

Jaykay Enterprises Ltd.

*Annual
Report
2013-14*



Jaykay Enterprises Ltd.

Board of Directors

| | |
|-------------------------|----------------------------|
| Dr. Gaur Hari Singhania | Chairman |
| Govind Hari Singhania | Vice Chairman |
| Yadupati Singhania | Managing Director & C.E.O. |
| Ramapati Singhania | |
| Dr. K. B. Agarwal | |
| Jagendra Swarup | |
| R. K. Tandon | |
| Anil Kumar Dalmia | |
| Kedar Nath Mehrotra | |

Vice President & Chief Financial Officer

Ashok Gupta

Company Secretary & Compliance Officer

Prabhat Kumar Mishra

AUDITORS

Messrs P. L. Tandon & Co.
Chartered Accountants
Westcott Building,
The Mall, Kanpur-208 001

REGISTERED OFFICE

KAMLA TOWER,
Kanpur-208 001

BANKER

Oriental Bank of Commerce

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Jaykay Enterprises Ltd.

CIN: L99999UP1961PLC001187

Regd. Office: Kamla Tower, Kanpur – 208 001, U.P. (India) • Ph. No. 91 512 237 1478-81 * Fax: 91 512 233 2665

Email: prabhat.mishra@jkcement.com • Website: www.jaykayenterprises.com

NOTICE

Notice is hereby given that the Annual General Meeting of **Jaykay Enterprises Ltd.** will be held at the Registered Office of the Company at Kamla Tower, Kanpur-208001 on Wednesday, the 13th August, 2014 at 12.00 Noon to transact the following business:-

1. To receive, consider and adopt the audited Balance Sheet as at 31st March, 2014, Statement of Profit and Loss for the year ended on that date and the Reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Shri Ramapati Singhania (**DIN 00247419**), who retires by rotation pursuant to the provisions of Article 105 of the Articles of Association of the Company and being eligible offers himself for re-appointment.
3. To appoint Auditors to hold office from the conclusion of this meeting until the conclusion of the next Annual General Meeting and to fix their remuneration. The retiring auditors M/s P.L. Tandon & Company, Chartered Accountants, Kanpur (**ICAI Registration No.000186C**), are, however eligible for re-appointment.

SPECIAL BUSINESS

To consider and, if thought fit, to pass with or without modification(s) the following resolutions:

AS ORDINARY RESOLUTION

4. "RESOLVED THAT **Shri Kedar Nath Mehrotra (DIN 06749349)**, who was appointed as an Additional Director of the Company by the Board of Directors with effect from 12th August, 2013 in terms of Section 260 of the Companies Act, 1956 [corresponding to Section 161(1) of the Companies Act, 2013] and Article 94(1) of the Articles of Association of the Company and whose term of office expires at the Annual General Meeting and in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company to hold office upto five consecutive years till respective Annual General Meeting."

AS SPECIAL RESOLUTION

5. "RESOLVED THAT pursuant to the provisions of Sections 149,150, 152 and any other applicable provisions of the Companies Act, 2013 and the rules framed thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013, **Dr. Krishna Behari Agarwal (DIN 00339934)** Director of the Company in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of Director be and is hereby appointed as an Independent Director of the Company to hold office upto five consecutive years till respective Annual General Meeting."
6. "RESOLVED THAT pursuant to the provisions of Sections 149,150, 152 and any other applicable provisions of the Companies Act, 2013 and the rules framed thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013, **Shri Jagendra Swarup (DIN 00164708)** Director of the Company in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of Director be and is hereby appointed as an Independent Director of the Company to hold office upto five consecutive years till respective Annual General Meeting."
7. "RESOLVED THAT pursuant to the provisions of Sections 149,150, 152 and any other applicable provisions of the Companies Act, 2013 and the rules framed thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013, **Shri Ravindra Kumar Tandon (DIN 00159472)** Director of the Company in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of Director be and is hereby appointed as an Independent Director of the Company to hold office upto five consecutive years till respective Annual General Meeting."
8. "RESOLVED THAT that pursuant to the provisions of Sections 149,150, 152 and any other applicable provisions of the Companies Act, 2013 and the rules framed thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013, **Shri Anil Kuamr Dalmia (DIN 00789089)** who has been appointed as Director in casual vacancy and liable to retire by rotation at the Annual General Meeting

and in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of Director be and is hereby appointed as an Independent Director of the Company to hold office upto five consecutive years till respective Annual General Meeting."

9. "RESOLVED THAT as recommended by Remuneration Committee and pursuant to the provisions of Sections 197 and other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification(s) or re-enactment thereof, for the time being in force), the consent of the Company be and is hereby accorded to the appointment of **Dr. Gaur Hari Singhania (DIN 00054848)** as the Non- Executive Chairman of the Company for a further period of 5 (five) years with effect from 1st September, 2014 to 31st August, 2019, without any remuneration/Perquisites, with the authority to the Board of Directors (hereinafter referred to as 'the Board', which term shall be deemed to include Committee of Directors with powers conferred by this resolution) to alter and vary the terms of his appointment during continuance of his appointment as Chairman."

"RESOLVED FURTHER THAT Dr. Gaur Hari Singhania, Chairman of the Board, shall be a Director liable to retire by rotation."

"RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to do all such acts, deeds and things and take all such steps as may be necessary, proper or expedient to give effect to this resolution and matters incidental thereto."

10. "RESOLVED THAT as recommended by Remuneration Committee and pursuant to the provisions of Sections 197 and other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification(s) or re-enactment thereof, for the time being in force), the consent of the Company be and is hereby accorded to the appointment of **Shri Govind Hari Singhania (DIN 00159580)** as the Non- Executive Vice-Chairman of the Company for a period of 5 (five) years with effect from 1st September, 2014 to 31st August, 2019, without any remuneration/Perquisites but with certain facilities, as set out in the Explanatory Statement annexed to the Notice, with the authority to the Board of Directors (hereinafter referred to as 'the Board', which term shall be deemed to include Committee of Directors with powers conferred by this resolution) to alter and vary the terms of his appointment during continuance of his appointment as Vice-Chairman."

"RESOLVED FURTHER THAT Shri Govind Hari Singhania, Vice-Chairman of the Board, shall be a Director liable to retire by rotation."

"RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to do all such acts, deeds and things and take all such steps as may be necessary, proper or expedient to give effect to this resolution and matters incidental thereto."

11. "RESOLVED THAT pursuant to the provisions of Section 180(1)(c) of the Companies Act 2013 (corresponding Section 293(1)(d) of the Companies Act, 1956) and all other applicable provisions, if any, of the Companies Act, 2013 and pursuant to the provisions of the Articles of Association of the Company and in supersession of all earlier resolution(s) passed in this regard, consent of the Company be and is hereby accorded to the Board of Directors of the Company to borrow in any manner from time to time any sum or sums of moneys at its discretion on such terms and conditions as the Board of Directors may deem fit, notwithstanding that the moneys to be borrowed by the Company together with the moneys already borrowed (apart from temporary loans obtained from the Company's Bankers in the ordinary course of business) from the financial institutions, Company's bankers and or from any person or persons, firms, bodies, corporate whether by way of loans, advances, deposits, bill discounting, issue of debentures, bonds or any financial instruments or otherwise and whether secured or unsecured which may exceed the aggregate of the paid up capital of the Company and its free reserves that is to say, reserves not set apart for any specific purpose, provided that the maximum amount of money so borrowed by the Board and outstanding at any time shall not exceed the sum of Rs.50 Crore (Rupees Fifty Crore only)."

"RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board of Directors be and is hereby authorised to do and perform all such acts, deeds, matters and things as it may in its absolute discretion deem necessary, proper or desirable and to settle any question, difficulty, doubt that may arise in respect of the borrowing(s) aforesaid and also to delegate all or any of the above



powers to such Committee of Directors or the Managing Director or the Director or the Key Managerial Personnel of the Company and further to do all such acts, deeds and things and to execute all documents and writings as may be necessary, proper, desirable or expedient to give effect to this resolution".

12. "RESOLVED THAT pursuant to the provisions of Section 180(1)(a) of the Companies Act 2013 (corresponding Section 293(1)(a) of the Companies Act, 1956) and all other applicable provisions, if any, of the Companies Act, 2013, and in supersession of all earlier resolution(s) passed in this regard, consent of the Company be and is hereby accorded to the Board of Directors of the Company to create mortgages/charges/hypothecation in any manner whatsoever on all or any of the immovable and movable properties of the Company, present and future, of the whole or substantially the whole of the undertaking of the Company, ranking pari-passu or otherwise and/or second and/or subservient and/or subordinate to the mortgages /charges/hypothecation already created or to be created in future by the Company for securing any loans and/or advances and/or guarantees and/or any financial assistance obtained or may be obtained from financial institutions, banks or suppliers and/or any other persons or institutions providing finance for purchase of assets and/or for the business of the Company or for working capital or for purchase of specific items of machinery and equipments under any deferred payment scheme or bills discounting scheme that may be issued by the Company, with power to take over the management, business and concern thereof in certain events of default, on such terms and conditions and at such times and in such form and manner as the Board of Directors may deem fit, so that the total outstanding amount at any time so secured shall not exceed the aggregate of the amounts consented by the Company by the Resolution passed at this meeting pursuant to Section 180(1)(a) of the Companies Act 2013 i.e. Rs. 50 Crore (Rupees Fifty Crore only) together with interest thereon and further interest, if any, cost, charges, expenses, remuneration payable to the trustees and all other monies payable by the Company".

"RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to and cause to prepare, finalise, approve and execute on behalf of the Company with the lenders, banks, machinery suppliers, persons and institutions, the documents, deeds, agreements, declarations, undertakings and writings as may be necessary and expedient for giving effect to the foregoing resolution and also to delegate all or any of the above powers to the Committee of Directors or the Managing Director or the Director or the Key Managerial Personnel of the Company".

13. "RESOLVED THAT pursuant to the provisions of Section 14 and all other applicable provisions of the Companies Act, 2013 read with Companies (Incorporation) Rules, 2014 (including any statutory modification (s) or re-enactment thereof, for the time being in force) the draft regulations contained in the Articles of Association submitted to this meeting be and are hereby approved and adopted in substitution, and to the entire exclusion, of the regulations contained in the existing Articles of Association of the Company".

"RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

By Order of the Board

(PRABHAT KUMAR MISHRA)
Company Secretary

Dated : Kanpur
Place : 29th May, 2014

NOTES :

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY/PROXIES TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF. SUCH PROXY/PROXIES NEED NOT BE MEMBER OF THE COMPANY.**
A person can act as proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than ten percent of the total share capital of the Company. The instrument of proxy in order to be effective, should be deposited at the Registered Office of the Company, duly completed and signed not less than 48 hours before the commencement of the meeting.

A Proxy form is annexed herewith. Proxies submitted on behalf of the Companies, Societies etc. must be supported by an appropriate resolution/authority as applicable.

- The Register of Members and Share Transfer Books of the Company will remain closed from Wednesday, 6th August, 2014 to Wednesday, 13th August, 2014 (both day inclusive).
- Members are requested to notify immediately change of address, if any, to their Depository Participants (DPs) in respect of their shareholding in Demat Accounts and to the Company at its Share Department in respect of their shareholding in physical segment by mentioning folio nos., etc, if any.
- Members are requested to convert their share(s) lying in physical form to the Demat form for easy transferability of shares. For any help the shareholders may contact the Company Secretary & Compliance Officer at mail id. prabhat.mishra@jkcement.com
- Members are requested to bring their copies of the Annual Report, as Copies of the Report will not be re-distributed at the Meeting.
- Members seeking any information with regard to the accounts of the Company are requested to write to the Company at its Registered Office, so as to reach at least 10 days before the date of the Meeting to enable the Management to keep the information ready.
- Members, who hold shares in Physical/Dematerialised Form, are requested to bring their Folio No./Depository Account Number and Client ID Number for identification.
- The Ministry of Corporate Affairs has taken 'Green Initiative in the Corporate Governance' by allowing paperless compliances by the Companies and has issued circulars stating that service of notice/documents including Annual Report can be sent by e-mail to its members. In this regard we solicit your cooperation to update our databank. Members, who have not registered so far, are requested to register their e-mail address, contact telephone number in respect of electronic holdings with the Depository through their concerned Depository Participants. Members who hold shares in physical form are requested to intimate their e-mail address, contact telephone number at any of our e-mail address viz. (a) prabhat.mishra@jkcement.com, (b) rc.srivastava@jkcement.com, (c) investorservices@jkcement.com, (d) jkshr@jkcement.com**
- Your Company framed 'Investor Facilitator Scheme' to provide an opportunity to its Small Shareholders holding up to 1000 equity shares in physical form/segment, if they so desire to dispose of their holdings and realise the market value without undergoing the process of dematerialisation of shares and other costs related thereto. If any shareholder is desirous to avail such opportunity may contact Shri Prabhat Kumar Mishra, Company Secretary & Compliance Officer, Jaykay Enterprises Ltd., Kamla Tower, Kanpur-208001 or at E-Mail Id : prabhat.mishra@jkcement.com
- The shareholders, who have not received their physical share certificate(s) for new shareholding upon reduction of share capital may write to the Company by quoting their old Ledger Folio No. and complete address so that their status of new share holding could be communicated and the relative share certificate(s) could be dispatched, if the same is lying undelivered with the Company.
- With a view to have quick communication with our shareholders and to make them updated with important issues, the Company is in process of developing complete record of shareholders. The Company therefore seeks co-operation from each shareholder (including joint shareholders) by sending the details as per Communication Form annexed at the last of this Annual Report.
- Shareholders of physical segment who wish to notify change in their address may intimate complete new address with Pin code by quoting their Folio No. and proof of Address i.e. copy of telephone/ electricity bill or any receipt of Municipal Corporation etc.
- The Shareholders who wish to make nomination may send their application in prescribed Form No. SH-13 [under section 72 of the Companies Act, 2013 and Rule 19(1) of the Companies (Share Capital and Debentures) Rules 2014]. The said form is available on Company's Website www.jaykayenterprises.com
- In terms of Sections 107 and 108 of the Companies Act, 2013 read with Companies (Management and Administration) Rules, 2014, the Company is providing its members the facility to exercise their right to vote at the meeting by electronic

means on any or all of the businesses specified in the accompanying Notice. Necessary arrangements have been made by the Company with Central Depository Services Ltd ("CDSL") to facilitate e-voting. E-voting is optional and members shall have the option to vote either through e-voting or in person at the General Meeting.

