

## INDEPENDENT AUDITOR'S REPORT

To

**The Members of JAYKAY ENTERPRISES LIMITED**

**Report on the Audit of Standalone Financial Statements**

### **Opinion**

We have audited the standalone financial statements of JAYKAY ENTERPRISES LIMITED ("the Company"), which comprise the balance sheet as at 31st March 2020, and the statement of Profit and Loss including Other Comprehensive Income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the standalone financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2020, and the loss, Total Comprehensive Income, changes in equity and its cash flows for the year ended on that date.

### **Basis for Opinion**

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### **Information Other than the Standalone financial statements and Auditor's Report Thereon**

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the standalone financial statements and our auditor's report thereon.

Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other Information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, Total Comprehensive Income, changes in equity and cash flows of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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 statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so. Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

### **Auditor's Responsibilities for the Audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

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

As required by 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 it appears from our examination of those books.
- (c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, statement of changes in Equity and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- (d) In our opinion, the aforesaid standalone financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- (e) On the basis of the written representations received from the directors as on 31st March, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2020 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".
- (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014 as amended, in our opinion and to the best of our information and according to the explanations given to us:
  - i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements -Refer Note No 26(b). to the financial statements.
  - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
  - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the Annexure A a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

**Date: 30-06-2020**  
**Place: Kanpur**

**For Gupta Vaish & Co.**  
**Chartered Accountants**  
**Registration Number: 005087C**

**Sd/-**  
**Rajendra Gupta**  
**(PARTNER)**  
**Membership Number: 073250**  
**UDIN NO 20073250AAAAAW5250**

## ANNEXURE "A" TO THE INDEPENDENT AUDITORS' REPORT

Re: JAYKAY ENTERPRISES LIMITED

The Annexure referred to in our Independent Auditors' Report to the members of the Company on the standalone financial statements for the year ended 31<sup>st</sup> March, 2020, We report that:

**i. In respect of its Fixed Assets:**

- (a) The Company has maintained proper records showing full particulars, including Quantitative details and situation of fixed assets other than furniture and fixtures and office equipments.
- (b) The assets have been physically verified by the management during the year. No material discrepancies were noticed on such verification.
- (c) According to the information and explanation given to us and on the basis of our examination of the records of the company, the title deeds of the immovable properties are held in the name of the Company. However, the company does not hold title deeds of four buildings, details given below:

Total No. of Cases:	4
Gross Block:	Rs. 2,59,72,051
Net Block:	Rs. 45,14,780

**ii. In respect of its Inventories:**

The Company has stock in trade of Land and Building only and, therefore, the provisions of clause 3(ii) of the Companies (Auditor's Report) Order, 2016 are not applicable to the Company.

**iii. In respect of loans, secured or unsecured, granted by the Company to Companies, firms or other parties covered in the register maintained under section 189 of the Companies Act 2013, according to the information and explanations given to us :**

The Company has not granted any loan to Companies, firms or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Therefore the provisions of the Companies (Auditor's Report) order, 2016, are not applicable to the company.

**iv. In our opinion and according to the information and explanations given to us, the company has complied with the provisions of section 185 and 186 of the Act, with respect to the loans and investment made .**

**v. In our opinion and according to information and explanations given to us, the company has not accepted any deposits within the provisions of sections 73 to 76 or any other relevant provisions of the Companies Act , 2013 , therefore , the provisions of paragraph 3(v) of the Companies ( Auditor's Report ) order, 2016, are not applicable to the company.**

**vi. No manufacturing activities have been carried out during the year, the provisions of clause 3(vi) of the Companies (Auditor's Report) Order, 2016 are, therefore, not applicable to the Company.**

**vii. According to the information and explanations given to us, in respect of statutory and other dues:**

- (a) The Company is generally regular in depositing with appropriate authorities undisputed statutory dues including provident fund, employees' state insurance, income tax, sales tax, service tax, goods and service tax , duty of custom , duty of excise, value added tax , cess and any other statutory dues applicable to it.

According to the information and explanations given to us, no undisputed amounts payable in respect of Provident fund , Employees State Insurance , Income Tax, Sales Tax, Service Tax, goods and service tax , Duty of Custom, Duty of Excise, Value Added Tax, GST, Cess and other material Statutory dues were in arrear as at 31<sup>st</sup> March, 2020 for a period more than six months from the date they became payable.

- (b) According to the records of the company, there are no cases of income tax, sales tax, service tax, goods and service tax ,duty of custom , duty of excise or value added tax which have not been deposited on account of any dispute

- Viii. In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of dues to financial institution and banks.
- ix. In our opinion and according to the information and explanations given to us , the debentures and term loans have been applied for the purposes for which they were obtained.
- X. According to the information and explanations give to us, no material fraud by the company or on the company by its officer or employees has been noticed or reported during the year.
- Xi. 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 requisite approvals mandated by the provisions of section 197 read with schedule V to the Act.
- xii. In our opinion and according to the information and explanations given to us, the company is not a nidhi company. Therefore the provisions of paragraph 3 (xii) of the Companies (Auditor's Report ) order, 2016,are not applicable to the company.
- xiii. 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 section 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.
- XIV. 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.
- XV. 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 with directors or persons connected with him, Therefore the provisions of paragraph 3 (xv) of the Companies (Auditor's Report ) order, 2016, are not applicable to the company.
- XVI. The company is not required to be registered under section 45 – IA of the Reserve Bank of India Act, 1934.

**For Gupta Vaish & Co.**  
**Chartered Accountants**  
**Registration Number: 005087C**

**Date: 30-06-2020**  
**Place: Kanpur**

**Rajendra Gupta**  
**(PARTNER)**  
**Membership Number: 073250**

## **ANNEXURE “B” TO THE INDEPENDENT AUDITORS REPORT OF EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF JAYKAY ENTERPRISES LIMITED**

### **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 JAYKAY ENTERPRISES LIMITED (“the Company”) as of 31 March 2020 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

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

The 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.

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

#### **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 2020, 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.

**For Gupta Vaish & Co.  
Chartered Accountants  
Registration Number: 005087C**

**Date: 30-06-2020  
Place: Kanpur**

**Rajendra Gupta  
(PARTNER)  
Membership Number: 073250**

# Jaykay Enterprises Limited

Balance Sheet as at 31st March, 2020

Amount in ₹

	Note No.	As At 31st MARCH 2020	As At 31st MARCH 2019
<b>ASSETS</b>			
<b>Non-current Assets</b>			
(a) Property, Plant and Equipment	1	39,19,896	45,47,146
(b) Investment Property	2	64,62,499	67,03,333
(c) Financial Assets			
(i). Investments	3	14,11,39,400	18,39,84,352
(ii). Others	4	2,50,00,000	2,48,46,455
<b>Current Assets</b>			
(a) Inventories	5	25,70,592	25,70,592
(b) Financial Assets			
(i). Cash and cash equivalents	6	35,48,090	1,23,08,137
(ii). Bank Balances	7	27,08,07,794	20,15,25,822
(iii). Loans	8	5,25,00,000	13,16,07,728
(c) Current Tax Assets ( Net )	9	1,18,14,520	96,40,966
(d) Other current assets	10	1,17,05,287	66,16,018
<b>Total Assets</b>		<b>52,94,68,078</b>	<b>58,43,50,549</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
(a) Equity Share Capital	11	3,71,34,752	3,71,34,752
(b) Other Equity	12	44,87,25,617	52,59,03,511
<b>LIABILITIES</b>			
<b>Non Current Liabilities</b>			
Provisions	13	21,10,000	22,98,000
<b>Current Liabilities</b>			
(a) Financial Liabilities			
(i). Trade payables	14	38,12,860	9,60,093
(b). Other current liabilities	15	3,43,15,458	1,43,09,377
(c). Provisions	16	33,69,391	37,44,816
<b>Total Equity and Liabilities</b>		<b>52,94,68,078</b>	<b>58,43,50,549</b>

The accompanying notes to the financial statements 1-32  
This is the Balance Sheet referred to in our report of even date.

**For Gupta Vaish & CO.**  
Chartered Accountants

For and on behalf of the Board of Directors of  
**Jaykay Enterprises Limited**

Partner

**PRABHAT KUMAR MISHRA**  
Company Secretary

**ASHOK GUPTA**  
Managing Director

**C.P.AGARWAL**  
Chief Financial Officer

K.B.AGARWAL  
A.K.DALMIA  
R.K.TANDON  
K.N.MEHROTRA  
RENU NANDA

Directors

Place : Kanpur  
Date : 30th June, 2020.

# Jaykay Enterprises Limited

Statement of Profit and Loss for the year ended 31st March, 2020

Amount in ₹

	Note No.	For the year ended 31st March 2020	For the year ended 31st March 2019
Revenue From Operations	17	30,80,000	30,60,000
Other Income	18	5,05,78,621	6,32,41,431
<b>Total Income</b>		<b>5,36,58,621</b>	<b>6,63,01,431</b>
<b>EXPENSES</b>			
Employee benefit expenses	19	2,45,48,990	2,53,33,840
Finance costs	20	91	607
Depreciation and amortization expense		9,84,436	9,08,640
Other expenses	21	3,25,46,646	3,09,55,548
<b>Total expenses</b>		<b>5,80,80,163</b>	<b>5,71,98,635</b>
<b>Profit/(loss) before exceptional items and tax</b>		<b>(44,21,542)</b>	91,02,796
<b>Exceptional items</b>		-	-
<b>Profit/(loss) before tax</b>		<b>(44,21,542)</b>	91,02,796
<b>Tax expense:</b>			
- Current tax		-	21,67,700
<b>Profit/(loss) for the year</b>		<b>(44,21,542)</b>	69,35,096
<b>Other Comprehensive Income</b>			
<b>Items that will be reclassified to profit or loss</b>			
Fair Value change on Equity Instrument through Other Comprehensive Income [ Net of Tax ]		(7,28,44,352)	(7,69,56,944)
<b>Items that will not be reclassified to profit or loss</b>			
Re-measurement of defined benefits Plan		88,000	(49,000)
<b>Total comprehensive income for the year</b>		<b>(7,71,77,894)</b>	<b>(7,00,70,848)</b>
Earning per Equity Share of ₹ 1/- each :			
- Basic & Diluted		<b>(2.08)</b>	<b>(1.89)</b>

The accompanying notes to the financial statements 1-32

This is the statement of Profit & Loss referred to in our report of even date.

**For Gupta Vaish & CO.**  
Chartered Accountants

For and on behalf of the Board of Directors of  
**Jaykay Enterprises Limited**

Partner  
  
**PRABHAT KUMAR MISHRA**  
Company Secretary

**ASHOK GUPTA**  
Managing Director  
  
**C.P.AGARWAL**  
Chief Financial Officer

K.B.AGARWAL  
A.K.DALMIA  
R.K.TANDON  
K.N.MEHROTRA  
RENU NANDA

} Directors

Place : Kanpur

Date : 30th June,2020.

**JAYKAY ENTERPRISES LIMITED****CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH,2020**

	2019-2020 ₹	2018-2019 ₹
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
Profit / (Loss) before Tax and exceptional items as per Profit & Loss Account	(44,21,542)	91,02,796
Adjusted for		
Depreciation	9,84,436	9,08,640
Interest	91	607
Interest Received	(2,92,77,522)	(4,24,42,625)
Dividend Income	(20,00,941)	(6,20,457)
Loss/Assets Written Off	2,688	11,858
OCI Adjustment	88,000	(49,000)
Provisions / Balances written back	-	(45,972)
Profit on sale of Investment ( Net )	(3,000)	-
Operating Profit/(Loss) before Working Capital Changes	<u>(3,46,27,790)</u>	<u>(4,22,36,949)</u>
Adjusted for		
( Increase)/Decrease in Loans & Advances	7,61,21,326	3,71,09,086
Increase/(Decrease) in Trade Payables & Other Liabilities	2,22,95,423	(63,95,337)
Cash Generated from Operations	<u>6,37,88,959</u>	<u>(24,20,404)</u>
Refund /( Income Tax Payment )	6,58,698	(17,90,253)
Net Cash from Operating Activities	<u>6,44,47,657</u>	<u>(42,10,657)</u>
<b>B. CASH FLOW USED IN INVESTING ACTIVITIES</b>		
Acquisition of Fixed Assets	(1,19,040)	(7,69,488)
Investment in Associate Company	(3,00,00,000)	(3,38,95,174)
Sale of Investments (Net)	3,600	-
Interest Income	2,43,42,403	3,83,22,765
Dividend Income	20,00,941	6,20,457
Net Cash Used in Investing Activities	<u>(37,72,096)</u>	<u>42,78,560</u>
<b>C. CASH FLOW USED IN FINANCING ACTIVITIES</b>		
Interest Paid	(91)	(607)
Net Cash Used In Financing Activities	<u>(91)</u>	<u>(607)</u>
Net Increase/(Decrease) in Cash and Cash Equivalents (A+B+C)	<b>6,06,75,470</b>	67,296
Opening Balance of Cash and Cash Equivalents	<b>23,86,80,414</b>	23,86,13,118
Closing Balance of Cash and Cash Equivalents	<b>29,93,55,884</b>	23,86,80,414

**Notes :**

- Cash and cash equivalents consist of cheques, stamps in hand, balances with banks and deposits with original maturity of upto three months.
- Reconciliation of cash and cash equivalent :  
Cash and cash equivalent as per Note No.6

**35,48,090**

1,23,08,137

As per our report of even date attached

**For Gupta Vaish & CO.**

Chartered Accountants

For and on behalf of the Board of Directors of

**Jaykay Enterprises Limited**

Partner

**PRABHAT KUMAR MISHRA**  
Company Secretary**ASHOK GUPTA**  
Managing Director**C.P.AGARWAL**  
Chief Financial OfficerK.B.AGARWAL  
A.K.DALMIA  
R.K.TANDON  
K.N.MEHROTRA  
RENU NANDA

} Directors

Place : Kanpur

Date : 30th June,2020.

