>		
Deferred Tax Adjustment	0.00	(15.29)
Advance for FBT Written Off	0.00	0.00
Transitional Provision for Depreciation	0.00	0.00
Balance carried to Balance sheet	(881.40)	(883.20)

2. COMPANY'S PERFORMANCE:

During the year under review, the Company has incurred an operating Profit of Rs. 1.92 lakhs as against operating loss of Rs. 10.58 lakhs for the previous year and the total Profit amounts to Rs. 1.81 lakhs as against total loss of Rs. 10.74 lakhs in the previous year. The Management is putting sincere efforts to start the operation at the full scale. The Management has decided to keep overhead to bare minimum till a new business plan with identified revenue streams is in place.

3. DIVIDEND :

Your Directors regret their inability to recommend any Dividend to equity shareholders for the year 2018-19.

4. TRANSFER OF UNCLAIMED DIVIDEND TO INVESTOR EDUCATION AND PROTECTION FUND :

Since there was no unpaid/unclaimed Dividend declared and paid in previous year, the provisions of Section 125 of the Companies Act, 2013 is not applicable to the Company.

5. SHARE CAPITAL :

The paid up equity capital as on March 31, 2019 was Rs. 520 lakhs. The company has not issued shares with differential voting rights nor granted stock options nor sweat equity, during the year.

6. FINANCE :

Cash and Cash Equivalents as at March 31, 2019 was Rs. 7.90 lakhs. The company continues to focus on judicious management of its working capital, Receivables and other working capital parameters were kept under strict check through continuous monitoring. After considering the market scenario during the year, your management of the company has invested a liquid fund into the HDFC Debt Mutual Fund to get some capital gain for meeting the expenses of the company.

7. MATERIAL CHANGES AND COMMITMENT IF ANY AFFECTING THE FINANCIAL POSITION OF THE COMPANY OCCURRED BETWEEN THE ENDS OF THE FINANCIAL YEAR TO WHICH THIS FINANCIAL STATEMENTS RELATE AND THE DATE OF THE REPORT :

No material changes and commitments affecting the financial position of the Company occurred between the end of the financial year and the date of this report.

8. RISK MANAGEMENT :

Although the company has long been following the principle of risk minimization as is the norm in every industry, it has now become a compulsion. The Board members were informed about risk assessment and after which the Board formally adopted and implemented the necessary steps for monitoring the risk management plan for the company.

9. FIXED DEPOSITS :

Your Company has not accepted any deposits within the meaning of Section 73 and 76 of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2014 as amended.

10. PARTICULARS OF LOANS, ADVANCES, GUARANTEES OR INVESTMENTS :

Pursuant to section 186 of Companies Act, 2013 and Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), disclosure on particulars relating to Loans, advances, guarantees and investments, if any, are provided as part of the financial statements.

11. PARTICULARS OF CONTRACTS OR ARRANGEMENTS MADE WITH RELATED PARTIES :

The related party transactions, if any, that were entered into during the financial year were on arm's length basis and were in the ordinary course of the business. There are no materially significant related party transactions made by the company with Promoters, Key Managerial Personnel or other designated persons which may have potential conflict with interest of the company at large.

12. SUBSIDIARY COMPANIES :

Provisions of section 129(3) of the Companies Act, 2013 are not applicable to our Company as we does not have any subsidiary.

13. ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO :

The Company does not attract the provisions of Section 134(3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014. Therefore, the question of furnishing the information in Form A annexed to the aforesaid Rules does not arise.

Company's activities are production of advertisement film by using in-house knows how and no outside technology is being used for making advertisement films. During the year the company does not get any contract for production of advertisement films. Therefore no technology absorption is required.

During the period under review there was no foreign exchange earnings or out flow.

14. SIGNIFICANT AND MATERIAL ORDERS :

There are no significant and material order passed by the regulators or courts or tribunals impacting the going concern status and Company's operation in future.

15. INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY :

The Company has an Internal Control System, commensurate with the size, scale and complexity of its operations. The scope and authority of the Internal Audit function is defined in the Internal Audit Manual. To maintain its objectivity and independence, the Internal Audit function reports to the Chairman of the Audit Committee of the Board & to the Chairman & Managing Director.

The Internal Audit Department monitors and evaluates the efficacy and adequacy of internal control system in the Company, its compliance with operating systems, accounting procedures and policies at locations of the Company.

Based on the report of internal audit function, process owners undertake corrective action in their respective areas and thereby strengthen the controls. Significant audit observations and recommendations along with corrective actions thereon are presented to the Audit Committee of the Board.

16. CODE OF CONDUCT :

The Board of Directors has a Code of Conduct which is applicable to the Members of the Board and all employees in the course of day to day business operations of the company.

The Code has been posted on the Company's website. The Code lays down the standard procedure of business conduct which is expected to be followed by the Directors and the designated employees in their business and in particular on matters relating to integrity in the work place, in business practices and in dealing with stakeholders.

The Code gives guidance through examples on the expected behavior from an employee in a given situation and the reporting structure. All the Board Members and the Senior Management Personnel have confirmed compliance with the Code. All Management Staff were given appropriate training in this regard.

17. RELATED PARTY TRANSACTION POLICY :

The policy regulates all transactions between the company and its related parties. The policy is available on the website of the company (<http://www.cineradcommunications.com/Policy%20of%20Related%20Party%20Transaction.pdf>)

18. CORPORATE SOCIAL RESPONSIBILITY :

The provision of Section 135 of the Companies Act, 2013 read with Companies (Corporate Social Responsibility Policy) Rules, 2014 are not applicable to our Company and hence the said committee not constituted.