The procedure and instructions for voting through electronic means are as follows:-

- i. Open your web browser during the voting period and log on to the e-voting website www.evotingindia.com
- ii. Now click on "Shareholders" to cast your votes.
- iii. Now select the Electronic Voting Sequence Number ("EVSN") along with "JAYKAY ENTERPRISES LIMITED" from the drop down menu and click on "SUBMIT".
- iv. Shareholders maintaining their holding in Demat form Enter your User ID (For CDSL: 16 digits beneficiary ID, For NSDL: 8 Character DP ID followed by 8 Digits Client ID). Members holding shares in Physical Form should enter Folio Number registered with the Company and then enter the Captcha Code as displayed and Click on "Login"
- v. If you are holding shares in Demat form and had logged on to www.evotingindia.com and casted your vote earlier for EVSN of any company, then your existing password is to be used. If you are a first time user follow the steps given below:-
- vi. Fill up the following details in the appropriate boxes:

For Members holding shares in Demat and Physical Form

| | |
|-------------------------|---|
| PAN | <p>Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> • Physical Shareholders who have not updated their PAN with the Company are requested to use the first two letters of their name in Capital Letter followed by 8 digits folio no in the PAN field. In case the folio number is less than 8 digits enter the applicable number of 0's after the folio number. Eg. If your name is Ramesh Kumar with folio number 1234 then enter RA12340000 in the PAN field • Demat Shareholders who have not updated their PAN with their Depository Participant are requested to use the first two letters of their name in Capital Letter followed by 8 digit CDSL/ NSDL client id. For example: in case of name is Rahul Mishra and Demat A/c No. is 12058700 00001234 then default value of PAN is 'RA00001234.' |
| DOB# | Enter the Date of Birth as recorded in your demat account or in the Company records for the said demat account or folio in dd/mm/yyyy format. |
| Dividend Bank Details # | <p>Enter the Dividend Bank Details as recorded in your demat account or in the Company records for the said demat account or folio.</p> <ul style="list-style-type: none"> • Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or Company please enter the number of shares held by you as on 4th July, 2014 in the Dividend Bank details field |

Please enter any one of the details in order to login.

- vii. After entering these details appropriately, click on "SUBMIT" tab.
- viii. Members holding shares in physical form will then reach directly the EVSN selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote,

provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

- ix. For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- x. Click on the relevant EVSN on which you choose to vote.
- xi. On the voting page, you will see Resolution Description and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- xii. Click on the "Resolutions File Link" if you wish to view the entire Resolutions.
- xiii. After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- xiv. Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- xv. You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- xvi. If Demat account holder has forgotten the changed password then Enter the User ID and Captcha Code click on Forgot Password & enter the details as prompted by the system.
- xvii. Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to log on to <https://www.evotingindia.co.in> and register themselves as Corporates. After receiving the login details they have to link the account(s) which they wish to vote on and then cast their vote. They should upload a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, in PDF format in the system for the scrutinizer to verify the same.
- xviii. The voting period begins on **7th August, 2014** (9.00 a.m.) and ends on **9th August, 2014** (5.00 p.m.). During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of **4th July, 2014**, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- xix. In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.co.in under help section or write an email to helpdesk.evoting@cdslindia.com. You may also contact at Tel. No. 022-66069031.
- xx. The Company has appointed M/s. R.Jakhodia & Associates (Prop. Ms. R. Jakhodia) of Kanpur, Practicing Company Secretaries (C.P. No. 6083) as the Scrutinizer for conducting the e-voting process in fair and transparent manner.
- xxi. A copy of this notice has been placed on the website of the Company and the website of CDSL.
- xxii. In case of Members who are entitled to vote but have not exercised their right to vote by electronic means, the Chairman of the Company will order a poll on his own motion or on demand at the Meeting in terms of Section 109 of the Companies Act, 2013 for all businesses specified in the accompanying Notice.

For abundant clarity, please note that the Members who have exercised their right to vote by electronic means shall not be entitled to vote by way of poll at the Meeting. The voting rights of the Members shall be in proportion to their shares of the paid-up equity share capital of the Company. The poll process shall be conducted and scrutinized and report thereon will be prepared in accordance with Section 109 of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014.



EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT 2013, (CORRESPONDING SECTION 173(2) OF THE COMPANIES ACT, 1956) :-

ITEM NO. 4

The Board of Directors of the Company appointed **Shri Kedar Nath Mehrotra (DIN 06749349)** as an Additional (Non-Executive Independent) Director of the Company w.e.f. 12.8.13 in accordance with the provisions of Section 260 of the Companies Act, 1956 (corresponding Section 161 of the Companies Act, 2013) and Article 94(1) of the Articles of Association of the Company. In terms of Section 149 and any other applicable provisions of the Companies Act, 2013 Shri Kedar Nath Mehrotra being eligible, offers himself for appointment, is proposed to be appointed as an Independent Director upto five consecutive years till respective Annual General Meeting. Notice has been received from a member proposing his candidature for the office of Director of the Company. In the opinion of the Board Shri Kedar Nath Mehrotra fulfills the conditions specified in the Companies Act, 2013 and rules framed thereunder for his appointment as an Independent Director of the Company and is independent of the management. Given below is the brief resume of Shri Kedar Nath Mehrotra pursuant to clause 49 of the Listing Agreement:

Shri Kedar Nath Mehrotra is B.A., L.L.B. and is an eminent Advocate, practicing at High Court of Judicature at Allahabad since 1957. He has vast experience of about 57 years in the field of Law. He has also been awarded with "Presidents Home Guard and Civil Defence Medal" for Meritorious Services in the year 1996 and Golden Jubilee of Independence Medal in 1997.

He is Vice-President of Local Emergency Committee, Kanpur (under UNO) and also General Secretary U.P. Soot Committee since 1967. He is a social worker and has greatly contributed towards various social activities. He has also held various positions and memberships of several organizations. As on 31.03.2014 he does not hold any Equity share of the Company.

Copy of the draft letter for appointment of Shri Kedar Nath Mehrotra as an Independent Director setting out the terms and conditions would be available for inspection without any fee by the members at the Registered Office of the Company during normal business hours on any working day, excluding Saturday. The Resolution at item No.04 of the Notice is set out as an Ordinary Resolution for approval by the members in terms of Section 149(10) of the Companies Act, 2013.

Except Shri Kedar Nath Mehrotra none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested financial or otherwise in agenda item No.04. This Explanatory Statement may also be regarded as a disclosure under Clause 49 of the Listing agreement with the Stock Exchange.

ITEM NO. 5, 6 & 7

In terms of Section 149 and any other applicable provisions of the Companies Act, 2013, Dr K.B. Agarwal, Shri Jagendra Swarup & Shri Ravindra Kumar Tandon being eligible and offering themselves for appointment, are proposed to be appointed as Independent Directors upto five consecutive years till respective Annual General Meeting. Respective notices have been received from member(s) proposing their candidature for the office of Directors of the Company. In the opinion of the Board Dr K.B. Agarwal, Shri Jagendra Swarup & Shri Ravindra Kumar Tandon fulfills the conditions specified in the Companies Act, 2013 and rules framed thereunder for their appointment as Independent Directors of the Company and are independent of the management. Given below are the brief resumes of Dr K.B. Agarwal, Shri Jagendra Swarup & Shri Ravindra Kumar Tandon pursuant to Clause 49 of the Listing Agreement:

Dr. K.B. Agarwal (DIN 00339934) is a graduate of Law, Ph.D, ICWA and CS. He has vast experience in the fields of Finance, Accounts and Capital Market. He has been associated with several industry and trade associations and served Merchants' Chamber of U.P. and U.P. Stock Exchange Association Limited as their President. He has been actively associated with FICCI & ASSOCHAM and was actively involved with various Committees of Government. As on 31.03.2014 he holds 50 Nos. of Equity share of the Company.

Shri Jagendra Swarup (DIN 00164708) is an Advocate. He has been in practice for over 37 years and has vast experience in the legal field and particularly on matters relating to Corporate Laws, Banking and Taxation. He is the legal advisor to leading Indian Companies and Banks. He is holding membership of various Associations and also important positions in various fields viz. professional, political, commercial, educational and social. He has been a member of Legislative Council of U.P. for about

four decades consecutively. He is holding Directorship of J.K. Cement Ltd., J. K. Cotton Ltd. and Frost International Ltd. As on 31.3.2014, he does not hold any Equity share of the Company.

Shri R.K. Tandon (DIN 00159472) is a Science Graduate and has wide experience in the fields of Capital market, Banking and Industry. He is past President of U.P. Stock Exchange Association Ltd. and Ex- Chairman of United Mercantile Co-operative Bank Ltd. He is founder Vice President of Federation of Indian Stock Exchanges, Delhi. He is member and Trustee of several Charitable, Socio- Educational & Sports Trusts. As on 31.3.2014 he holds 17,859 Nos. of Equity Shares of the Company.

ITEM NO. 8: -

The Board of Directors of the Company appointed **Shri Anil Kumar Dalmia (DIN 00789089)** as Non-Executive Independent Director who has been appointed as Director in casual vacancy w.e.f. 28.5.12 in place of Shri Kailash Nath in accordance with the provisions of Section 262 of the Companies Act, 1956 (corresponding Section 161 of the Companies Act, 2013) and Article 111 of the Articles of Association of the Company and to hold office upto the Annual General Meeting due to the retirement by rotation of the Director in his place he has been appointed. In terms of Section 149 and any other applicable provisions of the Companies Act, 2013, Shri Anil Kumar Dalmia being eligible, offers himself for appointment, is proposed to be appointed as an Independent Director upto five consecutive years till respective Annual General Meeting. Notice has been received from a member proposing his candidature for the office of Director of the Company. In the opinion of the Board Shri Anil Kumar Dalmia fulfills the conditions specified in the Companies Act, 2013 and rules framed thereunder for his appointment as an Independent Director of the Company and is independent of the management. Given below is the brief resume of Shri Anil Kumar Dalmia pursuant to clause 49 of the Listing Agreement.

Shri Anil Kumar Dalmia an industrialist and possesses over 38 years rich experience in commerce and industry and Director of the Company since 2012 and also on the Board of other companies. As on 31.03.2014 he does not hold any Equity share of the Company.

Copies of the draft letters for appointment of respective Independent Directors setting out the terms and conditions would be available for inspection without any fee by the members at the Registered Office of the Company during normal business hours on any working day, excluding Saturday. The Resolution at item Nos. 5, 6, 7 & 8 of the Notice is set out as Special Resolutions for approval by the members in terms of Section 149(10) of the Companies Act, 2013.

Except **Dr. Krishna Behari Agarwal, Shri Jagendra Swarup, Shri Ravindra Kumar Tandon and Shri Anil Kumar Dalmia**, who are interested and/or concerned in their respective resolutions, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested financial or otherwise in agenda item Nos. 5, 6, 7 & 8. This Explanatory Statement may also be regarded as a disclosure under Clause 49 of the Listing agreement with the Stock Exchange.

ITEM NO.09

Dr. Gaur Hari Singhania's term as Chairman of the Company is expiring on 31st August, 2014. The Remuneration Committee in its meeting has considered the matter and observed that Dr. Gaur Hari Singhania has been associated with the Company since 1954 holding various important positions such as Managing Director and Chairman. In view of his long association with the Company and the vast experience with the industry, the Remuneration Committee recommended that Dr. Gaur Hari Singhania be appointed the Non- Executive, Chairman for a further period of 5 (five) years with effect from 1st September, 2014, so that the Company may take advantage of his rich experience and knowledge, without paying any remuneration, perks and perquisites.

Dr. Gaur Hari Singhania shall be a rotational Director of the Company and liable to retire by rotation at Annual General Meeting.

None of the Directors except Shri Govind Hari Singhania and Shri Yadupati Singhania, who are related to Dr. Gaur Hari Singhania is deemed to be concerned or interested in the resolution. This Explanatory Statement may also be regarded as a disclosure under Clause 49 of the Listing agreement with the Stock Exchange.

Special Resolution at Item No.9 is, therefore, recommended for your approval.

ITEM NO.10

Shri Govind Hari Singhania's term as Vice-Chairman of the Company is expiring on 31st August, 2014. He has been associated with the Company since 1980 holding various important positions. In view of his long association and on the basis of recommendation of Remuneration Committee, he is proposed to be re-appointed as Non-Executive Vice Chairman of the Company for further period of 5 (Five) years w.e.f. 1st September, 2014. His appointment is without any salary and perquisites. However, he shall be given certain facilities as under:-

- (a) **Medical Reimbursement** – Expenses incurred for self and family subject to a ceiling of Rs.30,000/- in a year or Rs.90,000/- over a period of three years.
- (b) **Club Fees** – Fees of clubs, subject to a maximum of two clubs, provided that no life membership or admission fee is paid.
- (c) **Personal Accident Insurance** – Premium not to be exceeded Rs.15,000/- p.a.
- (d) **Car with Driver and Telephone** – The Company will provide a car with driver and telephone at the residence of Vice-Chairman. The provision of car for use of Company's business and telephone at residence will not be considered as perquisites. Use of car for private purposes shall be billed by the Company to the Vice-Chairman.
- (e) The Vice-Chairman shall be entitled to reimbursement of expenses actually incurred for the business of the Company.

Shri Govind Hari Singhania shall be a rotational Director of the Company and liable to retire by rotation at Annual General Meeting.

None of the Directors except Dr. Gaur Hari Singhania, who is related to Shri Govind Hari Singhania is deemed to be concerned or interested in the resolution. This Explanatory Statement may also be regarded as a disclosure under Clause 49 of the Listing agreement with the Stock Exchange.

Special Resolution at Item No.10 is, therefore, recommended for your approval.