# Jaykay Enterprises Limited

## STATEMENT OF CHANGES IN EQUITY

Statement of changes in equity for the year ended 31st March, 2020

### A EQUITY SHARE CAPITAL

Amount in ₹

	As at 31st March 2020		As at 31st March 2019	
	No. of Shares	Amount	No. of Shares	Amount
Balance at the beginning of the year	37134752	3,71,34,752	37134752	3,71,34,752
Changes in equity share capital during the year	-	-	-	-
Balance at the end of the reporting period	37134752	3,71,34,752	37134752	3,71,34,752

### B OTHER EQUITY

Amount in ₹

	Reserve and Surplus		Total
	Retained Earnings	Other Comprehensive Income	
<b>As ON 31 MARCH 2019</b>			
Balance at the beginning of the reporting period i.e., 1st April, 2018	48,35,81,310	11,23,93,049	59,59,74,359
Other Comprehensive income for the year	(49,000)	(7,69,56,944)	(7,70,05,944)
Profit for the year	69,35,096	-	69,35,096
Total comprehensive income for the year	68,86,096	(7,69,56,944)	(7,00,70,848)
Balance at the end of the reporting period i.e., 31st March, 2019	49,04,67,406	3,54,36,105	52,59,03,511

Amount in ₹

	Reserve and Surplus		Total
	Retained Earnings	Other Comprehensive Income	
<b>As ON 31 MARCH 2020</b>			
Balance at the beginning of the reporting period i.e., 1st April, 2019	49,04,67,406	3,54,36,105	52,59,03,511
Other Comprehensive income for the year	88,000	(7,28,44,352)	(7,27,56,352)
Profit for the year	(44,21,542)	-	(44,21,542)
Total comprehensive income for the year	(43,33,542)	(7,28,44,352)	(7,71,77,894)
Balance at the end of the reporting period i.e., 31st, March, 2020	48,61,33,864	(3,74,08,247)	44,87,25,617

# Jaykay Enterprises Limited

## NOTE NO. 1

NOTES to the Financial statements for the year ended 31st March, 2020

### PROPERTY, PLANT & EQUIPMENT

Sl. No.	Fixed Assets	Gross Block				Depreciation				Net Block	
		As at 01-04-2019	Additions	Adjustment/ Deductions	As at 31-03-2020	As at 01-04-2019	For the Year	Adjustment/ Deductions	As at 31-03-2020	As at 31-03-2020	As at 31-03-2019
1	Leasehold Land	44,436	-	-	44,436	6,951	-	-	6,951	37,485	37,485
2	Buildings										
	- Non Investment Property	2,26,49,068	-	1	2,26,49,067	1,97,09,073	1,18,124	-	1,98,27,197	28,21,870	29,39,995
3	Plant & Equipment	39,21,477	92,541	53,750	39,60,268	28,55,029	4,63,575	51,062	32,67,542	6,92,726	10,66,448
4	Furniture & Fixtures and Office Equipment	2,13,836	26,500	-	2,40,336	1,29,331	19,820	-	1,49,151	91,185	84,505
5	Vehicle	20,39,910	-	-	20,39,910	16,21,197	1,42,083	-	17,63,280	2,76,630	4,18,713
	<b>TOTAL</b>	<b>2,88,68,727</b>	<b>1,19,041</b>	<b>53,751</b>	<b>2,89,34,017</b>	<b>2,43,21,581</b>	<b>7,43,602</b>	<b>51,062</b>	<b>2,50,14,121</b>	<b>39,19,896</b>	<b>45,47,146</b>
	Previous Year	2,81,19,229	7,69,488	19,990	2,88,68,727	2,36,61,904	6,67,809	8,132	2,43,21,581	45,47,146	44,57,325

## NOTE NO. 2

### INVESTMENT PROPERTY

Sl. No.	Fixed Assets	Gross Block				Depreciation				Net Block	
		As at 01-04-2019	Additions	Adjustment/ Deductions	As at 31-03-2020	As at 01-04-2019	For the Year	Adjustment/ Deductions	As at 31-03-2020	As at 31-03-2020	As at 31-03-2019
1	Buildings										
	Investment Property	96,85,722	-	-	96,85,722	29,82,389	2,40,834	-	32,23,223	64,62,499	67,03,333
	<b>TOTAL</b>	<b>96,85,722</b>	<b>-</b>	<b>-</b>	<b>96,85,722</b>	<b>29,82,389</b>	<b>2,40,834</b>	<b>-</b>	<b>32,23,223</b>	<b>64,62,499</b>	<b>67,03,333</b>
	Previous Year	96,85,722	-	-	96,85,722	27,41,558	2,40,831	-	29,82,389	67,03,333	69,44,164

**Note :** The Company does not hold title deeds of four cases of Building of which Gross Block is ₹ 2,59,72,051/- and Net Block is ₹ 45,14,780/-

# Jaykay Enterprises Limited

NOTES to the Financial statements for the year ended 31st March, 2020

## NON CURRENT ASSET

PARTICULARS	Amount in ₹	
	As At 31 March 2020	As At 31 March 2019
<b>3 Non-Current Investment</b>		
Investments ( As per Annexure ) :-		
- Quoted	10,55,71,400	17,84,15,752
- Unquoted	55,68,000	55,68,600
- Non Convertible Preference Share	3,00,00,000	-
<b>TOTAL NON-CURRENT INVESTMENT</b>	<b>14,11,39,400</b>	<b>18,39,84,352</b>
Aggregate amount for Impairment in value of Investments	7,28,44,352	7,69,56,944
Aggregate amount of quoted investment	10,55,71,400	17,84,15,752
Market value of quoted Investment	10,55,71,400	17,84,15,752
Aggregate amount of unquoted investment	55,68,000	55,68,600
<b>Category-wise non current Investment</b>		
Investment carried at cost	3,02,23,328	2,23,928
Investment measured at FVTOCI	11,09,16,072	18,37,60,424
<b>4 Other Non current Financial Asset</b>		
Fixed Deposits ( More than One year )	2,50,00,000	2,48,46,455
	<b>2,50,00,000</b>	<b>2,48,46,455</b>
<b>CURRENT ASSET</b>		
<b>5 Inventories</b>		
Stock-in-trade(Land and Building)	25,70,592	25,70,592
	<b>25,70,592</b>	<b>25,70,592</b>
<b>FINANCIAL ASSETS</b>		
<b>CASH AND BANK BALANCES</b>		
<b>6 Cash and Cash Equivalent</b>		
<b>Balance With Banks</b>		
- In Current Accounts	28,06,407	50,64,829
- In Fixed Deposits		
a). Upto 3 months	-	53,04,387
<b>Cheques on Hand</b>	7,05,109	18,96,831
<b>Cash on Hand</b>	36,574	42,090
	<b>35,48,090</b>	<b>1,23,08,137</b>
<b>7 Balance with Banks</b>		
a). Bank Balances ( Fixed Deposits upto One year ) ( including pledged with bank ₹ 1,18,69,057/- )	27,08,07,794	20,15,25,822
	<b>27,08,07,794</b>	<b>20,15,25,822</b>
<b>LOANS</b>		
<b>8 LOANS :</b>		
- Un-Secured Considered Good		
i. Related Parties	-	64,00,000
ii. Others	5,25,00,000	12,52,07,728
	<b>5,25,00,000</b>	<b>13,16,07,728</b>

# Jaykay Enterprises Limited

NOTES to the Financial statements for the year ended 31st March, 2020

Amount in ₹

PARTICULARS	As At 31 March 2020	As At 31 March 2019		
<b>9 CURRENT TAX ASSETS</b>				
Current Tax ( Net of Provision )	44,68,797	37,89,217		
Income Tax Recoverable	73,45,723	58,51,749		
	<b>1,18,14,520</b>	<b>96,40,966</b>		
<b>10 OTHER CURRENT ASSETS</b>				
Prepaid expenses	2,50,857	2,13,948		
Interest Receivable	70,38,240	49,35,373		
Other Advances	27,51,321	4,08,131		
Other Deposits	16,64,869	10,58,566		
	<b>1,17,05,287</b>	<b>66,16,018</b>		
<b>11 Equity Share Capital</b>				
<b>Authorised:</b>				
1250000000 Equity shares of Rs. 1/- each	1,25,00,00,000	1,25,00,00,000		
<b>Cumulative redeemable preference shares</b>				
200000, 11% of Rs. 100/- each	2,00,00,000	2,00,00,000		
600000, 14% of Rs. 100/- each	6,00,00,000	6,00,00,000		
200000, 15% of Rs. 100/- each	2,00,00,000	2,00,00,000		
500000 Unclassified shares of Rs. 100/- each	5,00,00,000	5,00,00,000		
	<b>1,40,00,00,000</b>	<b>1,40,00,00,000</b>		
<b>Issued, Subscribed &amp; Paid Up</b>				
37134752 Equity shares of Rs. 1/- each	3,71,34,752	3,71,34,752		
	<b>3,71,34,752</b>	<b>3,71,34,752</b>		
	<b>No. of Shares</b>	<b>No. of Shares</b>		
Equity Shares at the Beginning of the year	37134752	37134752		
Changes during the year	-	-		
Equity Shares at the end of the year	37134752	37134752		
<b>Details Of Shareholders Holding More Than 5 % Shares</b>				
	<b>As AT 31st March,2020</b>	<b>As AT 31st March,2019</b>		
<b>Name of Shareholder</b>	<b>No. of Shares Held</b>	<b>% of Shares Held</b>	<b>No. of Shares Held</b>	<b>% of Shares Held</b>
1. Smt. Sushila Devi Singhanian	4342787	11.69%	4342787	11.69%
2. Shri Yadu Pati Singhanian	2048535	5.52%	2048535	5.52%
3. J. K. Traders Ltd.	4462142	12.02%	4462142	12.02%
<b>12 Other Equity</b>				
<b>Retained Earnings</b>				
Balance at the beginning of the year			<b>49,04,67,406</b>	<b>48,35,81,310</b>
Add : Re-measurement of defined benefits Plan ( OCI )			88,000	(49,000)
Add : Net Profit for the year			(44,21,542)	69,35,096
<b>Balance at the end of the year</b>			<b>48,61,33,864</b>	<b>49,04,67,406</b>
<b>Other Comprehensive Income( OCI )</b>				
As per last balance sheet			<b>3,54,36,105</b>	<b>11,23,93,049</b>
Add:- Fair Value Changes on Equity instruments			(7,28,44,352)	(7,69,56,944)
Closing balance at the end of the year			<b>(3,74,08,247)</b>	<b>3,54,36,105</b>
			<b>44,87,25,617</b>	<b>52,59,03,511</b>
<b>Notes to Other Equity :-</b>				
12(i). Retained earnings is the cumulative profits of the Company and effect of re-measurement defined obligations. This reserve can be utilized in accordance with the provision of the Companies Act, 2013.				
(ii). Other Comprehensive Income ( OCI ) represents the Fair Value Changes of Specified items which would be re-classified to profit or loss account in future years				

## Jaykay Enterprises Limited

NOTES to the Financial statements for the year ended 31st March, 2020

### NON CURRENT LIABILITIES

PARTICULARS	Amount in ₹	
	As At 31 March 2020	As At 31 March 2019
<b>13 PROVISIONS :</b>		
Provision for Employees benefits	21,10,000	22,98,000
	<b>21,10,000</b>	<b>22,98,000</b>
<b>CURRENT LIABILITIES</b>		
<b>FINANCIAL LIABILITIES</b>		
<b>14 TRADE PAYABLES</b>		
i.Others	38,12,860	9,60,093
	<b>38,12,860</b>	<b>9,60,093</b>
<b>15 OTHER CURRENT LIABILITIES</b>		
Security Deposits	10,05,000	9,95,000
Payable to Debenture holders/Preference Shares holders *	72,96,567	72,96,567
Statutory Dues	12,38,057	7,77,061
Other Payables	2,47,75,834	52,40,749
	<b>3,43,15,458</b>	<b>1,43,09,377</b>
* These amounts have been claimed by Debentures/Preference Shares holders but held in abeyance due to non-completion of legal formalities.		
<b>Note :- Other Payables includes Employees Liabilities and advance against Sale of Property etc.</b>		
<b>16 PROVISIONS :</b>		
Provision For Employees Benefit	33,69,391	37,44,816
	<b>33,69,391</b>	<b>37,44,816</b>

# Jaykay Enterprises Limited

NOTES to the Financial statements for the year ended 31st March, 2020

		Amount in ₹	
PARTICULARS	Year ended 31st March 2020	Year ended 31st March 2019	
17	<b>Revenue From Operations</b>		
	Registrar & Transfer Agent Services	30,80,000	30,60,000
		<b>30,80,000</b>	<b>30,60,000</b>
18	<b>Other Income :</b>		
	Interest Income	2,92,77,522	4,24,42,625
	Dividend Income	20,00,941	6,20,457
	<b>Other Non-Operating Income :-</b>		
	Rent	1,32,97,000	1,37,04,000
	Profit On Sale Of Investments	3,000	-
	Miscellaneous Receipts	60,00,158	64,74,349
		<b>5,05,78,621</b>	<b>6,32,41,431</b>
19	<b>EMPLOYEE BENEFITS EXPENSES</b>		
	Salaries And Wages	1,94,55,424	2,11,69,970
	Contribution To Provident And Other Funds	32,58,686	32,32,227
	Staff Welfare Expenses	18,34,880	9,31,643
		<b>2,45,48,990</b>	<b>2,53,33,840</b>
20	<b>FINANCE COSTS</b>		
	Interest	91	607
		<b>91</b>	<b>607</b>
	<b>DEPRECIATION AND AMORTIZATION EXPENSES</b>		
	Depreciation	9,84,436	9,08,640
		<b>9,84,436</b>	<b>9,08,640</b>
21	<b>OTHER EXPENSES</b>		
	<b>Administrative Expense</b>		
	Insurance	13,56,648	7,94,781
	Rent	57,00,000	57,00,000
	Lease Rent	1,18,289	1,17,867
	Rates & Taxes	5,32,215	21,76,590
	Directors' Fee	2,90,460	2,24,200
	Auditors' Remuneration		
	- Audit Fee	70,800	70,800
	- Other Services	17,700	20,650
	Postage & Telegrame	1,39,226	17,46,786
	Courier Service Expenses	2,31,369	5,27,423
	Telephone Expenses	1,19,904	1,25,515
	Advertisement Other than Sales Promotion	7,44,790	6,32,100
	Travelling Expenses	5,02,034	4,75,374
	Conveyance Expenses	1,32,276	1,34,087
	Transport Expenses	7,31,583	7,51,736
	Office Running/Upkeeping Expenses	14,50,504	12,31,541
	Electricity charges	13,63,858	17,97,845
	Establishment Expenses	46,05,296	30,64,869
	Security service charges	11,45,210	11,10,220
	Other professional charges	15,77,710	16,38,372
	Retainer Fee	34,96,256	22,30,716
	Legal expenses	26,43,849	7,66,144
	Compensation	4,70,000	5,85,000
	Repairs and Maintenance Expenses	25,76,768	21,41,924
	Printing & Stationery	10,28,345	14,12,393
	Annual Custody Fee	3,46,852	3,45,032
	Charges General	4,08,834	3,71,727
	Listing Fee	3,54,000	2,50,000
	Annual Maintenance Charges	1,39,525	1,49,951
	Miscellaneous expenses	2,52,345	3,61,905
		<b>3,25,46,646</b>	<b>3,09,55,548</b>

