



Jaykay Enterprises Limited

ANNUAL REPORT
2015-16

Jaykay Enterprises Limited

Board of Directors

Dr. Krishna Behari Agarwal

Shri Kedar Nath Mehrotra

Shri Ravindra Kumar Tandon

Shri Anil Kumar Dalmia

Smt. Vidhi Nidhipati Singhania

Shri Ashok Gupta Managing Director

Sr. General Manager (Taxation) & Chief Financial Officer

Shri Chandra Prakash Agarwal

Manager (Legal) & Company Secretary

Shri 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
IDBI Bank
State Bank of India

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Annual Report 2015-2016

Jaykay Enterprises Limited

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 Merchants' Chamber of Uttar Pradesh, 14/76, Civil Lines, Kanpur: 208001 on Thursday the 11th day of August, 2016 at 12.00 Noon to transact the following business:-

1. To receive, consider and adopt the audited Balance Sheet as at 31st March, 2016, 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 Smt. **Vidhi Nidhipati Singhania** (DIN 00293520), who retires by rotation and being eligible offers himself for reappointment.
3. To consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Sections 139 to 142 and other applicable provisions, if any, of the Companies Act, 2013, read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), Messrs P.L. Tandon & Company, Chartered Accountants, Kanpur (Firm ICAI Registration No.000186C), be and are hereby re-appointed as Auditors of the Company, to hold office from the conclusion of this meeting until the conclusion of the next Annual General Meeting of the Company on such remuneration as may be agreed upon mutually by the Board of Directors and the Auditors, in addition to the reimbursement of service tax and actual out-of-pocket expenses incurred in connection with the audit of accounts of the Company for the financial year ending March 31, 2017;

"RESOLVED FURTHER THAT the Board of Directors of the Company and/or Shri Prabhat Kumar Mishra, Company Secretary be and are hereby severally authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

SPECIAL BUSINESS

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

AS SPECIAL RESOLUTION

4. To re-appoint Shri Ashok Gupta (DIN: 00135288) as Managing Director and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as a Special Resolution:

"RESOLVED THAT in accordance with the provisions of Sections 196, 197 and 203 read with Schedule V and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), approval of the Company be and is hereby accorded to the re-appointment of **Shri Ashok Gupta** (DIN: 00135288) as Managing Director of the Company, for a period upto 2 (two) years with effect from September 1, 2016, on the terms and conditions including remuneration as set out in the Statement annexed to the Notice convening this Meeting, with liberty to the Board of Directors (hereinafter referred to as "the Board" which term shall be deemed to include the Nomination and Remuneration Committee of the Board) to alter and vary the terms and conditions of the said re-appointment and/or remuneration as it may deem fit and as may be acceptable to Shri Ashok Gupta (DIN: 00135288), subject to the sum not exceeding the limits specified under Schedule V to the Companies Act, 2013 or any statutory modification(s) or re-enactment thereof."

"RESOLVED FURTHER THAT the Board be and is hereby authorised 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 : June 24, 2016

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.

2. The Register of Members and Share Transfer Books of the Company will remain closed from August 4, 2016 to August 11, 2016 (both day inclusive).
3. 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.
4. **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**
5. Members are requested to bring their copies of the Annual Report, as Copies of the Report will not be re-distributed at the Meeting.
6. 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.
7. Members, who hold shares in Physical/Dematerialised Form, are requested to bring their Folio No./Depository Account Number and Client ID Number for identification.
8. **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**
9. 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**
10. 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 shareholding could be communicated and the relative share certificate(s) could be dispatched, if the same is lying undelivered with the Company.
11. 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.



12. 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.
13. 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 read with Rule 19(1) of the Companies (Share Capital and Debentures) Rules 2014]. The said form is available on Company's Website www.jaykayenterprises.com
14. A route map showing direction to reach the venue of the Annual General Meeting is given at the end of the Annual Report as per the requirement of Secretarial Standards- 2 on "General Meeting".
15. Pursuant to Regulation 36(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the information about the Directors proposed to be appointed/re-appointed is given in the 'Annexure-I' to the Notice.
16. In terms of Sections 107 and 108 of the Companies Act, 2013 read with Companies (Management and Administration) Rules, 2014 and sub Regulation (1) & (2) of Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 the Company is providing its members the facility to exercise their right to vote 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 remote e-voting. The remote e-voting is optional and members shall have the option to vote either through remote e-voting or in person at the Annual General Meeting through ballot or polling paper.