ITEM NO.11 & 12

Your Company is exploring various opportunities for the all round growth in near future. With a view to meet fund requirements for the aforesaid purpose, it is proposed to empower and authorize the Board of Directors of the Company to borrow money from any Bank(s), Financial Institutions (FIs), Bodies Corporate or Business Associates or any other person or entity etc., in excess of paid up capital and free reserves of the Company by a sum not exceeding Rs.50 Crores for the purposes of business activities of the Company.

The said borrowings/issue of securities may be required to be secured by way of mortgage/charge over all or any part of the movable and/or immovable properties of the Company hence the approval of the shareholders of the Company is required by way of a Special Resolution.

None of the Directors of the Company or their relatives or Key Managerial Personnel of

the Company or their relatives are concerned or interested in the passing of the Resolutions at Item Nos.11 & 12.

Special Resolution at Item No.11 & 12 is, therefore, recommended for your approval.

ITEM NO.13

The Articles of Association ("AoA") of the Company as presently in force since incorporation. The existing AoA are based on the Companies Act, 1913/1956 and several regulations in the existing AoA contain references to specific section of the Companies Act, 1913/1956 and some regulations in the existing AoA are no longer in conformity with the Companies Act 2013.

The Act is now largely in force. On September 12, 2013, the Ministry of Corporate Affairs ("MCA") had notified 98 Sections for implementation. Subsequently on March 26, 2014 MCA notified most of the remaining Sections (barring those provisions which require sanction /confirmation of the National Company Law Tribunal ("Tribunal") such as variation of rights of holders of different classes of shares (Section 48) reduction of share capital (Section 66), compromises, arrangements and amalgamations (Chapter XV) prevention of oppression and mismanagement (Chapter XVI), revival and rehabilitation of sick companies (Chapter XIX), winding up (Chapter XX) and certain other provisions including, inter alia, relating to Investor Education and protection Fund (Section 125) and valuation by registered valuers (Section 247). However, substantive sections of the Act which deal with the general working of companies stand notified.

With the coming into force of the Act several regulations of the existing AoA of the Company require alteration or deletions in several articles.

Given this position, it is considered expedient to wholly replace the existing AoA by a new set of Articles.

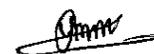
A new AoA to be substituted in place of the existing AoA are based on Table 'F' of the Act sets out the model articles of association for a company limited by shares.

The proposed new draft AoA is being uploaded on the Company's website for perusal by the shareholders.

None of the Directors/Key Managerial Personnel of the Company/their relatives are, in any way, concerned or interested, financially or otherwise, in the Special Resolution set out at item No.13 of the Notice.

The Board recommends the Special Resolution set out at item No.13 of the Notice for approval by the shareholders.

By Order of the Board



(PRABHATH KUMAR MISHRA)
Company Secretary

Dated : Kanpur
Place : 29th May, 2014



DIRECTORS' REPORT

TO THE MEMBERS

Your Directors presents the Annual Report and audited Statements of Account for the year ended 31st March, 2014.

1. FINANCIAL RESULTS

| | 2013-14 (Rs. in Lacs) |
|--|--------------------------|
| Revenue from operations | 42.25 |
| Other Income | 476.23 |
| Profit before Depreciation & Tax | 186.43 |
| Depreciation | 5.80 |
| Profit before tax | 180.63 |
| Tax Expenses (MAT) | 33.81 |
| Profit after Tax for the year | 146.82 |
| Balance brought forward from previous year | 3292.52 |
| Balance carried to Balance Sheet | 3439.34 |

2. OVERALL PERFORMANCE

During the year under report your Company's main income has been from Registrar and Share Transfer Agent's activities. Besides, the Company also had income from interest and rent. After meeting fixed overheads, the profit before depreciation and tax was Rs.186.43 Lacs. Since Company's net worth had become positive as on 31st March, 2013, therefore, as per provisions of Income Tax Act, 1961, the Company has provided liability towards Minimum Alternate Tax (MAT) amounting to Rs.33.81 Lacs, during the year under report. However, there is no Income Tax liability for the year due to brought forward losses and unabsorbed depreciation.

Thus after adjustment of depreciation and MAT liability, profit for the year is Rs.146.82 lacs.

3. DIVIDEND

Your Directors have not recommended any dividend for the year under report.

4. REHABILITATION PACKAGE

As reported last year, on moving SLP by Kota Workers' Union and Staff Associations the Hon'ble Supreme Court stayed order of Rajasthan High Court and further allowed the "Rehabilitation Process to continue." In compliance with the directions of the Hon'ble Supreme Court, M/s. Arafat Petrochemicals Pvt. Ltd., the purchaser of Kota Units had submitted a Modified Draft Rehabilitation Scheme (MDRS) before BIFR stating the reason that the existing Kota Plants were of obsolete technology and were in dilapidated condition and could not be restarted in its present condition. The said scheme is pending for final approval. These factors are creating hurdles in further revival of the Company.

5. AUDITORS' REPORT

Auditors' Report to Shareholders does not contain any disqualification and/or matter of emphasis.

6. CORPORATE GOVERNANCE

A report on Corporate Governance is annexed as part of the Directors' Report along with the Auditors' Certificate on its compliance.

7. COMPLIANCE CERTIFICATE

A Compliance Certificate as per the provisions of Companies (Compliance

Certificate) Rules, 2001 has been obtained and the same is annexed herewith as part of the Directors' Report.

8. PARTICULARS OF EMPLOYEES

No employee drawn remuneration in excess of the limits as specified under the amended provisions of sub-section (2A) of Section 217 of the Companies Act, 1956 throughout or part of the financial year under review.

9. PUBLIC DEPOSITS

The Company is not accepting any deposits from the public.

10. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUT GO.

As there has been no manufacturing operation during the year, there is nothing to be reported with regard to conservation of energy and technology absorption. However, the details of foreign exchange earnings and out go are given in the additional information in the Annual Report.

11. DIRECTORS

(a) **Dr. Gaur Hari Singhania's (DIN 00054848)** term as Chairman of the Company is expiring on 31st August, 2014. The Remuneration Committee in its meeting has considered the matter and observed that Dr. Gaur Hari Singhania has been associated with the Company since 1954 holding various important positions such as Managing Director and Chairman. In view of his long association with the Company and the vast experience with the industry, it was felt by the Remuneration Committee considered and recommended that Dr. Gaur Hari Singhania be appointed the Non-Executive Chairman for a period of 5 (five) years with effect from 1st September, 2014 which is subject to approval of by shareholders in the ensuing General Meeting, so that the Company may take advantage of his rich experience and knowledge, without any remuneration, perks and perquisites.

Dr. Gaur Hari Singhania shall be a rotational Director of the Company and liable to retire by rotation at Annual General Meeting.

(b) **Shri Govind Hari Singhania's (DIN 00159580)** term as Vice-Chairman of the Company is expiring on 31st August, 2014. He has been associated with the Company since 1980 holding various important positions. In view of his long association and on the basis of recommendation of Remuneration Committee, he has been re-appointed as Non-Executive Vice Chairman of the Company for a period of 5 (Five) years w.e.f. 1st September, 2014 which is subject to approval of by shareholders in the ensuing General Meeting. His appointment is without any salary and perquisites.

(c) Two of your Directors namely **Shri Ramapati Singhania (DIN 00247419)** and **Shri Anil Kumar Dalmia (DIN 00789089)** will retire by rotation at the ensuing Annual General Meeting of the Company and are eligible for reappointment.

Subject to approval of shareholders in the ensuing General Meeting Shri Anil Kumar Dalmia (DIN 00789089) now being appointed/confirmed as an Independent Director for a term upto five consecutive years and to hold office till relevant Annual General Meeting as per provisions of Companies Act, 2013.

(d) During the year under the report **Shri Kedar Nath Mehrotra (DIN 06749349)** has been appointed as an Additional Director on the Board of Directors of the Company w.e.f. 12th August, 2013 and he holds the office up to the ensuing Annual General Meeting. The Company has received notice from a shareholder, proposing his candidature for the office of Director of the Company along with the requisite fees.

(e) In terms of Section 149 and any other applicable provisions of the Companies Act, 2013, **Dr. K.B. Agarwal (DIN 00339934)**, **Shri Jagendra Swarup (DIN 00164708)** & **Shri Ravindra Kumar Tandon (DIN 00159472)**

being eligible and offering themselves for appointment, are proposed to be appointed as Independent Directors upto five consecutive years till respective Annual General Meeting. Respective notices have been received from member(s) proposing their candidature for the office of Directors of the Company. In the opinion of the Board Dr K.B. Agarwal, Shri Jagendra Swarup & Shri Ravindra Kumar Tandon fulfills the conditions specified in the Companies Act, 2013 and rules framed thereunder for their appointment as Independent Directors of the Company and are independent of the management.

12. RESPONSIBILITY STATEMENT

The Directors confirm that:

- (i) in the preparation of the annual accounts, the applicable accounting standards have been followed and that no material departures have been made from the same;
- (ii) they have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for that year;
- (iii) they have taken proper and sufficient care for maintenance of adequate accounting records in accordance with the provisions of the Companies

Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.

- (iv) they have prepared the annual accounts on a going concern basis.

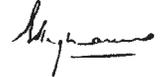
13. AUDITORS

M/s. P.L. Tandon and Co., Chartered Accountants, Kanpur (ICAI Registration No.000186C), Auditors of the Company will retire from their office at the ensuing Annual General Meeting. They are, however, eligible for re-appointment. They have furnished a Certificate to the effect that their appointment will be in accordance with limits specified in Sub-Section (1B) of Section 224 of the Companies Act, 1956. You are requested to consider their appointment.

14. ACKNOWLEDGEMENTS

Your Directors wishes to thanks the employees for their dedication and hard work.

FOR AND ON BEHALF OF THE BOARD



(GAUR HARI SINGHANIA)
CHAIRMAN

Place : Kanpur
Dated : 29th May, 2014



REPORT ON CORPORATE GOVERNANCE

The detailed report on Corporate Governance as per the format prescribed by SEBI and incorporated in clause 49 of the Listing Agreement is set out below :

1. Company's philosophy on Code of Governance

Corporate Governance, at Jaykay Enterprises Limited, is taken in its real spirit and hence implemented in widest ambit possible. The Company's philosophy and endeavor has always been on the cultivation and follow-up of best corporate procedures and practices, which result into enhancement of the long term economic value of not only the Company but also its stakeholders and the society at large.

Corporate Governance is not merely compliance and not simply creating checks and balances, it is an ongoing measure of superior delivery of Company's objects with a view to translate opportunities into reality.

Your Company continues to follow procedures, practices in conformity with the Code of Corporate Governance as outlined in the clause 49 of the Listing Agreement.

2. Board of Directors

(a) Composition/Category

The present strength of the Board of Directors is 9 (Nine). The composition of the Board is as follows :

- Chairman, Promoter, Non-Executive, Non-Independent Director.
- One Promoter, Executive, Non-Independent Director.
- Two Promoter, Non-Executive, Non-Independent Directors.
- Five Independent, Non-Executive Directors.

The composition of the Board of Directors, the number of Directors on the Board and Board Committees of other Companies, of which the Directors are members / Chairman during the year is given as under :

| Sl. No. | Name of Director | Category | Inter-se relationships between Directors | | No. of other Directorships@ | No. of Board Committees (Other than Jaykay Enterprises Ltd.) in which* | |
|---------|--|--|--|----------|-----------------------------|--|--------|
| | | | Director with whom related | Relation | | Chairman | Member |
| 1 | Dr. Gaur Hari Singhania <i>Chairman</i> | Promoter, Non Executive, Non Independent | Yadupati Singhania | Son | 5 | - | - |
| | | | Govind Hari Singhania | Brother | | | |
| 2 | Shri Govind Hari Singhania <i>Vice Chairman</i> | Promoter, Non Executive, Non Independent | Dr. Gaur Hari Singhania | Brother | 1 | - | - |
| 3 | Shri Yadupati Singhania <i>Managing Director and CEO</i> | Promoter, Executive, Non Independent | Dr. Gaur Hari Singhania | Father | 9 | - | - |
| 4 | Shri Ramapati Singhania | Promoter, Non-Executive, Non Independent | Nil | N.A. | - | - | - |
| 5 | Dr. K.B. Agarwal | Non-Executive, Independent | Nil | N.A. | 3 | 2 | 1 |
| 6 | Shri Jagendra Swarup | Non-Executive, Independent | Nil | N.A. | 3 | - | 4 |
| 7 | Shri N.K. Jhajharia (Ceased to be a Director w.e.f. 12.8.13) | Non-Executive, Independent | Nil | N.A. | - | - | - |
| 8 | Shri R.K. Tandon | Non-Executive, Independent | Nil | N.A. | 1 | - | - |
| 9 | Shri Anil Kumar Dalmia** | Non-Executive, Independent | Nil | N.A. | 1 | - | - |
| 10. | Shri Kedar Nath Malhotra (Appointed as an Additional Director w.e.f. 12.8.13) | Non-Executive, Independent | Nil | N.A. | - | - | - |

@ Excludes directorships on private limited companies, foreign companies and companies under Section 25 of the Companies Act, 1956.

* Chairmanship/ Membership of the Audit Committee and the Shareholders' Grievance Committee alone has been considered.