**Notes on Financial Statements for the year ended 31st March, 2020**

22. (a). Deferred Tax assets have not been recognised, considering the principle of virtual certainty as stated in the Indian Accounting Standard -12 Income Taxes.
- (b). In view of brought forward losses and unabsorbed depreciation, the entry for MAT credit entitlement has not been accounted for.
- (c). Income Tax recognised in other Comprehensive Income

Particulars	31st March, 2020			31st March, 2019		
	Before Tax	Tax expense/ (benefit)	Net of Tax	Before Tax	Tax expense/ (benefit)	Net of Tax
Net gain/(losses) on fair value of equity instruments	(7,28,44,352)	-	(7,28,44,352)	(7,69,56,944)	-	(7,69,56,944)

**23. Earning per Share ( EPS ) :**

	2019-20	2018-19
	( Amount / ₹ )	
a. Net Profit(+)/Loss(-) available for Equity Share holders	(7,71,77,894)	(7,00,70,848)
b. <b>Number of Equity Shares</b> ( Denominator used for calculating EPS )	37134752	37134752
c. <b>Basic and diluted earnings per Equity Share of ₹ 1/- each</b>		
i. Before Extra Ordinary items	<b>(2.08)</b>	(1.89)
ii. After Extra Ordinary items	<b>(2.08)</b>	(1.89)

**24. Segment Reporting**

The Company has income from other sources only. Hence, no segment wise information is being furnished.

**25. Related Parties Disclosures :**

List of related parties with whom transactions have taken place during the year :

**A. Associate Company :**

- i. J. K. Cotton Ltd.
- ii. Nebula3D Services Pvt. Limited

**B. Key Management Personnel :**

1. Shri Ashok Gupta
2. Shri C.P.Agarwal
3. Shri Prabhat Kumar Mishra

Managing Director  
Chief Finance Officer  
Company Secretary

**C. Entities over Promoters/Directors have significant influence :**

- i. J.K.Cement Ltd.
- ii. AAR EMM Holdings Pvt. Limited

**D. Directors :-**

1. Smt. Vidhi Nidhipati Singhania
2. Smt. Renu Nanda
3. Dr. Krishna Behari Agarwal
4. Shri Ravindra Kumar Tandon
5. Shri Anil Kumar Dalmia
6. Shri Kedar Nath Mehrotra

**Details of Transactions are as follows;**

**1. Remuneration**

**Key management personnel :**

1. Shri Ashok Gupta	₹	38,16,040
2. Shri C.P.Agarwal	₹	25,05,472
3. Shri Prabhat Kumar Mishra	₹	19,16,389

**2. Associate Company :**

**i. Nebula3D Services Pvt. Limited :**

**a. Finance :**

**Un Secured Loan :-**

Balance at the beginning of the year	₹	64,00,000	
Add : Loan given during the year	₹	1,58,00,000	
Total	₹	2,22,00,000	
Less : Repayment during the year	₹	2,22,00,000	
Balance at the end of the year	₹	NIL	₹ NIL

**b. Preference Share Contribution ( Investment ) :-**

Preference Shares Purchased during the year

₹ 3,00,00,000

₹ 8,48,466

₹ 5,900

**ii. J.K.Cotton Limited**

Rent, Expenses recovered and Services rendered

₹ 1,95,500

3. <b>Promoters/Relatives</b>	₹		-
Rent, Interest and other expenses paid	₹	3,00,000	
4. <b>Rent, Expenses recovered and Services rendered</b>			
i. J.K.Cement Ltd.	₹	1,66,62,454	
ii. Jaykay Cem(Central) Ltd.	₹	5,900	
iii. J.K.Traders Ltd.	₹	5,900	
iv. Yadu International Ltd.	₹	5,900	
v. AAR EMM Holding Pvt. Limited	₹	23,36,400	
5. <b>Sitting Fee paid to Directors</b>	₹	2,90,460	
26. a. Balances in suppliers and Deposit accounts taken as per books are subject to confirmation/reconciliation and consequential adjustments.			
b. <b>CONTINGENT LIABILITIES</b>		<b>AS AT</b>	<b>AS AT</b>
		<b>31-03-2020</b>	<b>31-03-2019</b>
			( Amount/ ₹ )
i. In respect of claims against the Company not acknowledged as debts.			<b>Indeterminate</b>
ii. In respect of disputed demands,appeals pending with Appellate Authorities/ Courts - no provision has been considered necessary by the Management :			
- Custom Duty and Penalty		-	8,72,60,769
27. The Financial statements were approved for issue by the Board of Directors on 30th June, 2020.			
28. Previous year's figures have been restated/recasted/regrouped wherever necessary to conform to the classification of the year.			
29. The operation of the company remained closed in the month of March, 2020 due to national wise lockdown declared / announced by Government of India because of COVID 19 out break. The impact of COVID-19 may impact the underlying assumption and estimates used to prepare the company's financial statements which may differ from that considered at the time of approval of these financial statements but has no impact on the assumption relating to going concern.			
30. The Government of India on September 20, 2019, vide the Taxation Law (Amendment ) Ordinance 2019, inserted a new section 115BAA in the Income Tax Act,1961, which provides domestic companies a non-reversible option to pay Corporate tax at reduced rate effective, April 1 2019, subject to certain conditions. The company is continuing to provide for income tax at old rates.			

### 31. EMPLOYEES BENEFITS :

The Company Contributes to the following post-employment defined benefit plan in India.

Disclosure in terms of Ind AS-19 are as under:-

#### i ). Defined Contribution Plans :

The Company makes Contribution towards Provident Fund and Superannuation Fund to a defined contribution retirement benefit plan for qualifying employees. Under the plan, the Company is required to contribute a specified percentage of payroll cost to the retirement benefit plan to the fund benefits. The defined contribution plan recognised as expenses are as under :

	₹/lacs	
	2019-20	2018-19
Employer's contribution to Provident Fund	13.36	11.51
Employer's contribution to Pension Fund	3.04	1.59
Employer's contribution to Superannuation Fund	7.89	10.02

#### ii ). Defined benefit plan

The Employees Gratuity Fund Scheme managed by a Trust is a defined benefit Plan.

The present value of obligation is determined based on actuarial valuation using the projected unit credit method.

The obligation for leave encashment is recognised in the same manner as gratuity.

	Gratuity		Leave encashment	
	Funded		unfunded	
	2019-2020	2018-2019	2019-2020	2018-2019
	₹/lacs	₹/lacs	₹/lacs	₹/lacs
<b>A. Profit &amp; Loss ( P &amp; L )</b>				
1. Current Service Cost	4.44	3.61	-	-
2. Past Service Cost - Plan amendments	-	-	-	-
3. Curtailment cost/( credit )	-	-	-	-
4. Settlement cost / ( credit )	-	-	-	-
5. <b>Service Cost</b>	<b>4.44</b>	<b>3.61</b>	-	-
6. Net interest on net defined benefit liabilities / (assets )	0.19	1.64	2.70	2.85
7. Immediate recognition of (gain)/losses - other long term employee	-	-	1.34	1.00
8. <b>Cost recognised in P &amp; L</b>	<b>4.63</b>	<b>5.25</b>	<b>4.04</b>	<b>3.85</b>
<b>B. Other Comprehensive Income ( OCI )</b>				
1. Actuarial ( gain )/loss due to DBO experience	(4.93)	1.29	(0.30)	0.59
2. Actuarial ( gain )/loss due to DBO assumption changes	5.09	1.38	1.64	0.41
3. Actuarial ( gain )/loss arising during period	<b>0.16</b>	<b>2.67</b>	<b>1.34</b>	<b>1.00</b>
4. Return on plan assets ( greater)/less than discount rate	(1.04)	(2.18)	-	-
5. Actuarial ( gain )/losses recognised in OCI	(0.88)	0.49	-	-
6. Adjustment for limit on net assets	-	-	-	-
<b>C. Define Benefit Cost</b>				
1. Service Cost	4.44	3.61	-	-
2. Net interest on net defined benefit liabilities / (assets )	0.19	1.64	2.70	2.85
3. Actuarial ( gain )/losses recognised in OCI	(0.88)	0.49	-	-
4. Immediate recognition of (gain)/losses - other long term employee benefit plan	-	-	1.34	1.00
5. <b>Defined Benefit Cost</b>	<b>3.75</b>	<b>5.74</b>	<b>4.04</b>	<b>3.85</b>
<b>A. Development of Net Balance Sheet Position</b>				
1. Defined benefit obligation ( DBO )	(209.93)	(216.21)	(42.86)	(41.78)
2. Fair value of plan assets ( FVA )	206.18	210.47	-	-
3. Funded status [ surplus/(deficit) ]	(3.75)	(5.74)	(42.86)	(41.78)
4. Effect of Assets celling	-	-	-	-
5. <b>Net defined benefit asset/(liability)</b>	<b>(3.75)</b>	<b>(5.74)</b>	<b>(42.86)</b>	<b>(41.78)</b>
<b>B. Reconciliation of Net Balance Sheet Position</b>				
1. <b>Net defined benefit asset/(liability) at end of prior period</b>	(5.74)	(46.88)	(41.78)	(43.52)
2. Service Cost	(4.44)	(3.61)	-	-
3. Net interest on net defined benefit liabilities / (assets )	(0.19)	(1.64)	(2.70)	(2.85)
4. Amount recognised in OCI	0.88	(0.49)	(1.34)	(1.00)
5. Employer contribution	5.74	46.88	-	-
6. Benefit paid directly by the Company	-	-	2.96	5.59
7. Acquisitions credit/(cost)	-	-	-	-
8. Divestitures	-	-	-	-
9. Cost of termination benefit	-	-	-	-
10. <b>Net defined benefit asset/(liability) at end of current period</b>	<b>(3.75)</b>	<b>(5.74)</b>	<b>(42.86)</b>	<b>(41.78)</b>

**A. Change in Defined Benefit Obligation ( DBO )**

1. <b>DBO at end of prior period</b>	<b>216.21</b>	<b>235.61</b>	<b>41.78</b>	<b>43.52</b>
2. Current service cost	4.44	3.61	-	-
3. Interest cost on the DBO	13.66	15.07	2.70	2.85
4. Curtailment (credit)/cost	-	-	-	-
5. Settlement (credit)/cost	-	-	-	-
6. <b>Past service cost - plan amendments</b>	-	-	-	-
7. Acquisitions(credit)/cost	-	-	-	-
8. Actuarial (gain)/loss - experience	(4.93)	1.29	(0.30)	0.59
9. Actuarial (gain)/loss - demographic assumptions	-	-	-	-
10. Actuarial (gain)/loss - financial assumptions	5.09	1.38	1.64	0.41
11. Benefit paid directly by the Company	-	-	(2.96)	(5.59)
12. Benefit paid from plan assets	(24.54)	(40.75)	-	-
13. <b>DBO at end of current period</b>	<b>209.93</b>	<b>216.21</b>	<b>42.86</b>	<b>41.78</b>

**B. Change in Fair Value of Assets**

1. <b>Fair Value of assets at end of prior period</b>	<b>210.47</b>	<b>188.73</b>	-	-
2. Acquisition adjustment	-	-	-	-
3. Interest Income on plan assets	13.47	13.43	-	-
4. Employer Contributions	5.74	46.88	-	-
5. Return on plan assets greater/(lesser) than discount rate	1.04	2.18	-	-
6. Benefit paid	(24.54)	(40.75)	-	-
7. <b>Fair Value of assets at end of current period</b>	<b>206.18</b>	<b>210.47</b>	-	-

**Actuarial Assumptions:**

1. Discount Rate	5.40%	6.70%	5.40%	6.70%
	Indian Assured Lives Mortality ( 2006-08) Ult			
2. Mortality Rate				
3. Withdrawal Rate	1.00%	1.00%	1.00%	1.00%
4. Salary Escalation Rate	10.00%	10.00%	10.00%	10.00%
5. Maximum limit	2000000/-	2000000/-	-	-

## Note 32

### Company information and significant accounting policies

#### Reporting Entity

JAYKAY ENTERPRISES LIMITED (The "Company") is a company domiciled in India and limited by shares (CIN L99999UP1961PLC001187). The shares of the company are publicly traded on BSE Limited. The address of the company's registered office is Kamla Tower, Kanpur-208001.

The company is primarily involved in registrar and transfer agent services.

#### 32.1 Basis of preparation

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015.

For all periods up to and including the year ended 31<sup>st</sup> March 2017, the Company prepared its financial statements in accordance with Accounting Standards (AS) notified under section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 and in accordance with companies (Accounting Standards), Rules 2006 (erstwhile - Indian GAAP). These financial statements for the year ended 31<sup>st</sup> March 2018 are the first financial statements of the Company prepared in accordance with Ind AS.