Voting rights shall be reckoned on the paid-up value of shares registered in the name of the member/beneficial owner (in case of electronic shareholding) as on the cut-off date i.e. August 4, 2016.

A person, whose name is recorded in the register of member or in the register of beneficial owner maintained by the depositories as on cut-off date i.e. August 4, 2016 only shall be entitled to avail the facility of remote e-voting/ voting through ballot or polling paper at the Meeting.

The instructions for shareholders voting electronically are as under:

- (i) The voting period begins on **August 8, 2016 at 9.00 AM** and ends on **August 10, 2016 at 5.00 PM**. During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date i.e. **August 4, 2016**, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) The shareholders should log on to the e-voting website www.evotingindia.com.
- (iii) Click on Shareholders.
- (iv) Now Enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- (vii) If you are a first time user follow the steps given below :

For Members holding shares in Demat form and Physical Form

PAN	Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none"> Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field. Members who have not updated their PAN with the Company/Depository Participant are requested to use in
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the PAN field the first two characters of their name in CAPITAL letters eg. if your name is Ramesh Kumar then enter RA followed by the Serial Number given at the top/ beginning of the address Slip (pasted on envelop).

Dividend Bank Details of Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the Company records in order to login. <ul style="list-style-type: none"> If both the details are not recorded with the depository or Company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv).
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- (viii) After entering these details appropriately, click on "SUBMIT" tab.
- (ix) Members holding shares in physical form will then directly reach the Company 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.
- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the EVSN for the relevant <Company Name> on which you choose to vote.
- (xii) 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.
- (xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xiv) 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.
- (xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take out print of the votes cast by you by clicking on "Click here to print" option on the Voting page.
- (xvii) If Demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xviii) Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. iPhone and Windows phone users can download the app from the App Store and the Windows Phone Store respectively on or after 30th June 2016. Please follow the instructions as prompted by the mobile app while voting on your mobile.
- (xix) Note for Non – Individual Shareholders and Custodians
 - Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to www.evotingindia.com and register themselves as Corporates.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details a compliance user should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.
 - The list of accounts linked in the login should be mailed to

helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.

- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- (xx) 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.com, under help section or write an email to helpdesk.evoting@cdslindia.com.
- 17. The Company has appointed M/s. Reena 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.
- 18. The Scrutinizer shall submit her report to the Chairman. The results declared alongwith the report of the Scrutinizer shall be placed on the website of the Company www.jaykayenterprises.com and on the website of CDSL www.evotingindia.com immediately after declaration of the results by the

Chairman or a person authorized by him in this behalf. The results shall also be uploaded on the Bombay Stock Exchange portal www.listing.bseindia.com

- 19. Subject to receipt of requisite number of votes, the Resolutions shall deemed to be passed on the date of the Annual General Meeting i.e. Thursday, 11th August, 2016.
- 20. A copy of this Notice has been placed on the website of the Company and the website of CDSL.
- 21. In case of Members who are entitled to vote but have not exercised their right to vote by electronic means, the facility of ballot paper or polling paper shall be made available at the Meeting.
- 22. For abundant clarity, please note that the Members who have cast their vote by remote e-voting prior to the meeting may also attend the meeting but shall not be entitled to cast their vote again.
- 23. 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:-

ITEM NO. 4

The Board of Directors of the Company (the 'Board'), at its meeting held on May 23, 2016 has, in accordance with Section 196, 197 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 and subject to the approval of members, recommended to re-appoint Shri Ashok Gupta as Managing Director, for a period of 2 (two) years from September 1, 2016, at the remuneration recommended by the Nomination and Remuneration Committee (the 'N & R Committee') of the Board and approved by the Board.

Shri Ashok Gupta (DIN-00135288) is a qualified Chartered Accountant having more than 3 decades of experience in the field of Finance and Accounts and working with the Company since 1978.

Taking into consideration the valuable services rendered by him in the past and based on the recommendations of the Nomination and Remuneration Committee, the Board of Directors at their meeting held on May 23, 2016 recommended to re-appoint Shri Ashok Gupta as Managing Director of the Company for a period of two (2) years from September 1, 2016 to August 31, 2018 on the terms and conditions set out in the aforesaid Board Resolution, subject to the approval of the members of the Company in General Meeting.