(b) Attendance of each director at the Board Meetings and at the last Annual General Meeting

During the financial year ended 31st March, 2014, 4 (Four) Meetings of the Board of Directors were held on the following dates :

- a) 21st May, 2013
- b) 12th August, 2013
- c) 6th November, 2013
- d) 12th February, 2014

The attendance of each director at Board Meetings and at the last Annual General Meeting (AGM) was as under :

| Sl. No. | Name of Director | No. of Board Meetings attended | Attendance at the last AGM held on 12.08.13 |
|---------|--|--------------------------------|---|
| 1 | Dr. Gaur Hari Singhania | 3 | YES |
| 2 | Shri Govind Hari Singhania | 2 | NO |
| 3 | Shri Yadupati Singhania | 4 | YES |
| 4 | Shri Ramapati Singhania | - | NO |
| 5 | Dr. K.B. Agarwal | 4 | YES |
| 6 | Shri Jagendra Swarup | 3 | YES |
| 7 | Shri N.K. Jhajharia (Ceased to be Director w.e.f.12.8.13) | 1 | NO |
| 8 | Shri R.K. Tandon | 3 | YES |
| 9 | Shri Anil Kumar Dalmia | 4 | YES |
| 10 | Shri Kedar Nath Mehrotra (Appointed as an Additional Director w.e.f. 12.8.13) | 1 | N.A. |

3. Audit Committee

(a) Composition of the Committee and Broad Terms of Reference

The Audit Committee of the Company comprises of following three Directors :

- Dr. K.B. Agarwal (Chairman) : Independent, Non Executive Director
 Shri Jagendra Swarup : Independent, Non Executive Director
 Shri N. K. Jhajharia : Independent, Non Executive Director
 (Ceased to be Member w.e.f. 12.8.13)
 Shri R. K. Tandon : Independent, Non Executive Director
 (Appointed as Member w.e.f. 6.11.13)

All these Directors possess knowledge of Corporate Finance/ Accounts / Company Law/ Industry. Shri Anil Kamthan, Secretary & Compliance Officer acted as Secretary for such meetings. Shri Ashok Gupta, Vice President & CFO of the Company regularly attends the meetings. The Statutory Auditors of the Company attend the meetings as invitee.

The terms of reference of Audit Committee cover the matters specified for audit committee under clause 49 of the Listing Agreement as well as in Section 292 A of the Companies Act, 1956. (Corresponding Section 127 of the Companies Act, 2013).

(b) Meetings / Attendance

During the financial year ended 31st March, 2014, 4 (Four) meetings were held on :

- a) 21st May, 2013
- b) 12th August, 2013
- c) 6th November, 2013
- d) 12th February, 2014

The attendance at the Audit Committee Meetings was as under :

| Sl. No. | Name of Director | No. of Meetings attended |
|---------|----------------------|--------------------------|
| 1. | Dr. K. B. Agarwal | 4 |
| 2. | Shri Jagendra Swarup | 3 |
| 3. | Shri N. K. Jhajharia | 1 |
| 4. | Shri R. K. Tandon | 1 |

4. Remuneration Committee

(a) Composition

The Remuneration Committee of the Company comprises of following three Directors :-

1. Dr. K.B. Agarwal (Chairman) : Independent, Non Executive Director
2. Shri Jagendra Swarup : Independent, Non Executive Director
3. Shri N. K. Jhajharia : Independent, Non Executive Director
(Ceased to be Member w.e.f. 12.8.13)
4. Shri R. K. Tandon : Independent, Non Executive Director
(Appointed as Member w.e.f. 6.11.13)

(b) Meetings / Attendance

During the financial year ended 31st March, 2014, no meeting was held.

(c) Remuneration Policy

Remuneration policy of the Company is directed towards rewarding performance, based on review of achievements. The non-executive directors are paid only sitting fees for meetings of the Board or any committee thereof attended by them.

The details of number of Equity Shares of the Company held by **Non-Executive Directors** as on 31st March, 2014 are as under :

| Name of Director | No. of Equity Shares held | Name of Director | No. of Equity Shares held |
|--|---------------------------|---|---------------------------|
| Dr. Gaur Hari Singhania | 1057199 | Shri Jagendra Swarup | Nil |
| Shri Govind Hari Singhania | 141978 | Shri N. K. Jhajharia (Ceased to be a Director w.e.f. 12.8.13) | Nil |
| Shri Ramapati Singhania | 248318 | Shri R. K. Tandon | 17859 |
| Dr. K. B. Agarwal | 50 | Shri Anil Kumar Dalimia | Nil |
| Shri Kedar Nath Mehrotra (Appointed as an Additional Director w.e.f 12.8.13) | Nil | | |

d) Details of Remuneration to the Directors for the year ended 31st March, 2014

(in Rs.)

| Sl. No. | Name of Director | Salary | Benefits | Sitting Fee | Total |
|---------|----------------------------|--------|----------|-------------|--------|
| 1 | Dr. Gaur Hari Singhania | - | - | - | - |
| 2 | Shri Govind Hari Singhania | - | 120817 | - | 120817 |
| 3 | Shri Yadupati Singhania | - | - | - | - |
| 4 | Shri Ramapati Singhania | - | - | - | - |
| 5 | Dr. K. B. Agarwal | - | - | 57000 | 57000 |
| 6 | Shri Jagendra Swarup | - | - | 45000 | 45000 |
| 7 | Shri N. K. Jhajharia | - | - | 12000 | 12000 |
| 8 | Shri R. K. Tandon | - | - | 22000 | 22000 |
| 9 | Shri Anil Kumar Dalmia | - | - | 20000 | 20000 |
| 10 | Shri Anil Kumar Dalmia | - | - | 5000 | 5000 |

5. Shareholders' / Investors' Grievance Committee

(a) Composition

The Shareholders'/Investors' Grievance Committee of the Company comprises of following Directors :-

1. Dr. K. B. Agarwal (Chairman) : Independent, Non Executive Director
2. Shri Jagendra Swarup : Independent, Non Executive Director
3. Shri N. K. Jhajharia : Independent, Non Executive Director
(Ceased to be Member w.e.f. 12.8.13)
4. Shri R. K. Tandon : Independent, Non Executive Director
(Appointed as Member w.e.f. 6.11.13)

Shri Anil Kamthan, Sr. General Manager (Company Law) & Secretary acted as the Secretary of the Committee.

(b) Functions

To review the status of shareholders'/investors' grievances, redressal mechanism and recommend measures to improve the level of investors' services.

(c) Meetings / Attendance

During the financial year ended 31st March, 2014, 4 (Four) meetings were held on :

- a) 21st May, 2013
- b) 12th August, 2013
- c) 6th November, 2013
- d) 12th February, 2014

The attendance at the above Meetings was as under :

| Sl. No. | Name of Director | No. of Meetings attended |
|---------|----------------------|--------------------------|
| 1. | Dr. K. B. Agarwal | 4 |
| 2. | Shri Jagendra Swarup | 3 |
| 3. | Shri N. K. Jhajharia | 1 |
| 4. | Shri R. K. Tandon | 1 |

The total number of complaints pending at the beginning of the year was nil. The total number of the complaints received during the year ended 31st March, 2014, from the Investors were 18, out of which all the 18 complaints were disposed off and no complaint was outstanding at the end of financial year. All the Investors' complaints received during the year have been duly attended, disposed off and redressed within stipulated period of 30 days and no complaints were outstanding as at 31st March, 2014.

The number of pending share transfers and pending requests for dematerialisation / rematerialisation as on 31st March, 2014 were as follows :

| Sl. No. | Particulars | No. of Requests | No. of Shares |
|---------|-------------|-----------------|---------------|
| 1. | Transfers | NIL | NIL |
| 2. | Demat | 5 | 175 |
| 3. | Remat | NIL | NIL |

Pending Dematerialisation requests as referred to above have been attended and disposed off within stipulated period of 30 days from the date of receipt of the request.

6. CEO/CFO Certification

The Managing Director & CEO and the CFO have certified to the Board, inter alia the accuracy of financial statements and adequacy of Internal Controls for the financial reporting purpose as required under Clause 49(v) of the Listing Agreement, for the year ended 31.03.2014.

7. General Body Meetings

Dates and time of last three Annual General Meetings held are given below :

| Financial Year | Date | Time |
|----------------|-------------------|------------|
| 2010 – 11 | 12th August, 2011 | 12.00 Noon |
| 2011 – 12 | 13th August, 2012 | 11.00 A.M. |
| 2012 – 13 | 12th August, 2013 | 12.00 Noon |

All the above Annual General Meetings were held at Registered Office of the Company at Kamla Tower, Kanpur.

The Chairman of the Audit Committee Dr. K. B. Agarwal was present at all the AGM to answer the queries of the Shareholders.

No Special Resolution was passed at the last Annual General Meeting held on 12th August, 2013.

There were no matters required to be dealt/passed by the Company through postal ballot, in any of the aforesaid meetings, as required under the provisions of Section 192A of the Companies Act, 1956 (corresponding Section 110 of the Companies Act, 2013).

8. Disclosures

- (i) There were no significant transactions of material nature with the related parties viz. Promoters, Directors or the Management or their subsidiaries or relatives during the year that have potential conflict with the interest of the Company. Suitable disclosures as required by the Accounting Standard (AS-18) have been made in the Annual Report.
- (ii) There is no pecuniary relationship or transaction of non-executive director vis-à-vis the Company that have potential conflict with the interest of the Company at large.
- (iii) No penalties or strictures have been imposed on the Company by Stock Exchanges or SEBI or any statutory authority on any matter related to capital markets during the last three years.
- (iv) The Company has Complied with the non-mandatory requirements of Clause 49 of the Listing Agreement as far as possible.

9. Code of Conduct

The Board of Directors has already adopted the Code of Ethics & Business Conduct for the Directors and Senior Management Personnel. This Code is a comprehensive code applicable to all Directors, Executives as well as Non-executives and members of the Senior Management.

A copy of the Code has been put on the Company's website www.jaykayenterprises.com. The Code has been circulated to all the members of the Board and Senior Management Personnel and compliance of the same has been affirmed by them. A declaration signed by the Managing Director & CEO in this regard is given below:

"I hereby confirm that:

The Company has obtained from all the members of the Board and Senior Management personnel of the Company, affirmation that they have complied with the code of Ethics and business conduct framed for Directors and Senior Management Personnel in respect of the financial year 2013-14.

Yadupati Singhania
(Managing Director & CEO)"

10. Means of Communications

The Annual, Half yearly and Quarterly results are submitted to the Stock Exchanges in accordance with Listing Agreement and the same are published regularly in the newspapers. All vital information relating to the Company and its performance, including quarterly /half yearly results etc. are being simultaneously posted on Company's website www.jaykayenterprises.com and are also available on the web-site of The Bombay Stock Exchange Ltd.

11. General Shareholders Information

a) Address for Correspondence

Mr. Prabhat Kumar Mishra
Company Secretary & Compliance Officer
Jaykay Enterprises Ltd., (Formerly J. K. Synthetics Ltd.)
Kamla Tower, Kanpur – 208001
Telephone No. : (0512) 2371478 – 81
Fax : (0512) 2332665/2399854
Email : prabhat.mishra@jkcement.com; jkshr@jkcement.com
Website : www.jaykayenterprises.com



b) Annual General Meeting

Date / Time : Wednesday, 13th August, 2014 at 12.00 Noon
Venue : Regd. Office of the Company at Kamla Tower, Kanpur.

c) Financial Calendar (Tentative)

- (a) First Quarter Results – On or before 14th August, 2014
(b) Second Quarter Results – On or before 14th November, 2014
(c) Third Quarter Results – On or before 14th February, 2015
(d) Results for the year ending – On or before 30th May, 2015
31st March, 2015

d) Date of Book Closure

6th August, 2014 to 13th August, 2014 (both days inclusive)

e) Dividend payment date : No dividend is proposed.

f) Listing on Stock Exchanges/Stock Code

The details regarding payment of listing fee to Stock Exchanges are given below :

| Sl. No. | Name of Stock Exchange | Listing Fee paid upto | Stock Code No. |
|---------|--|-----------------------|----------------|
| 1 | The Bombay Stock Exchange Ltd., Mumbai | 2013-2014 | 500306 |
| 2 | The U.P. Stock Exchange Ltd., Kanpur | 2013-2014 | JK |

g) ISIN Number

The ISIN No. as allotted to the Company by NSDL is INE 903A01025.

h) Stock Market Data

The monthly high / low share prices during the year 2013-14 are as follows :

| Month | Price Quoted | | BSE Sensex | |
|-----------------|--------------|---------|------------|----------|
| | High Rs. | Low Rs. | High | Low |
| April, 2013 | 4.89 | 3.10 | 19622.68 | 18144.20 |
| May, 2013 | 5.11 | 4.00 | 20443.62 | 19451.26 |
| June, 2013 | 4.70 | 3.40 | 19860.19 | 18467.16 |
| July, 2013 | 4.42 | 3.15 | 20351.06 | 19126.82 |
| August, 2013 | 4.50 | 3.06 | 19569.20 | 17448.71 |
| September, 2013 | 4.64 | 3.00 | 20739.69 | 18166.17 |
| October, 2013 | 4.25 | 3.65 | 21205.44 | 19264.72 |
| November, 2013 | 5.00 | 3.70 | 21321.53 | 20137.67 |
| December, 2013 | 4.59 | 3.65 | 21483.74 | 20568.70 |
| January, 2014 | 4.88 | 3.41 | 21406.66 | 20343.78 |
| February, 2014 | 3.89 | 3.16 | 21140.51 | 19963.12 |
| March, 2014 | 3.65 | 2.45 | 22467.21 | 20920.98 |

i) Registrar & Share Transfer Agent

The Company has a full-fledged in house Share Registry, which provides all services for share transfer activities both in physical and dematerialisation segment at single point as per common agency concept of SEBI.

j) Share Transfer System

Share Transfer work and other activities of physical segment as well as dematerialization/ rematerialisation of shares in electronic segment is attended in-house within the prescribed period under the law, Listing requirements, Depository guidelines and share transfer activities in physical segment are approved/ ratified by the Committee of Directors, which meets periodically.

k) Distribution of Shareholding as on 31st March, 2014

| No. of Equity Shares held | No. of Share-holders | % of Share-holders | No. of Shares held | % of Share-holding |
|---------------------------|----------------------|--------------------|--------------------|--------------------|
| Up to 500 | 100198 | 94.65 | 7133999 | 19.21 |
| 501 to 1000 | 2796 | 2.64 | 2281104 | 6.14 |
| 1001 to 2000 | 1352 | 1.28 | 2006379 | 5.40 |
| 2001 to 3000 | 693 | 0.65 | 1750975 | 4.71 |
| 3001 to 4000 | 189 | 0.18 | 678169 | 1.83 |
| 4001 to 5000 | 196 | 0.19 | 947588 | 2.56 |
| 5001 to 10000 | 245 | 0.23 | 1811876 | 4.88 |
| 10001 and above | 188 | 0.18 | 20524662 | 55.27 |
| Total | 105857 | 100.00 | 37134752 | 100.00 |

l) Category of Shareholders as on 31st March 2014

| Category | No. of Share-holders | % of Share-holders | No. of Shares held | % of Share-holding |
|---------------------------------|----------------------|--------------------|--------------------|--------------------|
| Promoters and Promoter Group | 22 | 0.02 | 5061698 | 13.63 |
| Mutual Funds/ UTI | 15 | 0.01 | 104738 | 0.28 |
| Financial Institutions/ Banks | 98 | 0.09 | 30287 | 0.08 |
| Insurance Companies | 6 | 0.01 | 1500413 | 4.04 |
| Foreign Institutional Investors | 15 | 0.01 | 101777 | 0.27 |
| Bodies Corporate | 868 | 0.82 | 10380372 | 27.96 |
| Individuals | 104753 | 98.96 | 19227864 | 51.78 |
| Others | 80 | 0.08 | 727603 | 1.96 |
| Total | 105857 | 100.00 | 37134752 | 100.00 |

m) Dematerialisation of Equity Shares

The total 33412655 Equity Shares of the face value of Re. 1/- each representing 89.98% of the paid up Equity Capital of the Company have been dematerialized till 31.03.2014.

AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

To the Members of JAYKAY ENTERPRISES LIMITED

We have examined the compliance of conditions of Corporate Governance by Jaykay Enterprises Ltd. for the year ended 31st March, 2014, as stipulated in Clause 49 of the Listing Agreement of the said Company with Stock Exchange(s).

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to the procedures and implementations thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us and the representations made by the Directors and the Management,

we certify that the Company has complied with the conditions of Corporate Governance as stipulated in clause 49 of the above mentioned Listing Agreement.

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

For P. L. TANDON & CO.
Chartered Accountants
Registration No. 000186C

ANIL KUMAR AGARWAL
Partner
Membership No. 071548

Place : Kanpur
Date : 29.05.2014

COMPLIANCE CERTIFICATE

To,
The Members,
Jaykay Enterprises Ltd.
CIN: L99999UP1961PLC001187
Email ID : jkshr@jkcement.com

I have examined the registers, records, books and papers of M/S Jaykay Enterprises Ltd. (the Company) as required to be maintained under the Companies Act, 1956 and the rules made there under and also the provisions contained in the Memorandum and Articles of Association of the Company for the financial year ended 31st March 2014 (financial year). In my opinion and to the best of my information and according to the examinations carried out by me and explanations furnished to me by the Company, its officers and agents, I certify that in respect of the aforesaid financial year:

- The Company has kept and maintained all registers as stated in Annexure 'A' to this certificate, as per the provisions of the Act and the rules made there under and all entries therein have been duly recorded.
- The Company has filed the forms and returns as stated in Annexure 'B' to this certificate, with the Registrar of Companies prescribed under the Act and the rules there under.
- The Company being a public limited Company, comments on maximum number of members are not required.
- The Board of Directors duly met 4 times respectively on 21.05.2013, 12.08.2013, 06.11.2013 and 12.02.14 in respect of which meetings proper notices were given and the proceedings were properly recorded and signed in the Minutes Book maintained for the purpose.
- The Company closed its register of members from 5th August 2013 to 12th August 2013 and necessary compliance under section 154 of the Act has been made.
- The annual general meeting for the financial year ended on 31st March 2013 was held on 12.08.2013 after giving due notice to the members of the Company and the resolutions passed there at were duly recorded in Minute Book maintained for the purpose.
- No Extra Ordinary Meeting was held during the financial year.
- The Company has not advanced any loans to its directors or persons or firms or companies referred to under section 295 of the Act.
- The Company has not entered into transactions falling within the provision of Section 297 of the Act.
- The Company has made necessary entries in the register maintained under Section 301 of the Act.
- As there were no instances falling within the purview of Section 314 of the Act the Company has not obtained approval from the directors, members or the Central Government as the case may be.
- The Company has not issued any duplicate share certificates during the financial year.
- The Company has:
 - delivered all the certificates on lodgment thereof for transfer/transmission, sub-division, consolidation etc. in accordance with provisions of the Act;
 - Not Applicable;
 - Not applicable;
 - The Company has not declared any dividend for more than seven years so transfer of amount in unpaid dividend account to Investor Education and Protection Fund is not applicable during the financial year. However, pursuant to attachment Orders of the prescribed authorities in respect of some shareholders in the previous financial years the amount in the unpaid dividend account has been kept in abeyance. OTS amount claimed by debenture holders have been held in abeyance pending completion of legal formalities. In view of this the amount in unpaid dividend account/OTS amount have not been transferred to Investors Education and Protection Fund.
 - The Company has duly complied with the requirement of section 217 of the Act.
- The Board of Directors of the Company is duly constituted. One director ceased and one additional director was appointed during the financial year and 2 Forms 32 filed with ROC.
- The Company has not appointed any Managing Director/Whole-time Director/Manager during the financial year.
- The Company has not appointed any sole selling agents during the financial year.
- The Company was not required to obtain any approvals of the Central Govt. Company Law Board, Regional Director, Registrar and or such other authority prescribed under the provisions of the Act.
- The directors have disclosed their interest in other firms/companies to the Board of Directors pursuant to the provisions of the Act and the rules made there under.
- The Company has not issued any shares, debentures or other securities during the financial year.
- The Company has not bought back any shares during the financial year.
- There was no redemption of preference shares or debentures during the financial year.
- The Company has kept in abeyance rights to dividend, for last several years in respect of some of the shares, pursuant to the attachment Orders passed by the prescribed authorities.
- The Company has not invited/accepted deposits including unsecured loans falling within the purview of Section 58 A of the Act during the financial year as informed to me by the Company.
- The amounts borrowed by the Company during the financial year ending 31st March 2014 is within the borrowing limits of the company and that necessary resolutions as per section 293(1) (d) of the Act have been passed in duly convened annual general meeting of the Company.
- The Company has made loans under section 372 A in compliance with the provisions of the Act and has made necessary entries in register kept for the purpose.

- The Company has not altered the provisions of the memorandum with respect to situation of the company's registered office from one state to another during the financial year.
- The Company has not altered the provisions of the memorandum with respect to the objects of the company during the financial year.
- The Company has not altered the provisions of the memorandum with respect to name of the company during the financial year.
- The Company has not altered the provisions of the memorandum of association with respect to share capital of the company during the financial year.
- The Company has not altered provisions of the articles of association of the Company during the financial year.
- There was no prosecution initiated against or show cause notice received by the company and no fines or penalties or any other punishment was imposed on the Company during the financial year, for any offences under the Act. A letter from Ministry of Corporate Affairs dt.18/03/2014 was received from ROC Kanpur which was suitably replied to by the Company vide letter dt. 6.05.2014. Investors Complaints received during the year were disposed off.
- The Company has not received any money as security from its employees during the financial year.
- As per information provided to me by the Company the company has not constituted any Provident Fund pursuant to section 418 of the Act during the financial year. The Company has deposited contribution to Provident Fund with the prescribed authority under the Employees Provident Funds & Miscellaneous Provisions Act 1952.

For **Banthia & Company**
Company Secretaries

Place : Kanpur
Date : 29th May, 2014

G. K. Banthia, (Proprietor)
C.P. No. : 1405

Annexure - A

Registers as maintained by the Company

| | |
|---|--|
| 1. Register of Members U/s 150. | 2. Board Meeting Minutes Book U/s 193. |
| 3. General Meetings Minutes Book U/s 193. | 4. Directors' Attendance Register as per Table A. |
| 5. Directors' Particulars Register U/s 303. | 6. Register of Particulars of Contracts U/s 301. |
| 7. Directors Shareholding Register U/s 307. | 8. Register of Loans and Investments U/s 372 A. |
| 9. Register of Transfer of Shares. | 10. Demat Securities Register (Register of Securities Dematerialized) |
| 11. Register of Charges U/s 143 | 12. Register of Renewed & Duplicate Certificates under Issue of Share Certificate Rules, 1960. |

Annexure-B

Forms and Returns as filed by the Company with Registrar of Companies, Regional Director, Central Government and other authorities during the financial year ending 31st March 2014.

| S. No | Form No./ Return | Filed under Section | For | Date of Filing | Whether filed within prescribed Time (Yes/No) | If delay whether requisite/ additional fee paid (Yes/No) |
|-------|------------------|---------------------------|---|----------------|---|--|
| 1. | 32 | 303(2) read with sec. 255 | Cessation of Director by rotation | 12.08.2013 | Yes | NA |
| 2. | 66 | 383 A | Secretarial Compliance Certificate | 06.09.2013 | Yes | NA |
| 3. | 23AC XBRL | 220 | Balance Sheet | 20.09.2013 | No | Yes |
| 4. | 23 ACA XBRL | 220 | Profit and Loss Account | 20.09.2013 | No | Yes |
| 5. | 20 B | 159 | Annual Return | 09.10.2013 | Yes | NA |
| 6. | 32 | 303(2) | Appointment of Additional Director | 06.11.2013 | Yes | NA |
| 7. | *23 B | 224 | Intimation by Auditors to ROC regarding acceptance of appointment | 04.09.2013 | Yes | NA |

* Filed by Auditors

* Section 154/297/299/301/314/372-A/418 mentioned as same were in force upto 31.03.2014.

For **Banthia & Company**
Company Secretaries

Place : Kanpur
Date : 29th May, 2014

G. K. Banthia, (Proprietor)
C.P. No. : 1405



INDEPENDENT AUDITORS' REPORT

TO

THE MEMBERS OF JAYKAY ENTERPRISES LIMITED

Report on the Financial Statements

We have audited the accompanying financial statements of Jaykay Enterprises Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2014, the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards notified under the Companies Act, 1956 ("the Act") read with the General Circular 15/2013 dated 13th September 2013 of the Ministry of Corporate Affairs in respect of section 133 of the Companies Act, 2013. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid 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:

- (a) In the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2014;
- (b) In the case of the statement of Profit and Loss, of the profit for the year ended on that date; and
- (c) In the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2003 ("the Order") issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
2. As required by section 227(3) of the Act, we report that:
 - a. we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - b. in our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
 - c. the Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;
 - d. in our opinion, the Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement comply with the Accounting Standards notified under the Companies Act, 1956 read with the General Circular 15/2013 dated 13th September 2013 of Ministry of Corporate Affairs in respect of section 133 of the Companies Act, 2013.

- e. On the basis of written representations received from the directors as on March 31, 2014, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2014, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.

For P.L. TANDON & CO.
Chartered Accountants
Firm Reg. No. 000186C
ANIL KUMAR AGARWAL
Partner
Membership No. 071548

Place : Kanpur
Dated : 29.05.2014

ANNEXURE TO THE AUDITORS' REPORT

Re: JAYKAY ENTERPRISES LIMITED

(Referred to in Paragraph 1 under the heading of "Report on Other Legal and Regulatory Requirements" of our report of even date)

- (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.
 - (b) Fixed assets have been physically verified by the management during the year.
 - (c) In our opinion and according to the information and explanations given to us, the Company has not made substantial disposal of fixed assets during the year.
- (ii) In respect of its Inventories:

The Company has stock in trade of Land and Building only and, therefore, the provisions of clause 4(ii)(a), (b) and (c) of the Companies (Auditor's Report) Order, 2003 are not applicable to the Company.
- (iii) In respect of loans, secured or unsecured, granted or taken by the company to or from companies, firms or other parties covered in the register maintained under section 301 of the Companies Act 1956, according to the information and explanations given to us :
 - (a) The company has not granted any Loans to companies, firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956. As the company has not granted any Loans secured or unsecured to parties listed in the register maintained under section 301 of the Companies Act, 1956, the provisions of clause 4(iii)(b), (c) and (d) of the Companies (Auditor's Report) Order, 2003 are not applicable to the Company.
 - (e) The Company has not taken any Loan from Companies, firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956. As the Company has not taken any Loans, Secured or Unsecured, from parties listed in the register maintained under section 301 of the Companies Act, 1956, the provisions of clause 4(iii)(f) and (g) of the Companies (Auditor's Report) Order, 2003 are not applicable to the Company.
- (iv) In our opinion and according to the information and explanations given to us, there exists an adequate internal control system commensurate with the size of the company and the nature of its business with regard to purchases of inventory, fixed assets and with regard to the sale of goods and services. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in internal control system of the company.
- (v) In respect of transactions entered in the register maintained in pursuance of Section 301 of the Companies Act, 1956 :

- (a) According to the information and explanations given to us, we are of the opinion that the particulars of all contracts or arrangements that need to be entered into the register maintained under section 301 of the Companies Act, 1956 have been so entered.
- (b) In our opinion and according to the information and explanations given to us, the transactions made in pursuance of contracts or arrangements entered in the register maintained under section 301 of the Companies Act, 1956 and exceeding the value of Rs. Five Lacs in respect of any party during the year have been made at prices which are reasonable having regard to prevailing market price at the relevant time.
- (vi) In our opinion and according to the information and explanations given to us, the company has not accepted any deposits within the provisions of sections 58A and 58AA and other relevant provisions of the Companies Act, 1956. Therefore, the provisions of clause 4(vi) of the Companies (Auditor's Report) Order, 2003, are not applicable to the Company.
- (vii) In our opinion, the company has an adequate internal audit system commensurate with the size and the nature of its business.
- (viii) No manufacturing activities have been carried out during the year, the provisions of clause 4(viii) of the Companies (Auditor's Report) Order, 2003 are, therefore, not applicable to the Company.
- (ix) 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, investor education protection fund, employees' state insurance, income tax, sales tax, wealth tax, service tax, custom duty, excise duty, cess and any other material statutory dues applicable to it.
- (b) According to the information and explanations given to us, no undisputed amounts payable in respect of income tax, sales tax, wealth tax, service tax, custom duty, excise duty were in arrear as at 31st March, 2014 for a period more than six months from the date they became payable.
- (c) According to the records of the company, income tax, sales tax, wealth tax, service tax, custom duty, excise duty and cess which have not been deposited on account of any dispute, are as follows :-
- (x) The company does not have accumulated losses at the end of the year and has not incurred cash losses during the financial year covered by our audit and during the immediately preceding financial year.
- (xi) In our opinion and according to the information and explanations given to us, the company has not defaulted in repayment of dues to bank.
- (xii) As explained to us, the company has not granted any loans or advances on the basis of security by way of pledge of shares,
- (xiii) In our opinion, the company is not a chit fund or a Nidhi / Mutual benefit fund / society. Therefore, the provisions of clause 4(xiii) of the Companies (Auditor's Report) Order, 2003 are not applicable to the company.
- (xiv) In our opinion and according to the information and explanations given to us, the company has maintained proper records of transactions and contracts of investment in Shares and timely entries have been made therein. All the investments have been held by the Company in its own name.
- (xv) According to the information and explanations given to us, the company has not given any guarantee for loans taken by others from banks or financial institutions.
- (xvi) In our opinion, no term loans had been raised during the year.
- (xvii) According to the information and explanations given to us and on an overall examination of the Balance Sheet of the company, we report that no funds raised on short term basis have been used for long-term investment.
- (xviii) According to the information and explanations given to us, the company has not made any preferential allotment of shares to parties and companies covered in the register maintained under section 301 of the Companies Act, 1956 during the year.
- (xix) As the company has no debenture outstanding at any time during the year, the provisions of clause 4 (xix) of the Companies (Auditor's Report) Order, 2003 are, therefore, not applicable to the company.
- (xx) The company has not raised any money by public issue during the year.
- (xxi) According to the information and explanations given to us, no fraud on or by the company has been noticed or reported during the course of our audit.