#### 32.2 Current and non-current Classification

The Company presents assets and liabilities in the Balance Sheet based on current/ non-current classification. An asset is treated as current when:

- a) it expects to realise the asset, or intends to sell or consume it, in its normal operating cycle;
- b) it holds the asset primarily for the purpose of trading;
- c) it expects to realise the asset within twelve months after the reporting period; or
- d) the asset is cash or a cash equivalent (as defined in Ind AS 7) unless the asset is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period. All other assets are classified as non-current.

An entity shall classify a liability as current when:

- (a) it expects to settle the liability in its normal operating cycle;
- (b) it holds the liability primarily for the purpose of trading;
- (c) the liability is due to be settled within twelve months after the reporting period; or

- (d) it does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting period. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

All other liabilities are classified as non-current.

#### 32.3 Revenue recognition

##### 32.3.1 Rendering of Services

Revenue from rendering of services is recognised when the performance of agreed contractual task has been completed.

Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes, levies or duties collected on behalf of the government/ other statutory bodies.

##### 32.3.2 Interest

Interest income is recognised using the Effective Interest Method.

##### 32.3.3 Dividend

Dividend income from investments is recognised when the rights to receive payment is established.

#### 32.4 Other Claims

Other claims (including interest on delayed realization from customers) are accounted for, when there is certainty of realisation.

#### 32.5 Leases

A **finance lease** is a lease that transfers substantially all the risks and rewards incidental to ownership of an asset. Title may or may not eventually be transferred.

An **operating lease** is a lease other than a finance lease.

##### 32.5.1 Company as a lessor

**Operating leases** Lease income from operating leases (excluding amounts for services such as insurance and maintenance) is recognised in income on a straight-line basis over the lease term, unless either:

- (a) another systematic basis is more representative of the time pattern in which use benefit derived from the leased asset is diminished, even if the payments to the lessors are not on that basis; or
- (b) the payments to the lessor are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases. If payments to the lessor vary according to factors other than inflation, then this condition is not met.

Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised as an expense over the lease term on the same basis as lease income.

**Finance leases** Amounts due from lessees under finance leases are recorded as receivables at the Company's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the net investment outstanding in respect of the lease.

### **32.6 Property, Plant and Equipment (PPE)**

Land is carried at historical cost. Historical cost includes expenditure which are directly attributable to the acquisition of the land like, rehabilitation expenses, resettlement cost etc.

After recognition, an item of all other Property, plant and equipment are carried at its cost less any accumulated depreciation and any accumulated impairment losses under Cost Model. The cost of an item of property, plant and equipment comprises:

- (a) its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates.
- (b) any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.
- (c) the initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located, the obligation for which an entity incurs either when the item is acquired or as a consequence of having used the item during a particular period for purposes other than to produce inventories during that period.

Each part of an item of property, plant and equipment with a cost that is significant in relation to the total cost of the item depreciated separately. However, significant part(s) of an item of PPE having same useful life and depreciation method are grouped together in determining the depreciation charge.

Costs of the day to-day servicing described as for the 'repairs and maintenance' are recognised in the statement of profit and loss in the period in which the same are incurred.

#### **Subsequent Measurement**

Subsequent cost of replacing parts of an item of property, plant and equipment are recognised in the carrying amount of the item, if it is probable that future economic benefits associated with the item will flow to the Company; and the cost of the item can be measured reliably. The carrying amount of those parts that are replaced is derecognised in accordance with the de recognition policy mentioned below.

When major inspection is performed, its cost is recognised in the carrying amount of the item of property, plant and equipment as a replacement if it is probable that future economic benefits associated with the item will flow to the Company; and the cost of the item can be measured reliably. Any remaining carrying amount of the cost of the

previous inspection (as distinct from physical parts) is derecognised.

An item of Property, plant or equipment is derecognised upon disposal or when no future economic benefits are expected from the continued use of assets. Any gain or loss arising on such de recognition of an item of property plant and equipment is recognised in profit and Loss.

#### **Depreciation**

Depreciation on property, plant and equipment, except freehold land, is provided on straight line method based on useful life specified in schedule II to the Companies Act, 2013. The residual value of Property, plant and equipment is considered as 5% of the original cost of the asset.

Depreciation on the assets added / disposed of during the year is provided on pro-rata basis with reference to the month of addition / disposal.

Capital Expenses incurred by the company on construction/development of certain assets which are essential for production, supply of goods or for the access to any existing Assets of the company are recognised as Enabling Assets under Property, Plant and Equipment.

#### **Impairment of Assets**

The Company assesses on a forward looking basis the expected credit losses associated with its assets carried at amortized cost and FVOCI debt instruments. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

With regard to trade receivable, the Company applies the simplified approach as permitted by Ind AS 109, Financial Instruments, which requires expected lifetime losses to be recognized from the initial recognition of the trade receivables.

The Company assesses at the end of each reporting period whether there is any indication that an asset may be impaired. If any such indication exists, the Company estimates the recoverable amount of the asset. An asset's recoverable amount is the higher of the asset's or cash-generating unit's value in use and its fair value less costs of disposal, and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets, in which case the recoverable amount is determined for the cash-generating unit to which the asset belongs.

#### **32.7 Transition to Ind AS**

The company elected to continue with the carrying value as per cost model (for all of its property, plant and equipment as recognised in the financial statements as at the date of transition to Ind AS (01-04-2017) , measured as per the previous GAAP.

#### **32.8 Investment Property**

Property (land or a building or part of a building or both) held to earn rentals or for capital appreciation or both, rather than for, use in the production or supply of goods or services or for administrative purposes; or sale in the

ordinary course of businesses are classified as investment property.

Investment property is measured initially at its cost, including related transaction costs and where applicable borrowing costs.

Investment properties are depreciated using the straight-line method over their estimated useful lives.

### **32.9 Financial Instruments**

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

#### **32.9.1 Financial assets**

##### **32.9.1 Initial recognition and measurement**

All financial assets are recognised initially at fair value, in the case of financial assets not recorded at fair value through profit or loss, plus transaction costs that are attributable to the acquisition of the financial asset. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

##### **32.9.2 Subsequent measurement**

For purposes of subsequent measurement, financial assets are classified in four categories:

- Debt instruments at amortised cost
- Debt instruments at fair value through other comprehensive income (FVTOCI)
- Debt instruments, derivatives and equity instruments at fair value through profit or loss (FVTPL)
- Equity instruments measured at fair value through other comprehensive income (FVTOCI)

##### **32.9.2.1 Equity investments in associates**

In accordance of Ind AS 101 (First time adoption of Ind AS), the carrying amount of these investments as per previous GAAP as on the date of transition is considered to be the deemed cost. Subsequently Investment in subsidiaries, associates and joint ventures are measured at cost.

##### **32.9.2.2 Other Equity Investment**

All other equity investments in scope of Ind AS 109 are measured at fair value through Other Comprehensive Income.

For all other equity instruments, the Company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Company makes such election on an instrument by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is

no recycling of the amounts from OCI to P&L, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the P&L.

##### **32.9.2.3 Derecognition of Financial Assets**

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e. removed from the Company's consolidated balance sheet) when:

- The rights to receive cash flows from the asset have expired, or
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained. Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

##### **32.9.2.4 Impairment of financial assets**

The Company assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost and FVOCI debt instruments. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

With regard to trade receivable, the Company applies the simplified approach as permitted by Ind AS 109, Financial Instruments, which requires expected lifetime losses to be recognised from the initial recognition of the trade receivables.

The Company assesses at the end of each reporting period whether there is any indication that an asset may be impaired. If any such indication exists, the Company estimates the recoverable amount of the asset. An asset's

recoverable amount is the higher of the asset's or cash-generating unit's value in use and its fair value less costs of disposal, and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets, in which case the recoverable amount is determined for the cash-generating unit to which the asset belongs.

### 32.9.3 Financial liabilities

#### 32.9.3.1 Initial recognition and measurement

The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

#### 32.9.3.2 Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

#### 32.9.3.3 Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

Gains or losses on liabilities held for trading are recognised in the profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognized in OCI. These gains/ loss are not subsequently transferred to P&L. However, the Company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit or loss. The Company has not designated any financial liability as at fair value through profit and loss.

#### 32.9.4 Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the consolidated balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

### 32.10 Borrowing Costs

Borrowing costs are expensed as incurred except where they are directly attributable to the acquisition, construction or production of qualifying assets i.e. the assets that necessarily takes substantial period of time to get ready for intended use, in which case they are capitalised as part of the cost of those asset up to the date when the qualifying asset is ready for its intended use.

### 32.11 Taxation

Tax expenses for the period comprises current and deferred tax. Tax is recognised in statement of Profit and Loss, except to the extent that it relates to items recognised in the comprehensive income or in equity. In which case, the tax is also recognised in other comprehensive income or equity.

**Current Tax:** Current Tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities, based on tax rates and laws that are enacted at the Balance Sheet date.

**Deferred Tax:** Deferred Tax recognised on temporary difference between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. The carrying amount of Deferred tax liabilities and assets are reviewed at the end of each reporting period.

### 32.12 Employee Benefits

#### (i) Short term employee benefits

Short-term employee benefits are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

#### (ii) Defined contribution plans

Obligations for contributions to defined contribution plans are expensed as the related service is provided. The company has following defined contribution plans:

- Provident fund
- Superannuation scheme

#### (iii) Defined benefit plans

The company net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in the current and prior

periods, discounting that amount and deducting the fair value of any plan assets.

The calculation of defined benefit obligations is performed annually by a qualified actuary using the projected unit credit method. When the calculation results in a potential asset for the company, the recognised asset is limited to the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan. To calculate the present value of economic benefits, consideration is given to any applicable minimum funding requirements.

Re measurement of the net defined benefit liability, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognised immediately in Other Comprehensive Income. Net interest expense (income) on the net defined liability (assets) is computed by applying the discount rate, used to measure the net defined liability (asset), to the net defined liability (asset) at the start of the financial year after taking into account any changes as a result of contribution and benefit payments during the year. Net interest expense and other expenses related to defined benefit plans are recognised in profit or loss.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service or the gain or loss on curtailment is recognised immediately in profit or loss. The company recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs.

The company has following defined benefit plans:

**a) Gratuity**

The company provides for its gratuity liability based on actuarial valuation of the gratuity liability as at the Balance Sheet date, based on Projected Unit Credit Method, carried out by an independent actuary and contributes to the gratuity fund. The contributions made are recognized as plan assets. The defined benefit obligation as reduced by fair value of plan assets is recognized in the Balance Sheet. Re-measurements are recognized in the Other Comprehensive Income, net of tax in the year in which they arise.

**b) Leave Encashment**

The Company provides for its Leave Encashment liability based on Actuarial Valuation of leave encashment liability as at the Balance Sheet date based on Projected Unit Credit Method, carried out by an Independent Actuary.

**32.13 Foreign Currency Transactions**

The company's reported currency and the functional currency for majority of its operations is in Indian Rupees

(INR) being the principal currency of the economic environment in which it operates.

Transactions in foreign currencies are converted into the reported currency of the company using the exchange rate prevailing at the transaction date. Monetary assets and liabilities denominated in foreign currencies outstanding at the end of the reporting period are translated at the exchange rates prevailing as at the end of reporting period. Exchange differences arising on the settlement of monetary assets and liabilities or on translating monetary assets and liabilities at rates different from those at which they were translated on initial recognition during the period or in previous financial statements are recognised in statement of profit and loss in the period in which they arise.

Non-monetary items denominated in foreign currency are valued at the exchange rates prevailing at the transaction date .

**32.14 Inventories**

- i) Inventories are valued “ **at cost or net realizable value , whichever is lower** “.Cost comprises all cost of purchase, cost of conversion and ther costs incurred in bringing in inventories to thei present location and condition.
- ii) Cost formula used are “**Firs in First out** “ or “**Average Cost**”as applicable.

**32.14.1 Cash and cash equivalent**

Cash and Cash equivalents in the balance sheet comprise cash at bank and on hand and short term deposits with and original maturity of three months or less, which are subject to an insignificant risk of changes in value.

**32.15 Provisions, Contingent Liabilities &Contingent Assets**

Provisions are recognized when the company has a present obligation (legal or constructive) as a result of a past event, and it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate of the amount of the obligation can be made. Where the time value of money is material, provisions are stated at the present value of the expenditure expected to settle the obligation.

All provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimate.

Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is disclosed as a contingent liability, unless the probability of outflow of economic benefits is remote. Possible obligations, whose existence will only be confirmed by the occurrence or non-occurrence of one or more future uncertain events not wholly within the control of the company, are also disclosed as contingent liabilities unless the probability of outflow of economic benefits is remote.

Contingent Assets are not recognised in the financial statements. However, when the realisation of income is virtually certain, then the related asset is not a contingent asset and its recognition is appropriate.

### 32.16 Earnings per share

Basic earnings per share are computed by dividing the net profit after tax by the weighted average number of equity shares outstanding during the period. Diluted earnings per shares is computed by dividing the profit after tax by the weighted average number of equity shares considered for deriving basic earnings per shares and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares.

### 32.17 Judgements, Estimates and Assumptions

The preparation of the financial statements in conformity with Ind AS requires management to make estimates, judgements and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of financial statements and the amount of revenue and expenses during the reported period. Application of accounting policies involving complex and subjective judgements and the use of assumptions in these financial statements have been disclosed. Accounting estimates could change from period to period. Actual results could differ from those estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimate are recognised in the period in which the estimates are revised and, if material, their effects are disclosed in the notes to the financial statements.

#### 32.17.1 Judgements

In the process of applying the Company's accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognised in the consolidated financial statements:

##### 32.17.1.1 Formulation of Accounting Policies

Accounting policies are formulated in a manner that result in financial statements containing relevant and reliable information about the transactions, other events and conditions to which they apply. Those policies need not be applied when the effect of applying them is immaterial.