A summary of the said terms and conditions relating to appointment of Shri Ashok Gupta as Managing Director are as follows:

Term : for a period of two years from September 1, 2016 to August 31, 2018.

A. Minimum remuneration in case of absence or inadequacy of profits:

Where in any financial year during the currency of the tenure of Managing Director the Company earns nil profit or the profits are inadequate, Managing Director shall be paid remuneration as under:

1. Remuneration payable not exceeding the limit prescribed under Part II Section II of Schedule V of the Companies Act, 2013 based on the effective capital of the Company and in accordance with the approval of the Nomination and Remuneration Committee at the relevant point of time.
2. Contributions to Provident Fund, Superannuation Fund or Annuity Fund to the extent singly or taken together are not taxable under the Income Tax Act, 1961 and Rules framed thereunder;
3. Gratuity payable at a rate not exceeding half a month's salary for each completed year of service; and
4. Encashment of leave at the end of Financial Year.

The Company has inadequate profits during the Current Financial Year and earlier years too. In accordance with the Schedule V of the Companies Act, 2013, and as per recommendations of the Nomination and Remuneration Committee and the resolution duly passed in the Meeting of Board of Directors held on May 23, 2016 the remunerations for the F.Y. 2016-17 is as follows:-

- A) Salary: Rs. 1,32,500/- (Rs. One Lac Thirty two Thousand Five Hundred Only) per month with such yearly increment as may be recommended by the Nomination and Remuneration Committee and approved by the Board of Directors from time to time;
- B) Perquisites and other benefits: As per Company's Policy;
- C) Contribution to Provident Fund: As per Company's policy;
- D) Encashment of un-availed leave: As per Company's policy;
- E) Gratuity: As per Company's policy.

For the purpose of calculating the above ceiling the perquisites and allowances shall be evaluated as per income-tax Laws, wherever applicable. In absence of any such rules, perquisites and allowances shall be evaluated at actual cost.

In the event of any re-enactment or re-codification of the Companies Act, 2013 or the Income Tax Act, 1961 or the Amendment thereto, the Board Resolution as passed earlier shall continue to remain in force and the reference to various provisions of the Companies Act, 2013, or the Income Tax Act, 1961 shall be deemed to be substituted by the corresponding provisions of the new Act or the amendments thereto or the Rules and notifications issued there under.

Other Terms & Conditions:

- A. He shall not be entitled to any sitting fee for attending the meeting of the Board or Committee thereof.
 - B. The Company and/or Shri Ashok Gupta may terminate this appointment by giving three calendar months prior notice in writing to either party;
 - C. During his tenure he shall not be liable to retire by rotation except in order to comply the requirement of Section 152(6) of the Companies Act, 2013.
- A detail of the total remuneration paid is being provided in Notes to Account attached with Balance Sheet forming an integral part of the Annual Report for the F.Y. 2015-16.

The appointment and the remuneration proposed fulfils the conditions stipulated in Schedule V of the Companies Act, 2013 and hence approval of the Government of India is not required. The relevant information containing the terms and conditions of appointment of Shri Ashok Gupta, Managing Director is available for inspection without any fee by the Members at the Registered Office of the Company during normal business hours on any working day upto and including the date of the Annual General Meeting.



Information required under Section II, Part II of Schedule V of the Companies Act, 2013