| Name of Statute | Nature of the Dues | Amount (Rs. in Lacs) | Period to which amount relates | Forum where dispute is pending |
|-----------------------------|--------------------|----------------------|--------------------------------|--------------------------------|
| Central Excise & Custom Act | Custom duty | 842.61 | 1985-86 & 1986-87 | Custom Department, Mumbai. |

For P.L. TANDON & CO.
Chartered Accountants
Firm Reg. No. 000186C

ANIL KUMAR AGARWAL
Partner
Membership No. 071548

Place : Kanpur
Dated : 29.05.2014



BALANCE SHEET as at 31st March, 2014

| | Note No. | As at 31st March, 2014 (₹) | As at 31st March, 2013 (₹) |
|---|----------|----------------------------------|----------------------------------|
| I. EQUITY AND LIABILITIES | | | |
| Shareholders' Funds | | | |
| (a) Share Capital | 1 | 37134752 | 37134752 |
| (b) Reserves and Surplus | 2 | 343933940 | 329252226 |
| | | <u>381068692</u> | <u>366386978</u> |
| Current Liabilities | | | |
| (a) Trade Payables | 3 | 253558 | 714192 |
| (b) Other Current Liabilities | 4 | 11712539 | 12820720 |
| (c) Short-Term Provisions | 5 | 5518954 | 5402545 |
| | | <u>17485051</u> | <u>18937457</u> |
| | | <u>398553743</u> | <u>385324435</u> |
| II. ASSETS | | | |
| Non-Current Assets | | | |
| (a) Fixed Assets | | | |
| - Tangible Assets | 6 | 9637084 | 10625453 |
| (b) Non-Current Investments | 7 | 16092207 | 16092207 |
| | | <u>25729291</u> | <u>26717660</u> |
| Current Assets | | | |
| (a) Inventories | 8 | 2570592 | 2570592 |
| (b) Cash and Cash Equivalents | 9 | 287246060 | 275635964 |
| (c) Short-Term Loans and Advances | 10 | 74449307 | 72454628 |
| (d) Other Current Assets | 11 | 8558493 | 7945591 |
| | | <u>372824452</u> | <u>358606775</u> |
| | | <u>398553743</u> | <u>385324435</u> |
| Accounting Policies and Notes to the financial statements | 1 to 28 | | |

As per our Report of even date attached

For P. L. TANDON & Co.,
Chartered Accountants

GAUR HARI SINGHANIA
Chairman

YADUPATI SINGHANIA
Managing Director & CEO

ANIL KUMAR AGARWAL
Partner

PRABHAT KUMAR MISHRA
Company Secretary

ASHOK GUPTA
Vice President & CFO

K. B. AGARWAL
JAGENDRA SWARUP
KEDAR NATH MEHROTRA } Directors

Kanpur
Dated : 29th May, 2014

PROFIT & LOSS STATEMENT For the year ended 31st March, 2014

| | Note No. | Year Ended 31st March, 2014 (₹) | Year Ended 31st March, 2013 (₹) |
|--|----------|---------------------------------------|---------------------------------------|
| Revenue from Operations | 12 | 4225000 | 4225000 |
| Other Income | 13 | 47623207 | 85595821 |
| Total Revenue | | 51848207 | 89820821 |
| Expenses: | | | |
| Employee Benefits Expense | 14 | 12260158 | 14146183 |
| Finance Costs | 15 | 2720 | 36370 |
| Other Expenses | 16 | 20942234 | 25045302 |
| Depreciation | | 579761 | 606028 |
| Total Expenses | | 33784873 | 39833883 |
| Profit before Exceptional and Extraordinary Items and Tax | | 18063334 | 49986938 |
| Exceptional Items | 17 | - | (310362664) |
| Profit before Extraordinary Items and Tax | | 18063334 | 360349602 |
| Profit before Tax | | 18063334 | 360349602 |
| Tax Expense: | | | |
| Current Tax (MAT) | | 3381620 | - |
| Tax Adjustment of earlier years | | - | (11160367) |
| Profit for the year | | 14681714 | 371509969 |
| Earnings Per Equity Share of ₹ 1/- each | | | |
| Basic & Diluted | | 0.40 | 10.00 |
| Accounting Policies and Notes to the financial statements | 1 to 28 | | |

As per our Report of even date attached

For P. L. TANDON & Co.,
Chartered Accountants

GAUR HARI SINGHANIA
Chairman

YADUPATI SINGHANIA
Managing Director & CEO

ANIL KUMAR AGARWAL
Partner

PRABHAT KUMAR MISHRA
Company Secretary

ASHOK GUPTA
Vice President & CFO

K. B. AGARWAL
JAGENDRA SWARUP
KEDAR NATH MEHROTRA } *Directors*

Kanpur
Dated : 29th May, 2014



CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2014

| | 2013-2014 (₹) | 2012-2013 (₹) |
|--|-------------------|--------------------|
| A. CASH FLOW FROM OPERATING ACTIVITIES | | |
| Profit / (Loss) before Tax as per Profit & Loss Statement | 18063334 | 360349602 |
| Adjusted for | | |
| Depreciation | 579761 | 606028 |
| Interest | 2720 | 36370 |
| Interest Received | (34946609) | (71887109) |
| Dividend Income | (1161807) | (958943) |
| (Profit)/Loss on sale of assets | 204010 | (111789728) |
| Provisions / Balances written off / written back | - | (198572936) |
| Profit on sale of Investment | (80000) | (449825) |
| Operating (Profit)/Loss before Working Capital Changes | <u>(17338591)</u> | <u>(383016143)</u> |
| Adjusted for | | |
| (Increase)/Decrease in Trade & Other Receivables | (161283) | (35886887) |
| Increase/(Decrease) in Trade Payables | (1452406) | 31306627 |
| Cash Generated from Operations | <u>(18952280)</u> | <u>(27246801)</u> |
| Refund / (Income Tax Payment) | (1717358) | 76859661 |
| Net Cash Used in Operating Activities | <u>(20669638)</u> | <u>49612860</u> |
| B. CASH FLOW FROM INVESTING ACTIVITIES | | |
| Acquisition of Fixed Assets | (49950) | (1315724) |
| Sale of Fixed Assets | 254548 | 112000000 |
| Sale of Investments (Net) | 80000 | 449000 |
| Interest Income | 30836049 | 68504324 |
| Dividend Income | 1161807 | 958943 |
| Net Cash From Investing Activities | <u>32282454</u> | <u>180596543</u> |
| C. CASH FLOW USED IN FINANCING ACTIVITIES | | |
| Interest Paid | (2720) | (36370) |
| Repayment of Unsecured Loan of J.K. Cement Ltd. | - | (90000000) |
| Repayment of Unsecured Loan - Others | - | (50000000) |
| Net Cash Used In Financing Activities | <u>(2720)</u> | <u>(140036370)</u> |
| Net Increase/(Decrease) in Cash and Cash Equivalents (A+B-C) | 11610096 | 90173033 |
| Opening Balance of Cash and Cash Equivalents | 275635964 | 185462931 |
| Closing Balance of Cash and Cash Equivalents | 287246060 | 275635964 |

As per our Report of even date attached

For P. L. TANDON & Co.,
Chartered Accountants

GAUR HARI SINGHANIA
Chairman

YADUPATI SINGHANIA
Managing Director & CEO

ANIL KUMAR AGARWAL
Partner

PRABHAT KUMAR MISHRA
Company Secretary

ASHOK GUPTA
Vice President & CFO

K. B. AGARWAL
JAGENDRA SWARUP
KEDAR NATH MEHROTRA } Directors

Kanpur
Dated : 29th May, 2014

Notes on Financial Statement for the year ended 31st March, 2014

| | As at 31st March, 2014 (₹) | As at 31st March, 2013 (₹) |
|--|----------------------------------|----------------------------------|
| NOTE # 1 | | |
| SHARE CAPITAL | | |
| AUTHORISED | | |
| 1250000000 Equity Shares of ₹ 1/- each | 1250000000 | 1250000000 |
| 200000 Cumulative Redeemable Preference Shares | | |
| 200000 11 % of ₹ 100/- each | 20000000 | 20000000 |
| 600000 14 % of ₹ 100/- each | 60000000 | 60000000 |
| 200000 15 % of ₹ 100/- each | 20000000 | 20000000 |
| 500000 Unclassified Shares of ₹ 100/- each | 50000000 | 50000000 |
| | 1400000000 | 1400000000 |
| ISSUED, SUBSCRIBED & PAID UP | | |
| 37134752 Equity Shares of ₹ 1/- each | 37134752 | 37134752 |
| | 37134752 | 37134752 |
| <ul style="list-style-type: none"> - Reconciliation of the number of shares outstanding is set out below :- <ul style="list-style-type: none"> - Equity Shares at the beginning of the year : 37134752 - Equity Shares at the end of the year : 37134752 - Equity Shares held by each shareholder holding more than 5% shares in the year :- Nil (Prev. Year Nil) | | |
| NOTE # 2 | | |
| RESERVES AND SURPLUS | | |
| SURPLUS | | |
| As per last Balance Sheet | 329252226 | (42257743) |
| Add : Balance as per Profit & Loss Statement | 14681714 | 371509969 |
| | 343933940 | 329252226 |
| NOTE # 3 | | |
| TRADE PAYABLES | | |
| Sundry Creditors | 253558 | 714192 |
| | 253558 | 714192 |
| NOTE # 4 | | |
| Other Current Liabilities | | |
| i. Other Payables | 3630437 | 4056555 |
| ii. Security Deposits | 450000 | 950000 |
| iii. Amount payable to Debenture holders/Preference Shares holders * | 7632102 | 7814165 |
| | 11712539 | 12820720 |
| <p>* These amounts have been claimed by Debentures/Preference Shares holders but held in abeyance due to non-completion of legal formalities.</p> <p>Other payables include Employees Liabilities, Statutory dues etc.</p> | | |



Notes on Financial Statement for the year ended 31st March, 2014

| | | |
|----------------------------------|----------------------------------|----------------------------------|
| | As at 31st March, 2014 (₹) | As at 31st March, 2013 (₹) |
| NOTE # 5 | | |
| Short-Term Provisions | | |
| Provision for Employees Benefits | 5518954 | 5402545 |
| | <u>5518954</u> | <u>5402545</u> |

NOTE # 6

FIXED ASSETS as on 31st March, 2014

| Sl. No. | Particulars | GROSS BLOCK | | | DEPRECIATION BLOCK | | | NET BLOCK | | | |
|---------|--|--------------------------|---------------------------------|---|------------------------------|--------------------|-----------------|------------------|--------------------|--|--|
| | | Cost As on 01.04.2013 | Additions During the Year | Sale/ Adjust- ments During the Year | Total As on 31.03.2014 | Upto 01.04.2013 | For the year | Adjust- ments | Upto 31.03.2014 | Net Carrying Amount As on 31.03.2014 | Net Carrying Amount As on 31.03.2013 |
| 1. | Leasehold Land | 382497 | - | - | 382497 | 59830 | - | - | 59830 | 322667 | 322667 |
| 2. | Buildings | 27917802 | - | - | 27917802 | 21107685 | 172090 | - | 21279775 | 6638027 | 6810117 |
| 3. | Plant & Equipment | 3748682 | 49950 | - | 3798632 | 1784862 | 275223 | - | 2060085 | 1738547 | 1963820 |
| 4. | Furniture & Fixtures and Office Equipment | 161216 | - | - | 161216 | 16182 | 10211 | - | 26393 | 134823 | 145034 |
| 5. | Vehicle | 2104910 | - | 759000 | 1345910 | 721095 | 122237 | 300442 | 542890 | 803020 | 1383815 |
| | TOTAL | 34315107 | 49950 | 759000 | 33606057 | 23689654 | 579761 | 300442 | 23968973 | 9637084 | 10625453 |
| | Previous Year | 33336657 | 1315724 | 337274 | 34315107 | 23210628 | 606028 | 127002 | 23689654 | 10625453 | - |

| | | | | |
|--|---------------------------|------------------|----------------------------------|----------------------------------|
| | Face Value (Per Share) | No. of Shares | As at 31st March, 2014 (₹) | As at 31st March, 2013 (₹) |
|--|---------------------------|------------------|----------------------------------|----------------------------------|

NOTE # 7

Non-Current Investments

Long Term Investments in Equity Instruments

A. Trade Investments (Quoted) :-

| | | | | | |
|----|--|--------|---------|-----------------|-----------------|
| 1. | J.K.Cotton Ltd. (Formerly J.K.Cotton Spg.& Wvg.Mills Co.Ltd.) | ₹ 10/- | 9510360 | 94513240 | 94513240 |
| 2. | Raymond Ltd. | ₹ 10/- | 1500 | 82015 | 82015 |
| | | | | <u>94595255</u> | <u>94595255</u> |