In the absence of an Ind AS that specifically applies to a transaction, other event or condition, management has used its judgement in developing and applying an accounting policy that results in information that is:

- (a) relevant to the economic decision-making needs of users and
- (b) reliable in that financial statements:
  - (i) represent faithfully the financial position, financial performance and cash flows of the entity;

- (ii) reflect the economic substance of transactions, other events and conditions, and not merely the legal form;
- (iii) are neutral, i.e. free from bias;
- (iv) are prudent; and
- (v) are complete in all material respects on a consistent basis.

In making the judgement management refers to, and considers the applicability of, the following sources in descending order:

- (a) the requirements in Ind ASs dealing with similar and related issues; and
- (b) the definitions, recognition criteria and measurement concepts for assets, liabilities, income and expenses in the Framework.

In making the judgement, management considers the most recent pronouncements of International Accounting Standards Board and in absence thereof those of the other standard-setting bodies that use a similar conceptual framework to develop accounting standards, other accounting literature and accepted industry practices, to the extent that these do not conflict with the sources in above paragraph.

##### 32.17.1.2 Materiality

Ind AS applies to items which are material. Management uses judgment in deciding whether individual items or groups of item are material in the financial statements. Materiality is judged by reference to the size and nature of the item. The deciding factor is whether omission or misstatement could individually or collectively influence the economic decisions that users make on the basis of the financial statements. Management also uses judgement of materiality for determining the compliance requirement of the Ind AS. In particular circumstances either the nature or the amount of an item or aggregate of items could be the determining factor. Further an entity may also be required to present separately immaterial items when required by law.

##### 32.17.1.3 Operating lease

Company has entered into lease agreements. The Company has determined, based on an evaluation of the terms and conditions of the arrangements, such as the lease term not constituting a major part of the economic life of the commercial property and the fair value of the asset, that it retains all the significant risks and rewards of ownership of these properties and accounts for the contracts as operating leases.

##### 32.17.2 Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters

available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

#### 32.17.2.1 Impairment of non-financial assets

There is an indication of impairment if, the carrying value of an asset or cash generating unit exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. Company considers individual PPE as separate cash generating units for the purpose of test of impairment. The value in use calculation is based on a DCF model. The cash flows are derived from the budget for the next five years and do not include restructuring activities that the Company is not yet committed to or significant future investments that will enhance the asset's performance of the CGU being tested. The recoverable amount is sensitive to the discount rate used for the DCF model as well as the expected future cash-inflows and the growth rate used for extrapolation purposes.

#### 32.17.2.2 Taxes

Deferred tax assets are recognised for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

#### 32.17.2.3 Defined benefit plans

The cost of the defined benefit gratuity plan and other post-employment medical benefits and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates.

Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date. The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans operated in India, the management considers the interest rates of government bonds in currencies consistent with the currencies of the post-employment benefit obligation.

#### 32.17.2.4 Fair value measurement of financial instruments

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the DCF model. The inputs to these models are taken from observable markets where possible, but where this is not

feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

#### 32.18 Abbreviation used:

<b>a.</b>	<b>CGU</b>	<b>Cash generating unit</b>
<b>b.</b>	DCF	Discounted Cash Flow
<b>c.</b>	FVTOCI	Fair value through Other Comprehensive Income
<b>d.</b>	FVTPL	Fair value through Profit & Loss
<b>e.</b>	GAAP	Generally accepted accounting principal
<b>f.</b>	Ind AS	Indian Accounting Standards
<b>g.</b>	OCI	Other Comprehensive Income
<b>h.</b>	P&L	Profit and Loss
<b>i.</b>	PPE	Property, Plant and Equipment
<b>j.</b>	SPPI	Solely Payment of Principal and Interest

**Form AOC-I**

( Pursuant to first proviso to sub-section ( 3 ) of section 129 read with rule 5 of Companies ( Accounts ) Rules,2014.  
Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures

**PART "A" : Subsidiaries - NOT APPLICABLE**

( Information in respect of each subsidiary to be presented with amount in ₹ )

1. Sl.No.
2. Name of the subsidiary
3. Reporting period for the subsidiary concerned, if different from the holding company's reporting period.
4. Reporting currency and exchange rate as on the date of the relevant Financial year in the case of foreign subsidiaries.
5. Share Capital
6. Reserve & Surplus
7. Total Assets
8. Total Liabilities
9. Investments
10. Turnover
11. Profit before Taxation
12. Provision for Taxation
13. Profit after taxation
14. Proposed Dividend
15. % of Shareholding

**Note :** The following information shall be furnished at the end of the statement

1. Names of subsidiaries which are yet to commence operations.
2. Names of the subsidiaries which have been liquidated or sold during the year.

**PART "B" : Associates and Joint Ventures**

Statement pursuant to Section 129(3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures.

Name of Associates Company	J. K. COTTON LIMITED	NEBULA3D SERVICES PVT. LIMITED
<b>1. Latest Audit Balance Sheet Date</b>	<b>31st MARCH, 2020</b>	<b>31st MARCH, 2020</b>
<b>2. a. Shares of Associate Company held by the Company on the year ended</b>		
- No. of Equity Shares	<b>9510360</b>	<b>545957</b>
- Amount of Investment in Associates Company	<b>9,45,13,240.00</b>	<b>3,38,95,174.00</b>
- Extent of Holding %	<b>40.34%</b>	<b>27.65%</b>
<b>b. Preference Share - Non Convertible</b>		
- No. of Preference Shares	-	<b>3000000</b>
- Amount of Investment in Associates Company	-	<b>3,00,00,000.00</b>
<b>3. Description of how there is significant influence</b>	Holding of more than 20 % of total Share Capital	Holding of more than 20 % of total Share Capital
<b>4. Reason why the Associate Company is not Consolidated</b>	<b>Not Applicable</b>	<b>Not Applicable</b>
<b>5. Networth attributable to Shareholding as per latest Balance Sheet</b>	<b>19,63,74,961.00</b>	<b>38,03,720.00</b>
<b>6. Profit/(Loss) for the year</b>		
i. Considered in Consolidation	<b>4,35,549.00</b>	<b>(15,40,952.00)</b>
ii. Not Considered in Consolidation	-	-

**Notes :** The following information shall be furnished at the end of the statement :

1. Names of Associates Company and Joint Ventures which are yet to commence operations.
2. Names of the Associates Company and Joint Ventures which have been liquidated or sold during the year.

} Not Applicable

**Note :** This Form is to be certified in the same manner in which the Balance Sheet is to be certified

**For and on behalf of the Board of Directors of  
Jaykay Enterprises Ltd.**

( Ashok Gupta )  
Managing Director  
DIN-00135288

( K.B.Agarwal )  
Director  
DIN-00339934

( R.K.Tandon )  
Director  
DIN-00159472

( Anil Kumar Dalmia )  
Director  
DIN-00789089

( K.N. Mehrotra )  
Director  
DIN-06749349

( Renu Nanda )  
Director  
DIN-08493324

( C.P.AGARWAL )  
C.F.O.

( PRABHAT KUMAR MISHRA )  
Secretary  
M.No.A29900

**Date : 30th June, 2020**  
**Place : Kanpur**

## Form AOC-2

[ Pursuant to clause(h) of sub-section (3) of Section 134 of the Company Act, 2013 and Rule 8(2) of the Companies (Accounts) Rules, 2014 as on March,31,2019 ]

This Form pertains to the 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 Company Act, 2013 including certain arm's length transactions under third proviso thereto.

Details of contracts or arrangements or transactions not at arm's length basis.

There were no contracts or arrangements or transactions entered into during the year ended March,31,2020, which were not at arm's length basis.

Details of material contracts or arrangements or transactions not at arm's length basis.

The Following material contract(s) or arrangement(s) or transaction(s) were entered into during the year ended March,31,2020.

Name of Related Party	Nature of Relationship	Duration of Contract	Salient Terms*	Amount (₹)
AAR EMM Holding Pvt.Ltd.	Smt.Vidhi Nidhipati Singhania is a Common Director	36 Months, subject to renewal	Ground Floor of J.K.Appartments admeasuring 1922 Sq.Ft. leased at monthly rent of ₹ 1,65,000/- Per month	23,36,400

\* Approval was granted by the shareholders of the Company in Annual General Meeting held on 26-07-2017 for the related party transaction as mentioned above.

For and on behalf of the Board of Directors of  
Jaykay Enterprises Ltd.

( Ashok Gupta )  
Managing Director  
DIN-00135288

( K.B.Agarwal )  
Director  
DIN-00339934

( R.K.Tandon )  
Director  
DIN-00159472

( Anil Kumar Dalmia )  
Director  
DIN-00789089

( K.N. Mehrotra )  
Director  
DIN-06749349

( Renu Nanda )  
Director  
DIN-08493324

( C.P.Agarwal )  
C.F.O.

( Prabhat Kumar Mishra )  
Secretary  
M.No.A29900

Date : 30th June, 2020  
Place : KANPUR

**JAYKAY ENTERPRISES LTD.**  
**KAMLA TOWER, KANPUR**

31.03.2020

**NON CURRENT INVESTMENTS**

Name of the Bodies Corporate	Face Value	31st March, 2020		31st March, 2019	
	₹ /GBP(£)	No.of Shares	Fair Value ₹	No.of Shares	Fair Value ₹
<b><u>QUOTED INVESTMENTS :</u></b>					
<b>( FULLY PAID-UP )</b>					
Bengal & Assam Company Ltd.	10/-	21571 Equity	25895986	21571 Equity	36895038
J.K. Lakshmi Cement Ltd.	5/-	407000 Equity	79649900	407000 Equity	141493550
Simplex Mills Co. Ltd.	10/-	1 Equity	11	1 Equity	11
Gloster Ltd.	10/-	3 Ordy.	1122	3 Ordy.	2772
Kesoram Textile Mills Ltd.	2/-	337 Equity	-	337 Equity	-
Jessop & Company Ltd.	1/-	100 Ordy.	662	100 Ordy.	662
Howrah Mills Co.Ltd.	10/-	125 Equity	531	125 Equity	531
Fort Gloster Industries Ltd.	10/-	10 Ordy.	400	10 Ordy.	400
Auckland International Ltd.	10/-	198 Equity	213	198 Equity	213
Reliance Jute Mills (International) Ltd.	10/-	338 Equity	-	338 Equity	-
New India Retailing & Investment Ltd.	10/-	525 Equity	22575	525 Equity	22575
<b>TOTAL QUOTED</b>			<b>105571400</b>		<b>178415752</b>
<b><u>UNQUOTED INVESTMENT</u></b>					
J.K. Cotton Ltd.	10/-	9510360 Equity	1	9510360 Equity	1
Nebula 3D Services P. Ltd.	10/-	545957 Equity	5344672	545957 Equity	5344672
Param Shubham Vanijya Ltd.	10/-	1050 Equity	30000	1050 Equity	30000
Impex (India) Ltd.	10/-	3000 Ordy.	15000	3000 Ordy.	15000
Juggilal Kamlatpat Udyog Ltd.	10/-	639 Equity	175000	639 Equity	175000
Sarnath Co-operative Housing Society Ltd.	50/-	20 Ordy.	1000	20 Ordy.	1000
Accurate Finman Services Ltd.	10/-	2532 Equity	-	2532 Equity	-
Barclays plc	1 £	144 Ordy.Stock	723	144 Ordy.Stock	723
Anil Bioplus Ltd.	10/-	1 Equity	-	1 Equity	-
RSA Insurance Group Plc	1 £	9 Shares	908	9 Shares	908
Kamarhatty Co.Ltd.	10/-	- Equity	-	90 Equity	600
Unilever Plc	3-1/9 Pence	771 Ordy.Sh.	476	771 Ordy.Sh.	476
Diageo Plc	28-101/108 Pence	295 Ordy.Sh.	-	295 Ordy.Sh.	-
London & Associated Properties Plc	10 Pence	120 Ordy.	220	120 Ordy.	220
<b>TOTAL UNQUOTED</b>			<b>5568000</b>		<b>5568600</b>
<b><u>Non Convertible Preference Shares</u></b>					
Nebula 3D Services P. Ltd.	10/-	<b>3000000 Pref.Share</b>	<b>30000000</b>	-	-
<b>GRAND TOTAL</b>			<b>141139400</b>		<b>183984352</b>

## INDEPENDENT AUDITOR'S REPORT

TO

**THE MEMBERS OF JAYKAY ENTERPRISES LIMITED**

**Report on the Audit of the Consolidated Financial Statements**

### **Opinion**

We have audited the accompanying consolidated financial statements of JAYKAY ENTERPRISES LIMITED (hereinafter referred to as the "Company") and its associates, which comprise the consolidated Balance Sheet as at March 31, 2020, and the consolidated statement of Profit and Loss (including other comprehensive income), the consolidated statement of changes in equity and the consolidated cash flows Statement for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements 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 their consolidated state of affairs of the Company as at March 31, 2020, of consolidated loss, consolidated changes in equity and its consolidated cash flows for the year then ended.

### **Basis for Opinion**

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies act, 2013. Our responsibilities under those Standards are further described in the *Auditor's Responsibilities for the Audit of the Consolidated Financial Statements* section of our report. We are independent of the Company in accordance with the *Code of Ethics issued by ICAI*, and we have fulfilled our other ethical responsibilities in accordance with the provisions of the Companies Act, 2013. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### **Information Other than the Consolidated Financial Statements and Auditor's Report thereon**

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in Management Discussion and Analysis, Board's Report including Annexure to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the consolidated financial statements and our auditor's report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other Information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained during the course of our in audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### **Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements**

The Company's Board of Directors is responsible for the preparation and presentation of these consolidated financial statements in term of the requirements of the Companies Act, 2013 that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Company including its Associates in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified under section 133 of the Act. The respective Board of Directors of the Company and of its associates are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and

estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring 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, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the Company and of its associates are responsible for assessing the ability of the Company to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the Company and of its associates are responsible for overseeing the financial reporting process of the Company and of its associates.