I. General Information	
Nature of Industry	Financial other Services
Date or expected date of commencement of commercial production	May 9, 1961
In case of new Companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus	Not Applicable
Financial performance based on given indicators	The details of financial performance of the Company for the years 2014-15 and 2015-16 are provided in the Annual Report which accompanies this Notice.
Foreign Investments or collaborations, if any	The Company has not entered into any material Foreign collaboration and no direct capital investment has been made in the Company. Foreign Investors, mainly comprising NRIs, FIIs and/or Foreign Nationals are investors in the Company on account of past issuances of securities / secondary market purchases. The Company has no subsidiaries as on 31.03.2016.
II. Information about the appointee	
Background details	Shri Ashok Gupta was an employee of the Company since 1978 and was occupying various position in the Company.
Past remuneration	<p>A) Salary: Rs. 1,15,000/- (Rs. One Lac Fifteen Thousand Only) per month with such yearly increment as may be recommended by the Nomination and Remuneration Committee and approved by the Board of Directors from time to time;</p> <p>B) Perquisites and other benefits: As per Company's Policy;</p> <p>C) Contribution to Provident Fund: As per Company's policy;</p> <p>D) Encashment of un-availed leave: As per Company's policy;</p> <p>E) Gratuity: As per Company's policy.</p> <p>For the purpose of calculating the above ceiling the perquisites and allowances shall be evaluated as per income-tax Laws, wherever applicable. In absence of any such rules, perquisites and allowances shall be evaluated at actual cost.</p>
Recognition and awards	Not applicable
Job Profile and his suitability	Shri Gupta is a qualified Chartered Accountant having more than 3 decades of experience in the field of Accounts and Finance and working with Company since 1978.
Remuneration proposed	Details of proposed remuneration are presented above
Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person (in case of expatriates the relevant details would be with respect to the Country of her origin)	The remuneration is as per Section 197 & 198 of the Companies Act, 2013 read with V and is comparable to the remuneration of Managing Director levels of similar sized Companies in India.
Pecuniary relationship directly or indirectly with the Company or relationship with the managerial personnel, if any	NIL
III. Other information	
Reasons of loss or inadequate profits	The Company was a sick and under the purview of BIFR.
Steps taken or proposed to be taken for improvement	The proceeding under the provisions of Sick Industrial Companies (Special Provisions) Act 1985 is undergoing before BIFR. The Audited Balance Sheet of the Company as at 31.03.2013 shows that the Company's Net worth turned positive. As per legal advice the Company moved an application before BIFR seeking de-registration from BIFR in order to come out from the purview of SICA and the said application is pending for disposal.
Expected increase in productivity and profits in measurable terms	The aforesaid steps taken/to be taken by the Company are expected to improve further the Company's performance and profitability in the future
IV. Disclosure : As required, the information is provided under Corporate Governance Section of the Annual Report, 2015-2016.	

In terms of Section 160 of the Companies Act, 2013 ("the Act"), the Company has received a notice from a Member along with requisite deposit of Rs.1,00,000 signifying intention to propose Shri Gupta as a candidate for the office of Managing Director of the Company. The required details in terms of Secretarial Standards – 2 and Regulation 36(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 are provided hereinafter and marked as 'Annexure-A'.

The notice together with this Statement may be regarded as a disclosure under Corporate Governance as prescribed by the Securities and Exchange Board of India (SEBI) in Chapter IV read with Schedule V of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015. The Board recommends the resolution set forth in Item 4 for the approval of the Members.

None of the Directors and/or Key Managerial Personnel of the Company and their relatives, except Shri Ashok Gupta himself, is concerned or interested, financial or otherwise, in the resolution set out at Item No.4.

By Order of the Board

(PRABHAT KUMAR MISHRA)
Company Secretary

Dated : June 24, 2016
Place : Kanpur

‘ANNEXURE – A’ TO ITEM NOS. 2 & 4 OF THE NOTICE

PURSUANT TO REGULATION 36(3) OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015 AND SECRETARIAL STANDARD-2 ISSUED BY THE INSTITUTE OF COMPANY SECRETARIES OF INDIA, FOLLOWING INFORMATION IS FURNISHED ABOUT THE DIRECTORS PROPOSED TO BE APPOINTED/RE-APPOINTED.