B. Other Investments (As per Annexure) :-

| | | | | | |
|---|--|--|--|------------------|------------------|
| - | Quoted | | | 19478876 | 19482054 |
| - | Unquoted | | | 265725 | 773403 |
| | | | | <u>114339856</u> | <u>114850712</u> |
| | Less: Provision for diminution in value of investments | | | 98247649 | 98758505 |
| | | | | <u>16092207</u> | <u>16092207</u> |

Aggregate value

Aggregate market value of quoted investments

55018021

47558323

NOTE # 8

Inventories

Stock-in-Trade (Land & Building)

2570592

2570592

2570592

2570592

Notes on Financial Statement for the year ended 31st March, 2014

| | As at 31st March, 2014 (₹) | As at 31st March, 2013 (₹) |
|---|----------------------------------|----------------------------------|
| NOTE # 9 | | |
| Cash and Cash Equivalents | | |
| i. Cheques in Hand | 4495773 | 4687315 |
| ii. Cash in Hand | 6670 | 6096 |
| iii. Balance with Banks | 9451749 | 54346794 |
| iv. Deposit Accounts (Includes ₹ 11968057/- (Previous year ₹ 11968057/-) pledged with banks for Overdraft and others commitments) | 273291868 | 216595759 |
| | 287246060 | 275635964 |
| NOTE # 10 | | |
| Short-Term Loans and Advances | | |
| Unsecured, considered Good Unless otherwise Stated | | |
| i. Inter Corporate Deposits | 60000000 | 60000000 |
| ii. Others | 1322188 | 1229449 |
| iii. Prepaid Expenses | 241376 | 152788 |
| iv. Deposits | 1166042 | 1186086 |
| v. Income Tax (Net of Provision) | 11719701 | 9886305 |
| | 74449307 | 72454628 |
| NOTE # 11 | | |
| Other Current Assets | | |
| Interest Accrued on Deposits | 8558493 | 7945591 |
| | 8558493 | 7945591 |
| NOTE # 12 | | |
| Revenue From Operations | | |
| Registrar & Transfer Agent Services | 4225000 | 4225000 |
| | 4225000 | 4225000 |
| NOTE # 13 | | |
| Other Income | | |
| Interest Income * | 34946609 | 71887109 |
| Dividend Income | 1161807 | 958943 |
| Profit on sale of Investments | 80000 | 449825 |
| Rent | 11370550 | 11139098 |
| Miscellaneous Income | 64241 | 1160846 |
| | 47623207 | 85595821 |
| * Includes ₹ 24445348/- (Prev. Year ₹ 18660228/-) Interest on Fixed Deposit with Banks | | |
| NOTE # 14 | | |
| Employee Benefit Expenses | | |
| Salaries & Wages | 9158303 | 9252310 |
| Contribution Provident Fund and Other Funds | 1684082 | 3610650 |
| Staff Welfare Expenses | 1417773 | 1283223 |
| | 12260158 | 14146183 |
| NOTE # 15 | | |
| Finance Costs | | |
| Interest Expenses | 2720 | 36370 |
| | 2720 | 36370 |



Notes on Financial Statement for the year ended 31st March, 2014

| | Year ended 31st March, 2014 (₹) | Year ended 31st March, 2013 (₹) |
|--|---------------------------------------|---------------------------------------|
| NOTE # 16 | | |
| Other Expenses | | |
| Insurance | 352145 | 338386 |
| Rent | 3022065 | 2722065 |
| Lease Rent | 184650 | 193220 |
| Rates & Taxes | 568316 | 470214 |
| Directors' Fee | 161000 | 190000 |
| Auditors' Remuneration | | |
| – Audit Fee | 50000 | 50000 |
| – Other Services | 15000 | 17000 |
| Custom Duty Paid | – | 3000000 |
| Loss on Sale/Disposal of Fixed Assets | 204010 | – |
| Miscellaneous Expenses # | 16385048 | 18064417 |
| | <u>20942234</u> | <u>25045302</u> |
| Miscellaneous Expenses Includes # | | |
| Postage & Telegram | 280861 | 330773 |
| Telephone Expenses | 203035 | 313743 |
| Travelling Expenses | 365470 | 423191 |
| Conveyance Expenses | 151126 | 128528 |
| Transport Expenses | 1109746 | 1104799 |
| Office Running / Upkeeping Expenses | 958830 | 853033 |
| Electricity Charges | 2954450 | 2809046 |
| Establishment Expenses | 2023421 | 1487656 |
| Security Services Charges | 2121724 | 2202387 |
| Retainer Fee | 606533 | 1160700 |
| Legal Expenses | 2141883 | 1908809 |
| Compensation | 326010 | 1119284 |
| Repairs & Maintenance, Gen. Cleaning Expenses | 1560158 | 1792044 |
| Printing & Stationery | 415741 | 380311 |
| Annual Custody Fee | 318592 | 326112 |
| Charges General | 145195 | 274132 |
| Service Maintenance, Gen. Cleaning Expenses | 235207 | 888616 |
| NOTE # 17 | | |
| Exceptional Items | | |
| Expenses : | | |
| i. Doubtful Debts Written Off | – | 34500000 |
| ii. Provision for Doubtful Debts | – | (34500000) |
| iii. Old Debit Balances/Deposits Written Off | – | 2657716 |
| iv. Investment Written Off | 510856 | – |
| v. Provision for Diminution of Investment Written Back | (510856) | – |
| | <u>–</u> | <u>2657716</u> |
| Income : | | |
| i. Liabilities no longer required Written Back | – | 197594797 |
| ii. Unclaimed Suppliers Balances Written Back | – | 3145634 |
| iii. Profit on Sale /Disposed of Assets | – | 111789728 |
| iv. Unclaimed Balances Written Back | – | 490221 |
| | <u>–</u> | <u>313020380</u> |
| | <u>–</u> | <u>(310362664)</u> |

Notes on Financial Statements for the year ended 31st March, 2014

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

| 19. Earning per share (EPS): | 2013-14 (Amount / ₹) | 2012-13 (Amount / ₹) |
|--|-------------------------|-------------------------|
| a) Net Profit(+)/Loss(-) available for Equity Share holders Before Extra Ordinary Items (Numerator used for calculation) | 14681714 | 371509969 |
| b) Number of Equity Shares (Denominator used for calculating EPS) | 37134752 | 37134752 |
| c) Basic and Diluted earnings per share of Re. 1/- each | | |
| i) Before Extra ordinary items | ₹ 0.40 | 10.00 |
| ii) After Extra ordinary items. | ₹ 0.40 | 10.00 |

20. Segment Reporting

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

21. Related Parties Disclosures:

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

- A. Associate Company
 J. K. Cotton Ltd.
 (Formerly J.K. Cotton Spg. & Wvg. Mills Co. Ltd.)
- B. Key Management Personnel:
- | | |
|-------------------------------|------------|
| 1. Shri Y. P. Singhania | M.D. & CEO |
| 2. Dr. Gaur Hari Singhania | Relative |
| 3. Shri Govind Hari Singhania | Relative |
- C. Entities over which key management personnel has significant influence :
 J. K. Cement Ltd.

Details of Transactions are as follows:

| | 2013-14 (Amount / ₹) | 2012-13 (Amount / ₹) |
|--|-------------------------|-------------------------|
| 1. Remuneration | | |
| Key Management Personnel & Relatives | 120817 | 77480 |
| 2. Rent, Interest and other expenses paid | | |
| Associate Company | 1200000 | 1200000 |
| 3. Rent, Expenses recovered and Services rendered | | |
| (i) Associate Company | 3316062 | 1822960 |
| (ii) J.K. Cement Ltd. | 16291393 | 17235688 |
| 4. Loan Received | | |
| J. K. Cement Ltd. | | |
| – Unsecured Loan | | |
| Balance as at beginning | – | 90000000 |
| Repayment of Loan | – | 90000000 |
| Balance as at close of the year | – | – |



22. Based on the information available with the company regarding status of suppliers as defined under MSMED Act, 2006 there is no amount payable to the Micro, Small and Medium Enterprises.
23. Balances in Suppliers and Deposit accounts taken as per books are subject to confirmation/reconciliation and consequential adjustments.
24. Previous year's figures have been recasted / regrouped wherever necessary to conform to the classification of the year.

| | 2013-14 | 2012-13 |
|---------------------------------|-----------|-----------|
| 25. Earning in foreign currency | | |
| Dividend & Others | 28735 | 15843 |
| | 31.3.2014 | 31.3.2013 |
| | (₹) | (₹) |

26. CONTINGENT LIABILITIES

| | | |
|---|----------|---------------|
| (i) In respect of claims against the Company not acknowledged as debts. | 19645950 | 19645950 |
| (ii) In respect of non-fulfilment of export obligations against advance licences | | Indeterminate |
| (iii) In respect of disputed demands, appeals pending with Appellate Authorities / Courts – no provision has been considered necessary by the Management : - Custom Duty and Penalty | 87260769 | 87260769 |

27. DISCLOSURE IN TERM OF AS-15 ARE AS UNDER:-

| | | |
|--|--|---------|
| a) Defined contribution plan | | |
| Contribution to defined contribution plan recognised as expenses for the year 2013-14 are as under | | ₹ /lacs |
| Employer's contribution to Provident Fund | | 8.06 |
| Employer's contribution to Superannuation Fund | | 5.50 |
| Employer's contribution to Family Pension Fund | | 0.87 |
| b) 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 Funded | | Leave encashment Unfunded | |
|--|--------------------|-----------|------------------------------|-----------|
| | 2013-2014 | 2012-2013 | 2013-2014 | 2012-2013 |
| | ₹/lacs | ₹/lacs | ₹/lacs | ₹/lacs |
| I. Expenses recognised in the Statement of Profit & Loss for the year ended | | | | |
| 1. Current Service Cost | 4.29 | 3.97 | - | - |
| 2. Interest Cost | 12.99 | 12.28 | 2.69 | 1.97 |
| 3. Expected return on plan assets | (14.79) | (12.11) | - | - |
| 4. Past Service Cost | - | - | - | - |
| 5. Actuarial(Gains)/Losses | 4.24 | 11.80 | (2.68) | 8.75 |
| 6. Total employer expenses recognised in P & L | 6.73 | 15.94 | 0.01 | 10.72 |
| II. Net Asset/(Liability) recognised in the Balance Sheet as at 31.03.2014 | | | | |
| 1. Present value of Defined Benefit Obligation | 173.72 | 168.97 | 33.09 | 34.09 |
| 2. Fair value of plan assets | 178.52 | 149.53 | - | - |
| 3. Funded status[Surplus/(Deficit)] | 4.80 | (19.44) | (33.09) | (34.09) |
| 4. Net asset/(Liability) | 4.80 | (19.44) | (33.09) | (34.09) |
| III. Change in obligation during the year ended | | | | |
| 1. Present value of Defined Benefit Obligation at beginning of the year | 168.97 | 172.98 | 34.09 | 25.95 |

| | | | | |
|--|----------------|---------------|----------------|---------------|
| 2. Current Service Cost | 4.29 | 3.97 | - | - |
| 3. Interest Cost | 12.99 | 12.28 | 2.69 | 1.97 |
| 4. Plan amendment cost/(credit) | - | - | - | - |
| 5. Actuarial(Gains)/Losses | 0.54 | 18.81 | (2.68) | 8.75 |
| 6. Benefits Payments | (13.07) | (39.07) | (1.01) | (2.58) |
| 7. Present value of Defined Benefit Obligation at the end of the year. | 173.72 | 168.97 | 33.09 | 34.09 |
| IV. Change in Assets during the year ended | | | | |
| 1. Plan assets at the beginning of the year | 180.50 | 154.48 | - | - |
| 2. Expected return on plan assets | 14.79 | 12.11 | - | - |
| 3. Contributions by Employer | - | 15.00 | 1.01 | 2.58 |
| 4. Actual benefits paid | (13.07) | (39.07) | (1.01) | (2.58) |
| 5. Actuarial Gains/(Losses) | (3.70) | 7.01 | - | - |
| 6. Plan assets at the end of the year | 178.52 | 149.53 | - | - |
| V. Actuarial Assumptions: | | | | |
| 1. Discount Rate | 8.70% | 8.00% | 8.70% | 8.00% |
| 2. Expected rate of return on plan assets | 8.50% | 8.50% | N.A. | N.A. |
| 3. Mortality | Indian Assured | | Indian Assured | |
| | Mortality | LIC (1994-96) | Mortality | LIC (1994-96) |
| | (2006-08) | ULTIMATE | (2006-08) | ULTIMATE |
| 4. Withdrawal Rate | 1.00% | 1.00% | 1.00% | 1.00% |
| 5. Salary Escalation Rate | 10.00% | 10.00% | 10.00% | 10.00% |
| 6. Maximum limit | 1000000/- | 1000000/- | - | - |

NOTE # 28

SIGNIFICANT ACCOUNTING POLICIES

1. Accounting Concepts

The Financial Statements are prepared under the historical cost convention on accrual basis and in accordance with the applicable mandatory Accounting Standards.

2. Fixed Assets

Gross Block of Fixed Assets is stated at Historical Cost.

3. Depreciation & Impairment of Loss

(a) Depreciation on Fixed Assets is provided at the Straight Line Method rates prescribed in Schedule XIV to the Companies Act, 1956.

(b) An impairment loss is recognised wherever the carrying amount of an asset exceeds its estimated recoverable amount.

4. Investments

Investments are stated at cost. Quoted investments purchased before 31.03.1990 are stated at book value based on market value as on 31.03.1990.

Provision for diminution, other than temporary, is determined and made from time to time to recognise the decline in the value of investments.

5. Inventories

Inventories are stated "at cost or net realisable value, whichever is lower". Cost comprise all cost of purchase, cost of conversion and other costs incurred in bringing the inventories to their present location and condition. Cost formula used are "First-in-First-out" or "Average Cost" as applicable.