19. HEALTH, SAFETY AND ENVIRONMENT PROTECTION :

The Company has complied with all the applicable environmental law and labour laws. The Company has been complying with the relevant laws and has been taking all necessary measures to protect the environment and maximize worker protection and safety.

20. BUSINESS RESPONSIBILITY REPORT :

The SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015 mandates inclusion of Business Responsibility Report (BRR) as part of the Annual Report for top hundred listed entities based on market capitalization. We do not fall in the top hundred listed entities and hence not provided the BRR as part of our Annual Report.

21. CORPORATE GOVERNANCE AND MANAGEMENT DISCUSSION & ANALYSIS REPORT :

Pursuant to Regulation 34 read with Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 with the Stock Exchange and requirements under the Companies Act, 2013, the Report on Corporate Governance together with Statutory Auditors view and management discussion & analysis report regarding compliance of the SEBI code of Corporate Governance is annexed herewith.

22. AUDITORS :***Statutory Auditors:***

M/s. Maroti & Associates, Chartered Accountants (Firm Registration Number: 322770E), Statutory Auditors of the Company, will hold office up to the 36th Annual General Meeting of the Company to be held in respect of financial year 2022, as per the Companies Act, 2013.

Secretarial Auditor :

As required under section 204 (1) of the Companies Act, 2013 the Company has obtained a secretarial audit report.

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 M/s. P D Rao & Associates, Practicing Company Secretaries (C.P. No. 14385 & Membership Number A38387) to undertake the Secretarial Audit of the Company. The Secretarial Audit report for the financial year ended 31st March, 2019 is annexed herewith as "Annexure - A" to this report.

23. DIRECTOR'S RESPONSIBILITY STATEMENT :

The Financial Statement are prepared in accordance with the Generally Accepted Accounting Principles (GAAP) under the historical cost convention on accrual basis except for certain financial instruments which are measured at fair value. GAAP comprises mandatory accounting standards as prescribed under section 133 of the Companies Act, 2013 ("the Act") read with Companies (Accounts) Rules, 2014, the provision of the Act (to the extent notified) and guidelines issued by the Securities and Exchange Board of India (SEBI). There are no material departures from the prescribed accounting standards in the adoption of these standards. In terms of Section 134 (5) of the Companies Act, 2013, the directors would like to state that:

- i) In the preparation of the annual accounts, for the financial year ended March 31, 2016 the applicable accounting standards have been followed.
- ii) The directors have selected such accounting policies and applied them consistently and made judgments and estimates that were reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit or loss of the Company for the year under review.
- iii) The directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- iv) The directors have prepared the annual accounts on a going concern basis.
- v) The directors had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.
- vi) The directors had devised proper system to ensure compliance with the provisions of all applicable laws and that such system were adequate and operating effectively.

24. DIRECTORS AND KEY MANAGERIAL PERSONNEL :

Director Mr. Pradeep Kumar Daga (DIN: 00080515) retire by rotation and, being eligible, offer himself for re appointment.

Mr. Utpal Dey (DIN: 06931935) has been resigned from the post of Non-Executive Director w.e.f. 12th November, 2018.

Pursuant to Sections 196, 197, 203 and any other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, read with Schedule V to the Companies Act, 2013,

reappointment of Mrs. Vinita Daga (DIN: 00080647), as the Managing Director for a period of five years with effect from 1st February, 2019 up to 31st day of January, 2024.

Pursuant to the provisions of section 203 of the Act, the Key Managerial Personnel of the Company as on 31.03.2019 are Mrs. Vinita Daga (DIN:00080647), Managing Director, Mr. Dilip Kumar Hela, Chief Financial Officer and Mrs. Pooja Goenka, Company Secretary.

25. PARTICULARS OF EMPLOYEES :

During the period under review, no employee of the Company drew remuneration in excess of the limits specified under the provisions of Section 197(12) of the Companies Act, read with Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and hence no disclosure is required to be made in the Annual Report.

26. PRESERVATION OF DOCUMENTS :

All the documents as required under the Act, has been properly kept at the registered office of the Company.

27. LISTING WITH STOCK EXCHANGE :

The Company confirms that it has not defaulted in paying the Annual Listing Fees for the financial year 2018-19 to the Bombay Stock Exchange Limited (BSE) where the shares of the Company are listed.

28. FRAUD REPORTING:

There was no fraud reported by the Auditors of the Company under Section 143(12) of the Companies Act, 2013, to the Audit Committee or the Board of Directors during the year under review.

29. SECRETARIAL STANDARDS OF ICSI :

The Company is in compliance with the relevant provisions of Secretarial Standards on Meetings of the Board of Directors (SS-1) and General Meetings (SS-2) issued by the Institute of Company Secretaries of India and approved by the Central Government and other applicable Secretarial Standards from time to time.

30. DECLARATION BY INDEPENDENT DIRECTORS :

The Company has received necessary declaration from each independent director under section 149(7) of the Companies Act 2013 that he/she meets the criteria laid down in Section 149(6) of the Act and Regulation 25 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

31. COMMITTEES OF THE BOARD :

Currently, the Board has three committees: the Audit Committee, the Nomination and Remuneration Committee and the Stakeholders Relationship Committee. During the year 4 (Four) Audit Committee Meetings, 4 (Four) Nomination & Remuneration Committee Meetings and 4 (Four) Stakeholders' Relationship Committee Meetings were convened and held. The details of which are given in the Corporate Governance Report. The