1. SMT. VIDHI NIDHIPATI SINGHANIA	
Name of the Director	Smt. Vidhi Nidhipati Singhania
Age	54 Years
Date of first appointment on Board	13/08/2014
Qualification	Bachelor of Arts
Brief resume including experience	Smt. Vidhi Nidhipati Singhania is an enthusiast of art, penchant of classical music and is a designer epitomizing the perfect blend of traditional and contemporary fashion. A student of Cathedral and John Connon School, Mumbai, Smt. Vidhi Singhania moved to Kota, Rajasthan in 1994 and thus began her foray into the world of textiles and fashion. A veteran in the fashion industry, she has been a member of the Fashion Design Council of India (FDCI) for the last ten years.
Other Directorships	1. Principal Investments Private Limited 2. Arremm Holdings Private Limited
Chairmanship/Membership of Committees in companies in which position of Director is held	Jaykay Enterprises Limited – Stakeholders’ Relationship Committee - Member
Relationship with other Directors, Managers and other Key Managerial Personnel of the Company	None
No. of equity shares held in the Company (as on June 24, 2016)	Nil
No. of Board Meetings attended during the year	One
Terms and conditions of appointment or re-appointment	Non-Executive Director liable to retire by rotation
2. SHRI ASHOK GUPTA	
Name of the Director	Shri Ashok Gupta
Age	62 Years
Date of first appointment on Board	01/09/2014
Qualification	Bachelor of Business Management & Fellow Member of Institute of Chartered Accountants of India.
Brief resume including experience	Shri Gupta is a qualified Chartered Accountant having more than 3 decades of experience in the field of Accounts and Finance and working with Company since 1978. He was working as Vice President (Accounts) & CFO of the Company before the appointment of Managing Director.
Other Directorships	1. J. K. Cotton Limited 2. Khandelwal Extractions Limited
Chairmanship/Membership of Committees in companies in which position of Director is held	1. Jaykay Enterprises Limited: – Audit Committee – Member 2. J.K. Cotton Ltd. – Stakeholder’s Relationship Committee— Member
Relationship with other Directors, Managers and other Key Managerial Personnel of the Company	None
No. of equity shares held in the Company (as on June 24, 2016)	4 (Four)
No. of Board Meetings attended during the year	4 (Four)
Terms and conditions of re-appointment including remuneration	<p>Terms of re-appointment:- For a period upto two years from September 1, 2016 upto August 31, 2018.</p> <p>Remuneration:- The Company has inadequate profits during the Current Financial Year and earlier years too. In accordance with the Schedule V of the Companies Act, 2013, and as per recommendations of the Nomination and Remuneration Committee and the resolution duly passed in the Meeting of Board of Directors held on May 23, 2016 the remunerations for the F.Y. 2016-17 is as follows:-</p> <p>A) Salary: Rs. 1,32,500/- (Rs. One Lac Thirty Two Thousand Five Hundred Only) per month with such yearly increment as may be recommended by the Nomination and Remuneration Committee and approved by the Board of Directors from time to time;</p> <p>B) Perquisites and other benefits: As per Company’s Policy;</p> <p>C) Contribution to Provident Fund: As per Company’s policy;</p> <p>D) Encashment of un-availed leave: As per Company’s policy;</p> <p>E) Gratuity: As per Company’s policy.</p>



DIRECTORS' REPORT

TO THE MEMBERS

Your Directors present the Annual Report and Audited Statements of Account for the year ended 31st March, 2016.

1. FINANCIAL RESULTS

	2015-16 (Rs. in Lacs)
Revenue from operations	30.25
Other Income	552.64
Profit before Depreciation & Tax	144.73
Depreciation	8.66
Profit before Tax	136.07
Tax Expenses (MAT)	25.39
Profit After Tax For the Year	110.68
Balance brought forward from Previous Year	3520.97
Adjustment of Depreciation	—
Balance carried to Balance Sheet	3631.65

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 earned income from interest and rent. After depreciation and Income Tax (MAT) profit for the year was Rs. 110.68 lacs. There is no Income Tax Liability for the year due to brought forward unabsorbed depreciation.

3. REHABILITATION PACKAGE

As reported earlier proceeding under the provisions of The Sick Industrial Companies Act, (Special Provisions) 1985 (the 'SICA') is undergoing before Board for Industrial & Financial Reconstruction ('BIFR'). The Audited Balance Sheet of the Company as at 31.03.2013 shows that the Company's Net worth turned positive. As per legal advice your Company moved an application before BIFR seeking de-registration from BIFR in order to come out from the purview of SICA and the said application is pending for disposal.