6. Revenue Recognition

Revenue is generally recognised when no significant uncertainty as to its measurability or collectability exists.

7. Retirement benefits

The Company's contributions to Provident Fund and Superannuation Fund are charged to Profit & Loss Account. Contribution to Gratuity Fund and provision for Leave Encashment are made on the basis of Actuarial Valuation Report and charged to Profit & Loss Account.



OTHER INVESTMENTS

ANNEXURE

Accounting Year 2013-14

| Name of the Bodies Corporate | Face Value Rs./GBP(£) | 31st March, 2014 | | 31st March, 2013 | |
|---|--------------------------|------------------|-------------------|------------------|-------------------|
| | | No. of Shares | Book Value (₹) | No. of Shares | Book Value (₹) |
| OTHER INVESTMENTS | | | | | |
| (FULLY PAID-UP) | | | | | |
| INDIVIDUAL : | | | | | |
| Param Shubham Vanijya Ltd. | 10/- | 1050 Equity | 30000 | 1050 Equity | 30000 |
| Bengal & Assam Company Ltd. | 10/- | 21571 Equity | 2570308 | 21571 Equity | 2570308 |
| Nav Bharat Vanijya Ltd. | 2/- | 300 Equity | 40313 | 300 Equity | 40313 |
| Impex (India) Ltd. | 10/- | 3000 Ordy. | 15000 | 3000 Ordy. | 15000 |
| Juggilal Kamlatpat Udyog Ltd. | 10/- | 639 Equity | 175000 | 639 Equity | 175000 |
| J.K. Lakshmi Cement Ltd. (Formerly - J.K. Corp Ltd.) | 5/- | 411410 Equity | 16867876 | 411410 Equity | 16867876 |
| Hoyle's Paints Ltd. | @ 10/- | - - | - | 5000 Ordy. | 50000 |
| Hoyle's Paints Ltd. | @ 100/- | - - | - | 100 Pref. | 10000 |
| Hifazat Chemicals Ltd. (Formerly-JKBM Ltd.) | @ 10/- | - - | - | 36000 Equity | 441514 |
| J.K.Steel Employees Consumers Co- operative Stores Society Ltd. | @ 250/- | - - | - | 14 Equity | 3500 |
| Sarnath Co-operative Housing Society Ltd. | 50/- | 30 Ordy. | 1500 | 30 Ordy. | 1500 |
| Accurate Finman Services Ltd. | 10/- | 2532 Equity | - | 2532 Equity | - |
| | | Total : | 19699997 | | 20205011 |
| BANKS : | | | | | |
| Habib Bank Ltd. | @ 5/- | - - | - | 350 Ordy. | 946 |
| Barclays plc | 1 £ | 144 Ordy.Stock | 723 | 144 Ordy.Stock | 723 |
| State Bank of Mysore | 10/- | 20 Ordy. | 2180 | 20 Ordy. | 2180 |
| | | Total : | 2903 | | 3849 |
| CEMENT : | | | | | |
| J.K. Cement (Western) Ltd. (Formerly-Navodaya Sidhi Cement Ltd.) | 10/- | 20 Equity | 200 | 20 Equity | 200 |
| | | Total : | 200 | | 200 |
| CHEMICAL : | | | | | |
| Anil Bioplus Ltd. (Formerly-Anil Biochem Ltd.) | 10/- | 1 Equity | - | 1 Equity | - |
| | | Total : | - | | - |
| COTTON : | | | | | |
| The Phoenix Mills Ltd. | 2/- | 903 Ordy. | 126 | 903 Ordy. | 126 |
| The Khatau Makanjee Spg.& Wvg.Co.Ltd | @ 10/- | - - | - | 10 Equity | 1300 |
| Simplex Realty Ltd. (Formerly - The Simplex Mills Co. Ltd.) | 10/- | 5 Ordy. | 260 | 5 Ordy. | 260 |
| Simplex Mills Co. Ltd. (Formerly - Gaalaxy Garments Ltd.) | 10/- | 2 Equity | - | 2 Equity | - |
| Simplex Papers Ltd. (Formerly - Simplex Paper & Pulp Ltd.) | 10/- | 2 Equity | - | 2 Equity | - |
| Beard Sell Ltd. | 10/- | 30 Equity | 435 | 30 Equity | 435 |
| SIL Investments Ltd. (Formerly - Suttej Industries Ltd.) | 10/- | 235 Equity | 12560 | 235 Equity | 12560 |
| Kesoram Textile Mills Ltd. | 2/- | 337 Equity | - | 337 Equity | - |
| | | Total | 13381 | | 14681 |

@ Shares written off during the year

Jaykay Enterprises Ltd.

| Name of the Bodies Corporate | Face Value Rs./GBP(£) | 31st March, 2014 | | 31st March, 2013 | |
|---|--------------------------|--------------------|-------------------|------------------|-------------------|
| | | No. of Shares | Book Value (₹) | No. of Shares | Book Value (₹) |
| ELECTRIC : | | | | | |
| The Karachi Electric Supply Corpn. Ltd. | @ 100/- | - - | - | 5 Ordy. | 1278 |
| | | Total : | - | | 1278 |
| ENGINEERING : | | | | | |
| Jessop & Company Ltd. | 1/- | 100 Ordy. | 662 | 100 Ordy. | 662 |
| Mahindra & Mahindra Ltd. | 5/- | 1032 Ordy. | - | 1032 Ordy. | - |
| Tata Steel Ltd. (Formerly – Tata Iron & Steel Co. Ltd.) | 10/- | 454 Equity | - | 454 Equity | - |
| | | Total : | 662 | | 662 |
| INSURANCE : | | | | | |
| Royal & Sun Alliance Insurance Group plc | 27.5 Pence | 48 Shares | 908 | 48 Shares | 908 |
| | | Total : | 908 | | 908 |
| JUTE : | | | | | |
| The Naihati Jute Mills Co. Ltd. | 100/- | 10 Ordy. | 70 | 10 Ordy. | 70 |
| Kamarhatty Co. Ltd. | 10/- | 90 Equity | 600 | 90 Equity | 600 |
| Howrah Mills Co. Ltd. | 10/- | 125 Equity | 531 | 125 Equity | 531 |
| Fort Gloster Industries Ltd. | 10/- | 10 Ordy. | 400 | 10 Ordy. | 400 |
| Gloster Ltd. (Formerly Gloster Jute Mills Ltd.) | # 10/- | 8 Ordy. | - | 4 Ordy. | - |
| Auckland International Ltd. | 10/- | 198 Equity | 213 | 198 Equity | 213 |
| Reliance Jute Mills (International) Ltd. | 10/- | 338 Equity | - | 338 Equity | - |
| | | Total : | 1814 | | 1814 |
| MINING : | | | | | |
| Aviva plc | 25 Pence | 48 Ordy. | 280 | 48 Ordy. | 280 |
| London & Associated Properties plc | 10 Pence | 120 Ordy. | 220 | 120 Ordy. | 220 |
| | | Total : | 500 | | 500 |
| MISC. : | | | | | |
| 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. | - |
| | | Total : | 476 | | 476 |
| PAPER : | | | | | |
| Titagarh Steels Ltd. (Formerly Titagarh Industries Ltd.) | @ 10/- | - - | - | 3 Equity | 178 |
| Speciality Papers Ltd. | 10/- | 50 Equity | 200 | 50 Equity | 200 |
| The Mysore Paper Mills Ltd. | 10/- | 80 Ordy. | 985 | 80 Ordy. | 985 |
| | | Total : | 1185 | | 1363 |
| SUGAR : | | | | | |
| Balrampur Commercial Enterprises Ltd. | @ 10/- | - - | - | 41 Equity | 400 |
| New India Retailing & Investment Ltd. (Formerly New India Sugar Mills Ltd.) | 10/- | 525 Equity | 22575 | 525 Equity | 22575 |
| | | Total : | 22575 | | 22975 |
| NAVIGATION : | | | | | |
| The Scindia Steam Navigation Co.Ltd. | @ 20/- | - - | - | 120 Ordy. | 1740 |
| | | Total: | 0 | | 1740 |
| | | GRAND TOTAL | 19744601 | | 20255457 |

@ Shares written off during the year
4 Nos. Bonus shares received during the year

PROXY FORM

Jaykay Enterprises Ltd.

CIN: L99999UP1961PLC001187

Regd. Office: Kamla Tower, Kanpur – 208 001, U.P. (India)

Ph. No. 91 512 237 1478-81 * Fax: 91 512 233 2665

Email: prabhat.mishra@jkcement.com

Website: www.jaykayenterprises.com

Name of the member(s) :

Registered address :

E-mail ID :

Folio/DP ID-Client ID No. :

I/We being the member(s) of shares of Jaykay Enterprises Ltd. hereby appoint:

1. Name..... Address.....

E-mail id..... Signature.....Or failing him;

2. Name..... Address.....

E-mail id..... Signature.....Or failing him;

3. Name..... Address.....

E-mail id..... Signature.....

As my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the Annual General Meeting of the Company to be held at Registered Office at Kamla Tower, Kanpur on Wednesday the 13th August, 2014 at 12.00 Noon and at any adjournment thereof in respect of such resolutions are indicated below:

| Resolution No. | RESOLUTIONS |
|--|--|
| Ordinary Business | |
| 1. | Adoption of Financial Statements for the year ended 31st March, 2014 |
| 2. | Re-appointment of Shri Ramapati Singhanian who retires by rotation. |
| 3. | Appointment of M/s. P. L. Tandon & Company, Chartered Accountants as Auditors and fixing their remuneration. |
| Special Business/Ordinary Resolutions | |
| 4. | Appointment of Shri Kedar Nath Mehrotra as an Independent Director |
| Special Business/Special Resolutions | |
| 5. | Appointment of Dr. K.B. Agarwal as an Independent Director |
| 6. | Appointment of Shri Jagendra Swarup as an Independent Director |
| 7. | Appointment of Shri Ravindra Kumar Tandon as an Independent Director |
| 8. | Appointment of Shri Anil Kumar Dalmia as an Independent Director |
| 9. | Re-appointment of Dr. Gaur Hari Singhanian as Chairman of the Company for next five year w.e.f.01/09/2014. |
| 10. | Re-appointment of Shri Govind Hari Singhanian as Vice-Chairman of the Company for next five years w.e.f.01/09/2014. |
| 11. | Pursuant to the provisions of Section 180(1)(c) of the Companies Act, 2013 for borrowing money upto Rs. 50 Crores. |
| 12. | Pursuant to the provisions of Section 180(1)(a) of the Companies Act, 2013 to create security on all or any of Company's asset against borrowing. |
| 13. | Approval / adaption of new Articles of Association / Regulation in substitution of existing Articles of Association of the Company, consequent upon coming into force of Companies Act 2013 and Rules / Regulations framed thereunder. |

Signed this.....day of August, 2014

Signature of shareholder.....

Signature of Proxy holder(s).....

| |
|---|
| Affix Revenue Stamp of Rs. 1/- |
|---|

Note:

1. This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company not less than 48 hours before the commencement of Meeting.
2. For the Resolutions, Explanatory Statement and Notes please refer to the Notice of the Annual General Meeting.
3. Please complete all details including details of member(s) in above box before submission.

ATTENDANCE SLIP
Jaykay Enterprises Ltd.

CIN: L99999UP1961PLC001187

Regd. Office: Kamla Tower, Kanpur – 208 001, U.P. (India) • Ph. No. 91 512 237 1478-81 * Fax: 91 512 233 2665

Email: prabhat.mishra@jkcement.com • Website: www.jaykayenterprises.com

ANNUAL GENERAL MEETING

I/We hereby record my/our presence at the Annual General Meeting of the Company at registered office at Kamla Tower, Kanpur on Wednesday the 13th August, 2014 at 12.00 Noon.

.....
Member's Folio/DP ID-client IDNo.

.....
Member's/Proxy's name In Block Letters

.....
Member's /Proxy's Signature

Note:

1. Please complete the Folio/DP ID-Client ID No. and name, sign this Attendance Slip and hand it over at the Attendance Verification Counter.
2. Electronic copy of the Annual Report for 2013-14 and Notice of the Annual General Meeting (AGM) along with Attendance Slip and Proxy Form is being sent to all the members whose email address is registered with the Company/Depository participant unless any member has requested for a hard copy of the same. Members receiving electronic copy and attending the AGM can print copy of this Attendance Slip.
3. Physical copy of the Annual Report for 2014 and Notice of the Annual General Meeting along with Attendance Slip and Proxy Form is sent in the permitted mode (s) to all members whose email is not registered or have requested for a hard copy.

Jaykay Enterprises Ltd.

CIN: L99999UP1961PLC001187

Regd. Office: Kamla Tower, Kanpur – 208 001, U.P. (India) • Ph. No. 91 512 237 1478-81 * Fax: 91 512 233 2665

Email: prabhat.mishra@jkcement.com • Website: www.jaykayenterprises.com

Dear Shareholder(s),

In order to establish quick communication with you and to make you updated with important issues, the Company is in process of developing complete DATABASE of members. The Company therefore, seeks cooperation and request you to intimate basic shareholders information in the specified column as mentioned below by post or through email on the email addresses given at the last of this communication.

- | | |
|--|--|
| 1. Name of the First/sole share holder _____ | 4. Landline number (with STD Code) _____ |
| 2. Folio No./DPID/Client ID No. _____ | 5. Mobile Number(s) _____ |
| 3. EmailAddress(es) _____ | 6. PostalAddress _____ |

(Signature of First / Sole Shareholder)

Note :

1. The shareholders of Demat segment are advised to update any of the missing information of this part in depository records if not correctly updated earlier.
2. The holders of physical segment are advised to avail benefit of this facility for quick communication.
3. Please note that Company will send all communications, notices, annual reports etc. to the holders of Demat segment at the postal address provided in depository records.
4. Kindly intimate the above details through post or through email at anyone of the following e-mail addresses : jkshr@jkcement.com or prabhat.mishra@jkcement.com



If undelivered please return to :

Jaykay Enterprises Ltd.
(Share Department)
Kamla Tower,
KANPUR-208 001