### **Auditor's Responsibilities for the Audit of the Consolidated Financial Statements**

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Company and its associates to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company and its associates to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Company and its associates to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the one associate included in the consolidated financial statements, which have been audited by other auditor, such other auditor remain responsible for the direction, supervisions and performance of the audits carried out by him. We remain solely responsible for our audit opinion.

We communicate with those charged with governance of the Company and such other entities included in the consolidated financial statements of which we are the independent auditors regarding among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

#### **Other Matters**

We did not audit the financial statements of one associate whose share of Loss of Rs.15.41 lakhs is included in the consolidated financial results for the year ended 31st March 2020. The financial statement of the associate has been audited by other auditor whose report has been furnished to us by the Management and our opinion on the consolidated financial statements in so far as it relates to the amount and disclosure included in respect of the associate, and our report in terms of sub-sections (3) and (11) of Section 143 of the Act, in so far as it relates to the aforesaid associate, is based solely on the report of the other auditor.

Our opinion on the consolidated financial statements and our report on Other Legal and Regulatory Requirements below is not modified in respect of the above matters with respect to our reliance on the work done and the report of the other auditor.

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

As required by Section 143(3) of the Act, we report, to the extent applicable, 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 of the aforesaid consolidated financial statements.
- (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.
- (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.

- (d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act.
- (e) On the basis of the written representations received from the directors of the Company as on 31st March, 2020 taken on record by the Board of Directors of the Company and the reports of the statutory auditors of its associate companies, none of the directors of the Company, its associate companies incorporated in India is disqualified as on 31st March, 2020 from being appointed as a director in terms of Section 164 (2) of the Act.
- (f) With respect to the adequacy of internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure-C"
- (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:
- i. The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Company, its associates. Refer Note 26 (b) to the consolidated financial statements.
  - ii. The Company and its associates did not have any material foreseeable losses on long-term contracts including derivative contracts.
  - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company and its associate companies.

**For Gupta Vaish & Co.  
Chartered Accountants  
Registration Number: 005087C**

**Date: 30-06-2020  
Place: Kanpur**

**Sd/-  
Rajendra Gupta  
(PARTNER)  
Membership Number: 073250  
UDIN NO20073250AAAAAV5888**

## **ANNEXURE “C” TO THE INDEPENDENT AUDITORS REPORT OF EVEN DATE ON THE CONSOLIDATED FINANCIAL STATEMENTS OF JAYKAY ENTERPRISES LIMITED**

### **Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)**

In conjunction with our audit of the consolidated financial statements of the company as of and for the year ended 31st March, 2020, we have audited the internal financial controls over financial reporting of JAYKAY ENTERPRISES LIMITED (“the Company”) and its associates entity as of that date.

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

The Respective Board of Directors of the Company and the Company and its associate entity, are 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.

#### **Auditors’ 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 and its associate entity 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 authorisations of management and directors of the

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

#### **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 and its associate entity, have , 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 2020 , 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.

**Date: 30-06-2020**  
**Place: Kanpur**

**For Gupta Vaish & Co.**  
**Chartered Accountants**  
**Registration Number: 005087C**

**Sd/-**  
**Rajendra Gupta**  
**(PARTNER)**  
**Membership Number: 073250**  
**UDIN NO20073250AAAAAV5888**

**Jaykay Enterprises Limited**  
Consolidated Balance Sheet as at 31-03-2020

Amount in ₹

	Note No.	As At 31st MARCH 2020	As At 31st MARCH 2019
<b>ASSETS</b>			
<b>Non-current Assets</b>			
(a) Property, Plant and Equipment	1	39,19,896	45,47,146
(b) Investment Property	2	64,62,499	67,03,333
(c) Financial Assets			
(i). Investments	3	24,13,06,712	29,70,10,678
(ii). Others	4	2,50,00,000	2,48,46,455
<b>Current Assets</b>			
(a) Inventories	5	25,70,592	25,70,592
(b) Financial Assets			
(i). Cash and cash equivalents	6	35,48,090	1,23,08,137
(ii). Bank Balances	7	27,08,07,794	20,15,25,822
(iii). Loans	8	5,25,00,000	13,16,07,728
(c) Current Tax Assets ( Net )	9	1,18,14,520	96,40,966
(d) Other current assets	10	1,17,05,287	66,16,018
<b>Total Assets</b>		<b>62,96,35,390</b>	<b>69,73,76,875</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
(a) Equity Share Capital	11	3,71,34,752	3,71,34,752
(b) Other Equity	12	54,88,92,929	63,89,29,837
<b>LIABILITIES</b>			
<b>Non Current Liabilities</b>			
Provisions	13	21,10,000	22,98,000
<b>Current Liabilities</b>			
(a) Financial Liabilities			
(i). Trade payables	14	38,12,860	9,60,093
(b). Other current liabilities	15	3,43,15,458	1,43,09,377
(c). Provisions	16	33,69,391	37,44,816
<b>Total Equity and Liabilities</b>		<b>62,96,35,390</b>	<b>69,73,76,875</b>

The accompanying notes to the financial statements 1-32

This is the Balance Sheet referred to in our report of even date.

**For Gupta Vaish & CO.**

Chartered Accountants

For and on behalf of the Board of Directors of

**Jaykay Enterprises Limited**

Partner

**PRABHAT KUMAR MISHRA**  
Company Secretary

**ASHOK GUPTA**  
Managing Director

**C.P.AGARWAL**  
Chief Financial Officer

K.B.AGARWAL  
A.K.DALMIA  
R.K.TANDON  
K.N.MEHROTRA  
RENU NANDA

Directors

Place : Kanpur

Date : 30th June, 2020.

# Jaykay Enterprises Limited

Consolidated Profit and Loss Statement for the year ended 31st March, 2020

Amount in ₹

	Note No.	For the year ended 31st March 2020	For the year ended 31st March 2019
<b>Revenue From Operations</b>			
Revenue From Operations	17	30,80,000	30,60,000
Other Income	18	5,05,78,621	8,17,22,615
<b>Total Income</b>		<b>5,36,58,621</b>	<b>8,47,82,615</b>
<b>EXPENSES</b>			
Employee benefit expenses	19	2,45,48,990	2,53,33,840
Finance costs	20	91	607
Depreciation and amortization expense		9,84,436	9,08,640
Other expenses	21	3,34,74,150	3,09,55,548
<b>Total expenses</b>		<b>5,90,07,667</b>	<b>5,71,98,635</b>
<b>Profit/(loss) before exceptional items and tax</b>		<b>(53,49,046)</b>	2,75,83,980
<b>Exceptional items</b>		-	-
<b>Profit/(loss) before tax</b>		<b>(53,49,046)</b>	2,75,83,980
<b>Tax expense:</b>			
- Current tax		-	21,67,700
<b>Profit/(loss) for the year</b>		<b>(53,49,046)</b>	2,54,16,280
<b>Other Comprehensive Income</b>			
<b>Items that will be reclassified to profit or loss</b>			
Fair Value change on Equity Instrument through Other Comprehensive Income [ Net of Tax ]		(7,28,44,352)	(7,66,27,325)
<b>Items that will not be reclassified to profit or loss</b>			
Re-measurement of defined benefits Plan		(89,899)	3,23,338
<b>Total comprehensive income for the year</b>		<b>(7,82,83,297)</b>	<b>(5,08,87,707)</b>
Earning per Equity Share of ₹ 1/- each :			
- Basic & Diluted		<b>(2.11)</b>	<b>(1.37)</b>

The accompanying notes to the financial statements 1-32

This is the statement of Profit & Loss referred to in our report of even date.

**For Gupta Vaish & CO.**  
Chartered Accountants

For and on behalf of the Board of Directors of  
**Jaykay Enterprises Limited**

Partner  
  
**PRABHAT KUMAR MISHRA**  
Company Secretary

**ASHOK GUPTA**  
Managing Director  
  
**C.P.AGARWAL**  
Chief Financial Officer

<p>K.B.AGARWAL A.K.DALMIA R.K.TANDON K.N.MEHROTRA RENU NANDA</p>	}	Directors
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Place : Kanpur  
Date : 30th June,2020.

**JAYKAY ENTERPRISES LIMITED****CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2020**

	2019-2020		2018-2019	
	₹		₹	
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>				
Profit / (Loss) before Tax and exceptional items as per Profit & Loss Account		(53,49,046)		2,75,83,980
Adjusted for				
Adjustment of Capital Reserve	(1,14,23,992)		(1,49,23,210)	
Depreciation	9,84,436		9,08,640	
Interest	91		607	
Interest Received	(2,92,77,522)		(4,24,42,625)	
Dividend Income	(20,00,941)		(6,20,457)	
Loss/Assets Written Off	2,688		11,858	
OCI Adjustment	(89,899)		3,23,338	
Provisions / Balances written back	-		(45,972)	
Profit on sale of Investment ( Net )	(3,000)	(4,18,08,139)	-	(5,67,87,821)
Operating Profit/(Loss) before Working Capital Changes		(4,71,57,185)		(2,92,03,841)
Adjusted for				
( Increase)/Decrease in Loans & Advances	7,61,21,326		3,71,09,086	
Increase/(Decrease) in Trade Payables & Other Liabilities	2,22,95,423	9,84,16,749	(63,95,337)	3,07,13,749
Cash Generated from Operations		5,12,59,564		15,09,908
Refund /( Income Tax Payment )		6,58,698		(17,90,253)
Net Cash Used in Operating Activities		5,19,18,262		(2,80,345)
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>				
Acquisition of Fixed Assets		(1,19,040)		(7,69,488)
Investment in Associates Company		(3,00,00,000)		(3,38,95,174)
Other Investments		1,25,29,395		(39,30,312)
Sale of Investments (Net)		3,600		-
Interest Income		2,43,42,403		3,83,22,765
Dividend Income		20,00,941		6,20,457
Net Cash From Investing Activities		87,57,299		3,48,248
<b>C. CASH FLOW USED IN FINANCING ACTIVITIES</b>				
Interest Paid		(91)		(607)
Net Cash Used In Financing Activities		(91)		(607)
Net Increase/(Decrease) in Cash and Cash Equivalents (A+B+C)		6,06,75,470		67,296
Opening Balance of Cash and Cash Equivalents		23,86,80,414		23,86,13,118
Closing Balance of Cash and Cash Equivalents		29,93,55,884		23,86,80,414

**Notes :**

- Cash and cash equivalents consist of cheques, stamps in hand, balances with banks and deposits with original maturity of upto three months.
- Reconciliation of cash and cash equivalent :  
Cash and cash equivalent as per Note No.6

35,48,090

1,23,08,137

As per our report of even date attached

**For Gupta Vaish & CO.**  
Chartered Accountants

For and on behalf of the Board of Directors of  
**Jaykay Enterprises Limited**

Partner

**PRABHAT KUMAR MISHRA**  
Company Secretary

**ASHOK GUPTA**  
Managing Director

**C.P. AGARWAL**  
Chief Financial Officer

K.B. AGARWAL  
A.K. DALMIA  
R.K. TANDON  
K.N. MEHROTRA  
RENU NANDA

} Directors

Place : Kanpur  
Date : 30th June, 2020.

**Jaykay Enterprises Limited**

NOTES on Consolidated Financial statements for the year ended 31st March, 2020

**STATEMENT OF CHANGES IN EQUITY**

Consolidated Statement of changes in equity for the year ended 31st March, 2020

Amount in ₹

**A EQUITY SHARE CAPITAL**

	As at 31st March 2020		As at 31st March 2019	
	No. of Shares	Amount	No. of Shares	Amount
<b>Balance at the beginning of the year</b>	<b>37134752</b>	<b>3,71,34,752</b>	37134752	3,71,34,752
Changes in equity share capital during the year	-	-	-	-
<b>Balance as At 31st March, 2020</b>	<b>37134752</b>	<b>3,71,34,752</b>	37134752	3,71,34,752

**B Other Equity**

As on 31st March, 2020

	Retained Earnings	Capital Reserve	Capital Redemption Reserve	Share Premium Account	Other Comprehensive Income	Total
<b>Balance at the beginning of the reporting period i.e. 1st April,2019</b>	<b>1,96,17,690</b>	<b>47,86,42,622</b>	<b>12,85,555</b>	<b>84,70,855</b>	<b>13,09,13,115</b>	<b>63,89,29,837</b>
<b>Less : Transfer to Profit &amp; Loss ( Share in Associate Co. )</b>						
i. J.K.Cotton Limited	-	(1,14,23,992)	-	-	-	<b>(1,14,23,992)</b>
ii. Nebula3D Services Pvt. Limited	-	-	-	-	-	-
<b>Less : Movement in OCI - J.K.Cotton Ltd.</b>					(3,29,619)	<b>(3,29,619)</b>
<b>Balance in Profit &amp; Loss statement :</b>						<b>(53,49,046)</b>
<b>Balance in Statement of P &amp; L</b>	(44,21,542)	-	-	-	-	
<b>Add : Share of Associates Company</b>						
i. J.K.Cotton Limited	6,13,448	-	-	-	-	
ii. Nebula3D Services Pvt. Limited	(15,40,952)	-	-	-	-	
<b>Re-measurement of defined benefits Plan :</b>						<b>(89,899)</b>
<b>Re-measurement of defined benefits Plan ( OCI )</b>	88,000	-	-	-	-	
<b>Add : Share of OCI in Associates Co.</b>						
i. J.K.Cotton Limited	(1,77,899)	-	-	-	-	
ii. Nebula3D Services Pvt. Limited	-	-	-	-	-	
<b>Fair Value change on Equity Instrument through Other Comprehensive Income [ Net of Tax ]</b>						<b>(7,28,44,352)</b>
<b>Fair Value Change in Statement of P &amp; L</b>	-	-	-	-	(7,28,44,352)	
<b>Add : Share of OCI in Associates Co.</b>						
i. J.K.Cotton Limited	-	-	-	-	-	
ii. Nebula3D Services Pvt. Limited	-	-	-	-	-	
<b>Balance at the end of the reporting period i.e. 31st March,2020</b>	<b>1,41,78,745</b>	<b>46,72,18,630</b>	<b>12,85,555</b>	<b>84,70,855</b>	<b>5,77,39,144</b>	<b>54,88,92,929</b>