4. SUBSIDIARY COMPANY/ASSOCIATE COMPANY – CONSOLIDATED FINANCIAL STATEMENTS

The Company has no Subsidiary but only one Associate Company, J.K. Cotton Ltd. (JKCL) in terms of 3rd proviso to Rule 6 of the Companies (Accounts) Rules, 2014. The Company is required to prepare Consolidated Financial Statement of the Company and its Associate Company, JKCL, under Section 129(3) of the Companies Act, 2013. Consolidation of the accounts of Associate Company is made in accordance with AS-23 issued by The Institute of Chartered Accountants of India under Equity Method. In the Equity Method investment is initially recorded at cost, identifying any goodwill/capital reserve arising at the time of acquisition. The shares of JKCL were allotted to the Company in terms of Rehabilitation Scheme approved by Board for Industrial & Financial Reconstruction ('BIFR'). JKCL was a sick company and had huge carried forward losses when the shares were allotted resulting in capital reserve at the time of allotment. The Company has made provision for diminution in value of investment and investments are carried at notional value of Rs. 1.00. JKCL has made some profits in subsequent years and your company's share in profits had been adjusted against capital reserve created at the time of acquisition. The Value of investment under Equity method will continue to be negative therefore standalone and consolidated financials will be same. Necessary details have been given in Note No.25 of Notes on Accounts.

5. DIVIDEND

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

6. SHARE CAPITAL

The paid up Equity Share Capital as at March 31, 2016 stood at Rs. 3,71,34,752/-. During the year under review, the Company has not issued any further shares.

7. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS BY THE COMPANY

Details of Investments covered under the provisions of Section 186 of the Companies Act, 2013 are given in the Notes to the Financial Statements.

8. PERSONNEL

No employee drawn remuneration in excess of the limits as specified under the amended provisions of Section 134 of the Companies Act, 2013 read with Companies (Appointment & Remuneration) Rules, 2014 throughout or part of the financial year under review.

None of the employee is a relative of any Director of the Company. None of the employee hold (by himself or along with his spouse and dependent children) more than two percent of the equity shares of the Company.

The information required pursuant to Section 197 read with Rule 5 of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is furnished hereunder:

S. No	Name	Designation	Remuneration paid		Increase in Remuneration from previous year	Ratio/time per Median of employee remuneration
			2015-16	2014-15		
1	Mr. Ashok Gupta*	Managing Director (KMP)	2443068	1240,519	Not Applicable	7.08
2	Mr. Chandra Prakash Agarwal**	Sr. General Manager (Taxation) & Chief Financial Officer (KMP)	1456400	725,802	Not Applicable	4.22
3	Mr. Prabhat Kumar Mishra	Manager (Legal) & Company Secretary (KMP)	931,260	673,173	Not Applicable	2.70

* Appointed as Managing Director w.e.f. September 1, 2014

** Appointed as CFO w.e.f. September 1, 2014

9. SIGNIFICANT AND MATERIAL ORDER PASSED BY THE REGULATOR(S) OR COURT(S)/ MATTER OF EMPHASIS

No significant or material order has been passed by the Regulator or Courts or Tribunals during the financial year.

10. CORPORATE GOVERNANCE

A report on Corporate Governance along with the Auditors' Certificate on its compliance, forms an integral part of this Report.

11. PUBLIC DEPOSITS

Your Company has not invited any deposits from public/shareholders under Section 73 and 74 of the Companies Act, 2013.

12. WHISTLE BLOWER POLICY/VIGIL MECHANISM

The Company has a Whistle Blower Policy to report genuine concerns or grievances, if any. The Whistle Blower Policy has been posted on the website of the Company.

13. CORPORATE SOCIAL RESPONSIBILITY

Your Company's profits, net worth and turnover are far below from the criteria as mentioned in Section 135 of the Companies Act, 2013 read with Companies (Corporate Social Responsibility) Rules, 2014. Hence the CSR provisions are not applicable to the Company during the F.Y. 2015-16.

14. DEVELOPMENT AND IMPLEMENTATION OF RISK MANAGEMENT POLICY

The Company has been addressing various risks impacting the Company and the policy of the Company on risk management is provided in annexed Corporate Governance Report. The Risk Management Policy has been posted on the website of the Company.

15. REMUNERATION POLICY

The Board of Directors has, on the recommendation of the Nomination & Remuneration Committee, framed a policy which lays down a framework concerning remuneration of Directors, Key Managerial Personnel and Senior Management of the Company. The Policy also covers criteria for selection and appointment of Board Members and Senior Management and their remuneration. The Remuneration Policy is stated in the Corporate Governance Report.