As on 31st March, 2019

	Retained Earnings	Capital Reserve	Capital Redemption Reserve	Share Premium Account	Other Comprehensive Income	Total
<b>Balance at the beginning of the reporting period i.e. 1st April,2018</b>	<b>14,36,22,110</b>	<b>49,35,65,832</b>	<b>12,85,555</b>	<b>84,70,855</b>	<b>20,75,40,440</b>	<b>85,44,84,792</b>
<b>Less : Transfer to Profit &amp; Loss ( Share in Associate Co. )</b>		(1,49,23,210)				<b>(1,49,23,210)</b>
<b>Balance in Profit &amp; Loss statement :</b>						<b>2,54,16,280</b>
<b>Balance in Statement of P &amp; L</b>	69,35,096	-	-	-	-	
<b>Add : Share of Associates Company</b>						
i. J.K.Cotton Limited	1,80,35,237	-	-	-	-	
ii. Nebula3D Services Pvt. Limited	4,45,947	-	-	-	-	
<b>Re-measurement of defined benefits Plan :</b>						<b>3,23,338</b>
<b>Re-measurement of defined benefits Plan ( OCI )</b>	(49,000)	-	-	-	-	
<b>Add : Share of OCI in Associates Co.</b>						
i. J.K.Cotton Limited	3,72,338	-	-	-	-	
ii. Nebula3D Services Pvt. Limited	-	-	-	-	-	
<b>Fair Value change on Equity Instrument through Other Comprehensive Income [ Net of Tax ]</b>						<b>(7,66,27,325)</b>
<b>Fair Value Change in Statement of P &amp; L</b>					(7,69,56,944)	
<b>Add : Share of OCI in Associates Co.</b>						
i. J.K.Cotton Limited					3,29,619	
ii. Nebula3D Services Pvt. Limited					-	
<b>Add : Ind AS 115 Adjustment</b>	(14,97,44,038)	-	-	-	-	<b>(14,97,44,038)</b>
<b>Balance at the end of the reporting period i.e. 31st March,2019</b>	<b>1,96,17,690</b>	<b>47,86,42,622</b>	<b>12,85,555</b>	<b>84,70,855</b>	<b>13,09,13,115</b>	<b>63,89,29,837</b>

## Jaykay Enterprises Limited

NOTE NO. 1

NOTES on Consolidated Financial statements for the year ended 31st March, 2020

### PROPERTY, PLANT & EQUIPMENT

Sl. No.	Fixed Assets	Gross Block				Depreciation				Net Block	
		As at 01-04-2019	Additions	Adjustment/ Deductions	As at 31-03-20120	Up to 31-03-2019	For the Year	Adjustment/ Deductions	As at 31-03-2020	As at 31-03-20120	As at 31-03-2019
1	Leasehold Land	44,436	-	-	44,436	6,951	-	-	6,951	37,485	37,485
2	Buildings										
	- Non Investment Property	2,26,49,068	-	1	2,26,49,067	1,97,09,073	1,18,124	-	1,98,27,197	28,21,870	29,39,995
3	Plant & Equipment	39,21,477	92,541	53,750	39,60,268	28,55,029	4,63,575	51,062	32,67,542	6,92,726	10,66,448
4	Furniture & Fixtures and Office Equipment	2,13,836	26,500	-	2,40,336	1,29,331	19,820	-	1,49,151	91,185	84,505
5	Vehicle	20,39,910	-	-	20,39,910	16,21,197	1,42,083	-	17,63,280	2,76,630	4,18,713
TOTAL		2,88,68,727	1,19,041	53,751	2,89,34,017	2,43,21,581	7,43,602	51,062	2,50,14,121	39,19,896	45,47,146
Previous Year		2,81,19,229	7,69,488	19,990	2,88,68,727	2,36,61,904	6,67,809	8,132	2,43,21,581	45,47,146	44,57,325

NOTE NO. 2

### INVESTMENT PROPERTY

Sl. No.	Fixed Assets	Gross Block				Depreciation				Net Block	
		As at 01-04-2019	Additions	Adjustment/ Deductions	As at 31-03-20120	Up to 31-03-2019	For the Year	Adjustment/ Deductions	As at 31-03-2020	As at 31-03-20120	As at 31-03-2019
1	Buildings										
	- Investment Property	96,85,722	-	-	96,85,722	29,82,389	2,40,834	-	32,23,223	64,62,499	67,03,333
TOTAL		96,85,722	-	-	96,85,722	29,82,389	2,40,834	-	32,23,223	64,62,499	67,03,333
Previous Year		96,85,722	-	-	96,85,722	27,41,558	2,40,831	-	29,82,389	67,03,333	69,44,164

Note : The Company does not hold title deeds of four cases of Building of which Gross Block is ₹ 2,59,72,051/- and Net Block is ₹ 45,14,780/-

# Jaykay Enterprises Limited

NOTES on Consolidated Financial statements for the year ended 31st March, 2020

## NON CURRENT ASSET

PARTICULARS	Amount in ₹	
	As At 31 March 2020	As At 31 March 2019
<b>3 Non-Current Investment Investments :-</b>		
- Quoted	10,55,71,400	17,84,15,752
- Unquoted	10,57,35,312	11,85,94,926
- Non Convertible Preference Share	3,00,00,000	-
<b>TOTAL NON-CURRENT INVESTMENT</b>	<b>24,13,06,712</b>	<b>29,70,10,678</b>
Aggregate amount for Impairment in value of Investments	7,28,44,352	7,66,27,325
Aggregate amount of quoted investment	10,55,71,400	17,84,15,752
Market value of quoted Investment	10,55,71,400	17,84,15,752
Aggregate amount of unquoted investment	10,57,35,312	11,85,94,926
<b>Category-wise non current Investment</b>		
Investment carried at cost	13,14,85,645	11,28,04,307
Investment measured at FVTOCI	10,98,21,067	18,42,06,371
<b>4 Other Non current Financial Asset</b>		
Fixed Deposits ( More than One year )	2,50,00,000	2,48,46,455
	<b>2,50,00,000</b>	<b>2,48,46,455</b>
<b>CURRENT ASSET</b>		
<b>5 Inventories</b>		
Stock-in-trade(Land and Building)	25,70,592	25,70,592
	<b>25,70,592</b>	<b>25,70,592</b>
<b>FINANCIAL ASSETS</b>		
<b>CASH AND BANK BALANCES</b>		
<b>6 Cash and Cash Equivalent</b>		
<b>Balance With Banks</b>		
- In Current Accounts	28,06,407	50,64,829
- In Fixed Deposits		
a). Upto 3 months	-	53,04,387
<b>Cheques on Hand</b>	7,05,109	18,96,831
<b>Cash on Hand</b>	36,574	42,090
	<b>35,48,090</b>	<b>1,23,08,137</b>
<b>7 Balance with Banks</b>		
Bank Balances ( Fixed Deposits upto One year ) ( including pledged with bank ₹ 1,18,69,057/- )	27,08,07,794	20,15,25,822
	<b>27,08,07,794</b>	<b>20,15,25,822</b>
<b>LOANS</b>		
<b>8 LOANS :</b>		
<b>- Un-secured Considered Good</b>		
i. Related Parties	-	64,00,000
ii. Others	5,25,00,000	12,52,07,728
	<b>5,25,00,000</b>	<b>13,16,07,728</b>

# Jaykay Enterprises Limited

NOTES on Consolidated Financial statements for the year ended 31st March, 2020

PARTICULARS	As At 31 March 2020	As At 31 March 2019
<b>9 CURRENT TAX ASSETS</b>		
Current Tax ( Net of Provision )	44,68,797	37,89,217
Income Tax Recoverable	73,45,723	58,51,749
	<b>1,18,14,520</b>	<b>96,40,966</b>
<b>10 OTHER CURRENT ASSETS</b>		
Prepaid expenses	2,50,857	2,13,948
Interest Receivable	70,38,240	49,35,373
Other Advances	27,51,321	4,08,131
Other Deposits	16,64,869	10,58,566
	<b>1,17,05,287</b>	<b>66,16,018</b>
<b>11 Equity Share Capital</b>		
<b>Authorised:</b>		
1250000000 Equity shares of Rs. 1/- each	1,25,00,00,000	1,25,00,00,000
<b>Cumulative redeemable preference shares</b>		
200000, 11% of Rs. 100/- each	2,00,00,000	2,00,00,000
600000, 14% of Rs. 100/- each	6,00,00,000	6,00,00,000
200000, 15% of Rs. 100/- each	2,00,00,000	2,00,00,000
500000 Unclassified shares of Rs. 100/- each	5,00,00,000	5,00,00,000
	<b>1,40,00,00,000</b>	<b>1,40,00,00,000</b>
<b>Issued, Subscribed &amp; Paid Up</b>		
37134752 Equity shares of Rs. 1/- each	3,71,34,752	3,71,34,752
	<b>3,71,34,752</b>	<b>3,71,34,752</b>
	<b>No. of Shares</b>	<b>No. of Shares</b>
Equity Shares at the Beginning of the year	37134752	37134752
Changes during the year	-	-
Equity Shares at the end of the year	37134752	37134752

## Details Of Shareholders Holding More Than 5 % Shares

Name of Shareholder	As At 31 March 2020		As At 31 March 2019	
	No. of Shares Held	% of Shares Held	No. of Shares Held	% of Shares Held
1. Smt. Sushila Devi Singhania	4342787	11.69%	4342787	11.69%
2. J. K. Traders Ltd.	4462142	12.02%	4462142	12.02%
3. Shri Yadu Pati Singhania	2048535	5.52%	2048535	5.52%

## Jaykay Enterprises Limited

NOTES on Consolidated Financial statements for the year ended 31st March, 2020

### 12 Other Equity

	Retained Earnings	Capital Reserve	Capital Redemption Reserve	Share Premium Account	Other Comprehensive Income	Total
<b>Balance as per last balance as on 1st April, 2019</b>	<b>1,96,17,690</b>	<b>47,86,42,622</b>	<b>12,85,555</b>	<b>84,70,855</b>	<b>13,09,13,115</b>	<b>63,89,29,837</b>
<b>Less : Transfer to Profit &amp; Loss ( Share in Associate Co. )</b>						
i. J.K.Cotton Limited	-	(1,14,23,992)	-	-	-	(1,14,23,992)
<b>Less : Movement in OCI - J.K.Cotton Ltd.</b>					(3,29,619)	<b>(3,29,619)</b>
<b>Balance in Profit &amp; Loss statement :</b>						<b>(53,49,046)</b>
<b>Balance in Statement of P &amp; L</b>	(44,21,542)	-	-	-	-	
<b>Add : Share of Associates Company</b>						
i. J.K.Cotton Limited	6,13,448	-	-	-	-	
ii. Nebula3D Services Pvt. Limited	(15,40,952)	-	-	-	-	
<b>Re-measurement of defined benefits Plan :</b>						<b>(89,899)</b>
<b>Re-measurement of defined benefits Plan ( OCI )</b>	88,000	-	-	-	-	
<b>Add : Share of OCI in Associates Co.</b>						
i. J.K.Cotton Limited	(1,77,899)	-	-	-	-	
ii. Nebula3D Services Pvt. Limited	-	-	-	-	-	
<b>Fair Value change on Equity Instrument through Other Comprehensive Income [ Net of Tax ]</b>						<b>(7,28,44,352)</b>
<b>Fair Value Change on Equity in Statement of P &amp; L</b>	-	-	-	-	(7,28,44,352)	
<b>Add : Share of Associates Company</b>						
i. J.K.Cotton Limited	-	-	-	-	-	
ii. Nebula3D Services Pvt. Limited	-	-	-	-	-	
<b>Balance at the end of 31st March,2020</b>	<b>1,41,78,745</b>	<b>46,72,18,630</b>	<b>12,85,555</b>	<b>84,70,855</b>	<b>5,77,39,144</b>	<b>54,88,92,929</b>

	Retained Earnings	Capital Reserve	Capital Redemption Reserve	Share Premium Account	Other Comprehensive Income	Total
<b>Balance as per last balance as on 1st April, 2018</b>	<b>14,36,22,110</b>	<b>49,35,65,832</b>	<b>12,85,555</b>	<b>84,70,855</b>	<b>20,75,40,440</b>	<b>85,44,84,792</b>
<b>Less : Transfer to Profit &amp; Loss ( Share in Associate Co. )</b>						
i. J.K.Cotton Limited	-	(1,49,23,210)	-	-	-	(1,49,23,210)
ii. Nebula3D Services Pvt. Limited						
<b>Balance in Profit &amp; Loss statement :</b>						<b>2,54,16,280</b>
<b>Balance in Statement of P &amp; L</b>	69,35,096	-	-	-	-	
<b>Add : Share of Associates Company</b>						
i. J.K.Cotton Limited	1,80,35,237	-	-	-	-	
ii. Nebula3D Services Pvt. Limited	4,45,947	-	-	-	-	
<b>Re-measurement of defined benefits Plan :</b>						<b>3,23,338</b>
<b>Re-measurement of defined benefits Plan ( OCI )</b>	(49,000)	-	-	-	-	
<b>Add : Share of OCI in Associates Co.</b>						
i. J.K.Cotton Limited	3,72,338	-	-	-	-	
ii. Nebula3D Services Pvt. Limited	-	-	-	-	-	
<b>Fair Value change on Equity Instrument through Other Comprehensive Income [ Net of Tax ]</b>						<b>(7,66,27,325)</b>
<b>Fair Value Change on Equity in Statement of P &amp; L</b>	-	-	-	-	(7,69,56,944)	
<b>Add : Share of Associates Company</b>						
i. J.K.Cotton Limited	-	-	-	-	3,29,619	
ii. Nebula3D Services Pvt. Limited	-	-	-	-	-	
<b>Add : Ind AS 115 Adjustment</b>	(14,97,44,038)	-	-	-	-	<b>(14,97,44,038)</b>
<b>Balance at the end of 31st March,2019</b>	<b>1,96,17,690</b>	<b>47,86,42,622</b>	<b>12,85,555</b>	<b>84,70,855</b>	<b>13,09,13,115</b>	<b>63,89,29,837</b>

#### Notes to Other Equity :-

12(i). Retained earnings is the cumulative profits of the Company and effect of re-measurement defined obligations.

This reserve can be utilized in accordance with the provision of the Companies Act, 2013.

(ii). Other Comprehensive Income ( OCI ) represents the Fair Value Changes of Specified items which would be re-classified to profit or loss account in future years.

*Jaykay Enterprises Limited*

NOTES on Consolidated Financial statements for the year ended 31st March, 2020

**NON CURRENT LIABILITIES**

<b>PARTICULARS</b>	<b>As At 31 March 2020</b>	<b>As At 31 March 2019</b>
<b>13 PROVISIONS :</b>		
Provision for Employees benefits	21,10,000	22,98,000
	<u><b>21,10,000</b></u>	<u><b>22,98,000</b></u>
<b>CURRENT LIABILITIES</b>		
<b>FINANCIAL LIABILITIES</b>		
<b>14 TRADE PAYABLES</b>		
i. Others	38,12,860	9,60,093
	<u><b>38,12,860</b></u>	<u><b>9,60,093</b></u>
<b>15 OTHER CURRENT LIABILITIES</b>		
Security Deposits	10,05,000	9,95,000
Payable to Debenture holders/Preference Shares holders *	72,96,567	72,96,567
Statutory Dues	12,38,057	7,77,061
Other Payables	2,47,75,834	52,40,749
	<u><b>3,43,15,458</b></u>	<u><b>1,43,09,377</b></u>
<p>* These amounts have been claimed by Debentures/Preference Shares holders but held in abeyance due to non-completion of legal formalities.</p>		
<p><b>Note :- Other Payables includes Employees Liabilities and advance against Sale of Property etc.</b></p>		
<b>16 PROVISIONS :</b>		
Provision For Employees Benefit	33,69,391	37,44,816
	<u><b>33,69,391</b></u>	<u><b>37,44,816</b></u>

# Jaykay Enterprises Limited

NOTES on Consolidated Financial statements for the year ended 31st March, 2020

	Amount in ₹	
PARTICULARS	Year ended 31st March 2020	Year ended 31st March 2019
<b>17 Revenue From Operations</b>		
Registrar & Transfer Agent Services	<u>30,80,000.00</u>	<u>30,60,000.00</u>
	<u>30,80,000.00</u>	<u>30,60,000.00</u>
<b>18 Other Income :</b>		
Interest Income	2,92,77,522.00	4,24,42,625.00
Dividend Income	20,00,941.00	6,20,457.00
<b>Other Non-Operating Income :-</b>		
Rent	1,32,97,000.00	1,37,04,000.00
Profit On Sale Of Investments	3,000.00	-
Miscellaneous Receipts	60,00,158.00	64,74,349.00
	<u>5,05,78,621.00</u>	<u>6,32,41,431.00</u>
<b>Share of Profit of Associates Companies</b>		
i. J.K.Cotton Limited	-	1,80,35,237.00
ii. Nebula3D Services Pvt. Limited	-	4,45,947.00
	<u>-</u>	<u>1,84,81,184.00</u>
	<u>5,05,78,621.00</u>	<u>8,17,22,615.00</u>
<b>19 EMPLOYEE BENEFITS EXPENSES</b>		
Salaries And Wages	1,94,55,424.00	2,11,69,970.00
Contribution To Provident And Other Funds	32,58,686.00	32,32,227.00
Staff Welfare Expenses	18,34,880.00	9,31,643.00
	<u>2,45,48,990.00</u>	<u>2,53,33,840.00</u>
<b>20 FINANCE COSTS</b>		
Interest	91.00	607.00
	<u>91.00</u>	<u>607.00</u>
<b><u>DEPRECIATION AND AMORTIZATION EXPENSES</u></b>		
Depreciation	9,84,436.00	9,08,640.00
	<u>9,84,436.00</u>	<u>9,08,640.00</u>
<b>21 OTHER EXPENSES</b>		
<b><u>Administrative Expense</u></b>		
Insurance	13,56,648.00	7,94,781.00
Rent	57,00,000.00	57,00,000.00
Lease Rent	1,18,289.00	1,17,867.00
Rates & Taxes	5,32,215.00	21,76,590.00
Directors' Fee	2,90,460.00	2,24,200.00
Auditors' Remuneration		
- Audit Fee	70,800.00	70,800.00
- Other Services	17,700.00	20,650.00
Postage & Telegrams	1,39,226.00	17,46,786.00
Courier Service Expenses	2,31,369.00	5,27,423.00
Telephone Expenses	1,19,904.00	1,25,515.00
Advertisement Other than Sales Promotion	7,44,790.00	6,32,100.00
Travelling Expenses	5,02,034.00	4,75,374.00
Conveyance Expenses	1,32,276.00	1,34,087.00
Transport Expenses	7,31,583.00	7,51,736.00
Office Running/Upkeeping Expenses	14,50,504.00	12,31,541.00
Electricity charges	13,63,858.00	17,97,845.00
Establishment Expenses	46,05,296.00	30,64,869.00
Security service charges	11,45,210.00	11,10,220.00
Other professional charges	15,77,710.00	16,38,372.00
Retainer Fee	34,96,256.00	22,30,716.00
Legal expenses	26,43,849.00	7,66,144.00
Compensation	4,70,000.00	5,85,000.00
Repairs and Maintenance Expenses	25,76,768.00	21,41,924.00
Printing & Stationery	10,28,345.00	14,12,393.00
Annual Custody Fee	3,46,852.00	3,45,032.00
Charges General	4,08,834.00	3,71,727.00
Listing Fee	3,54,000.00	2,50,000.00
Annual Maintenance Charges	1,39,525.00	1,49,951.00
Miscellaneous expenses	2,52,345.00	3,61,905.00
	<u>3,25,46,646.00</u>	<u>3,09,55,548.00</u>
Share of Loss of Associates Companies	9,27,504.00	-
	<u>3,34,74,150.00</u>	<u>3,09,55,548.00</u>

**Notes on Consolidated Financial Statements for the year ended 31st March, 2020**

22. Deferred Tax assets have not been recognised, considering the principle of virtual certainty as stated in the Indian Accounting Standard -12 Income Taxes.
23. In view of brought forward losses and unabsorbed depreciation, the entry for MAT credit entitlement has not been accounted for.

**24. Earning per Share ( EPS ) :**

	<b>2019-20</b>	<b>2018-19</b>
	( Amount/₹ )	
a. Net Profit(+)/Loss(-) available for Equity Share holders	<b>(7,82,83,297)</b>	(5,08,87,707)
<b>b. Number of Equity Shares</b> ( Denominator used for calculating EPS )	<b>37134752</b>	37134752
<b>c. Basic and diluted earnings per Equity Share of ₹ 1/- each</b>		
i. Before Extra Ordinary items	( 2.11)	( 1.37)
ii. After Extra Ordinary items	( 2.11)	( 1.37)

**25. Related Parties Disclosures :**

List of related parties with whom transactions have taken place during the year :

**A. Associate Company :**

- i. J. K. Cotton Ltd.
- ii. Nebula3D Services Pvt. Limited

**B. Key Management Personnel :**

- |                              |                       |
|------------------------------|-----------------------|
| 1. Shri Ashok Gupta          | Managing Director     |
| 2. Shri C.P.Agarwal          | Chief Finance Officer |
| 3. Shri Prabhat Kumar Mishra | Company Secretary     |

**C. Entities over Promoters/Directors have significant influence :**

- i. J.K.Cement Ltd.
- ii. AAR EMM Holdings Pvt. Limited

**D. Directors :-**

1. Smt. Vidhi Nidhipati Singhania
2. Smt. Renu Nanda
3. Dr. Krishna Behari Agarwal
4. Shri Ravindra Kumar Tandon
5. Shri Anil Kumar Dalmia
6. Shri Kedar Nath Mehrotra

**Details of Transactions are as follows;**

**1. Remuneration**

**Key management personnel :**

- |                              |   |           |
|------------------------------|---|-----------|
| 1. Shri Ashok Gupta          | ₹ | 38,16,040 |
| 2. Shri C.P.Agarwal          | ₹ | 25,05,472 |
| 3. Shri Prabhat Kumar Mishra | ₹ | 19,16,389 |

**2. Associate Company :**

**i. Nebula3D Services Pvt. Limited :**

**a. Finance :**

**Un Secured Loan :-**

Balance at the beginning of the year	₹	64,00,000	
Add : Loan given during the year	₹	1,58,00,000	
Total	₹	2,22,00,000	
Less : Repayment during the year	₹	2,22,00,000	
Balance at the end of the year	₹	NIL	₹ NIL

**b. Preference Share Contribution ( Investment ) :-**

- |   |   |             |
|---|---|-------------|
| Preference Shares Purchased during the year | ₹ | 3,00,00,000 |
|---|---|-------------|

**c. Interest recovered on Un Secured Loan**

- |  |   |          |
|--|---|----------|
|  | ₹ | 8,48,466 |
|--|---|----------|

**d. Rent, Expenses recovered and Services rendered**

- |  |   |       |
|--|---|-------|
|  | ₹ | 5,900 |
|--|---|-------|

**ii. J.K.Cotton Limited**

- |  |   |          |
|--|---|----------|
| Rent, Expenses recovered and Services rendered | ₹ | 1,95,000 |
|--|---|----------|

**3. Promoters/Relatives**

- |  |   |          |
|--|---|----------|
| Rent, Interest and other expenses paid | ₹ | 3,00,000 |
|--|---|----------|

**4. Rent, Expenses recovered and Services rendered**

- |                                 |   |             |
|---------------------------------|---|-------------|
| i. J.K.Cement Ltd.              | ₹ | 1,66,62,454 |
| ii. Jaykay Cem(Central) Ltd.    | ₹ | 5,900       |
| iii. J.K.Traders Ltd.           | ₹ | 5,900       |
| iv. Yadu International Ltd.     | ₹ | 5,900       |
| v. AAR EMM Holding Pvt. Limited | ₹ | 23,36,400   |

**5. Sitting Fee paid to Directors**

- |  |   |          |
|--|---|----------|
|  | ₹ | 2,90,460 |
|--|---|----------|

26. a. Balances in suppliers and Deposit accounts taken as per books are subject to confirmation/reconciliation.

b. **CONTINGENT LIABILITIES**

<b>AS AT</b>	<b>AS AT</b>
<b>31-03-2020</b>	<b>31-03-2019</b>
<b>( Amount/ ₹ )</b>	

**Indeterminate**

i. In respect of claims against the Company not acknowledged as

ii. In respect of disputed demands, appeals pending with Appellate Authorities/ Courts - no provision has been considered necessary by the Management :

- Custom Duty and Penalty

- 8,72,60,769

27. The Financial statements were approved for issue by the Board of Directors on 30th June, 2020.

28. Previous year's figures have been restated/recasted/regrouped wherever necessary to conform to the classification of the year.

29. The operation of the company remained closed in the month of March, 2020 due to national wise lockdown declared / announced by Government of India because of COVID 19 out break. The impact of COVID-19 may impact the underlying assumption and estimates used to prepare the company's financial statements which may differ from that considered at the time of approval of these financial statements but has no impact on the assumption relating to going concern.

30. The Government of India on September 20, 2019, vide the Taxation Law (Amendment ) Ordinance 2019, inserted a new section 115BAA in the Income Tax Act,1961, which provides domestic companies a non-reversible option to pay Corporate tax at reduced rate effective, April 1 2019, subject to certain conditions. The company is continuing to provide for income tax at old rates.

### 31. SIGNIFICANT ACCOUNTING POLICIES ON CONSOLIDATED ACCOUNTS

#### PRINCIPLES OF CONSOLIDATION

- i. The consolidated financial statements have been prepared on the following basis :
  - a. The consolidated financial statements are prepared in accordance with " Indian Accounting Standard-28 " Investments in Associates" issued by The Institute of Chartered Accountants of India (ICAI ).
  - b. The Financial statements of the Company and its Associates have been consolidated on Equity method of accounting for investments in associates.
  - c. The consolidated financial statements have been prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented, to the extent possible, in the same manner as the Company's separate financial statements.
  - d. Financial Year as accounting year is adopted by the associates and the books are being prepared for the year ending 31st March, 2020.
- ii. The Company considered in the consolidated financial statements is :

Sl.	Name of Company	Nature of Company	Country of Incorporation	Holding as on 31-03-2020	Period of Consolidation
1.	J.K.Cotton Ltd.	Associate	India	40.34%	Financial Year 2019-20
2.	Nebula3D Services Pvt.Ltd.	Associate	India	27.65%	Financial Year 2019-20

#### iii. Other Significant Accounting Policies

These are set out under 'Significant Accounting Policies' as given in the Standalone Financial Statements of Jaykay Enterprises Ltd.

#### iv. The Associate Company has prepared the Financial Statements in accordance with Indian Accounting Standard issued by ICAI.

### 32. Statement pursuant to Section 129(3) of the Companies Act,2013 related to the Associate Company

Sl.	Name of Associate	Shares of associate held by the company on the year end					Profit/(Loss) for the year			
		Latest Audited Balance Sheet date	No. of Shares	Amount of investment in Associate	Extent of Holding %	Networth Attributable to shareholding as per latest balance sheet	Considered in Consolidation	Not Considered in Consolidation	Description of how there is significant Influence	Reason why the associate is not Consolidated
1.	J. K. Cotton Ltd.	31-03-2020	9510360	9,45,13,240	40.34%	10,79,695	4,35,549	-	Due to holding of 40.34 % of share Capital	N.A.
2.	Nebula3D Services Pvt.Ltd.	31-03-2020	545957	3,38,95,174	27.65%	(55,73,062)	(15,40,952)	-	Due to holding of 27.65 % of share Capital	N.A.