16. RELATED PARTY TRANSACTIONS

All the related party transactions are entered on arm's length basis, in the ordinary course of business and are in compliance with the applicable provisions of the Companies Act, 2013 and the Listing Regulations. There are no materially significant related party transactions made by the Company with Promoters, Directors or Key Managerial Personnel etc. which may have potential conflict with the interest of the Company at large or which warrants the approval of the shareholders. Accordingly, no transactions are being reported in Form AOC-2 in terms of Section 134 of the Act read with Rule 8 of the Companies (Accounts) Rules, 2014. However, the details of the transactions with Related Party are provided in the Company's financial statements in accordance with the Accounting Standards.

All Related Party Transactions are presented to the Audit Committee and the Board. Omnibus approval is obtained for the transactions which are foreseen and repetitive in nature. A statement of all related party transactions is presented before the Audit Committee on a quarterly basis, specifying the nature, value and terms and conditions of the transactions.

The policy on Related Party Transactions as approved by the Board is uploaded on the Company's website.

None of the Directors has any pecuniary relationship on transactions vis-à-vis the Company.

17. AUDITORS' REPORT

Your Company prepares its financial statements in compliance with the requirements of the Companies Act, 2013 and the Generally Accepted Accounting Principles (GAAP) in India. The financial statements have been prepared on historical cost basis. The estimates and judgments relating to the financial statements are made on a prudent basis, so as to reflect a true and fair manner, the form and substance of transactions and reasonably present the Company's state of affairs, profits and cash flows for the year ended March 31, 2016.

Auditors' Report to the shareholders does not contain any qualification in the financial statements for the year under report.

18. INTERNAL CONTROL SYSTEM

INTERNAL CONTROL

The Company's internal control system is commensurate with its size, scale and complexities of its operations. An Independent firm of Chartered Accountants carries out Internal Audit on the random basis to detect flaws in the system. Internal Audit reports are prepared on the respective areas to create awareness and corrective actions are taken to rectify them. These reports are reviewed by the Audit Committee of the Board for follow up action. The Audit Committee of the Board of Directors also reviews the adequacy and effectiveness of internal control systems and suggests improvement for strengthening them, from time to time.

INTERNAL FINANCIAL CONTROLS

In accordance with Section 134(5)(e) of the Companies Act, 2013, the Company has Internal Financial Controls Policy by means of Policies and Procedures commensurate with the size & nature of its operations and pertaining to financial reporting. In accordance with Rule 8(5)(viii) of Companies (Accounts) Rules, 2014, it is hereby confirmed that the Internal Financial Controls are adequate with reference to the financial statements.

19. DIRECTORS AND KEY MANAGERIAL PERSONNEL

19.1 In accordance with the provisions of Section 152 of the Companies Act, 2013 and the Company's Articles of Association, Smt. Vidhi Nidhipati Singhania (DIN 00293520) will retire by rotation at the ensuing Annual General Meeting and being eligible, offers herself for reappointment.

Smt. Vidhi Nidhipati Singhania is an enthusiast of art, penchant of classical music and is a designer epitomizing the perfect blend of traditional and contemporary fashion. A student of Cathedral and John Connon School, Mumbai, Smt. Vidhi Singhania moved to Kota, Rajasthan in 1994 and thus began her foray into the world of textiles and fashion. A veteran in the fashion industry, she has been a member of the Fashion Design Council of India (FDCI) for the last ten years. She is also a Director in other Indian Companies.

19.2 The Board of Directors have reappointed Shri Ashok Gupta (DIN:00135288) as Managing Director in its Meeting held on 23rd May, 2016, upto period of two years w.e.f. 1st September, 2016 on the terms and conditions enumerated in the resolution being put for your approval.

Shri Gupta is a qualified Chartered Accountant having more than 3 decades of experience in the field of Accounts and Finance and working with Company since 1978.

19.3 With the coming into force of the Companies Act 2013, the Board appointed the existing Independent Directors viz Dr. K.B Agarwal, Shri Ravindra Kumar Tandon, Shri Anil Kumar Dalmia and Shri Kedar Nath Mehrotra as Independent Directors each for a term upto five years under the Act. All Independent Directors have given declarations that they meet the criteria of independence as laid down under Section 149(6) of the Companies Act, 2013 and Clause 49 of the Listing Agreement and/or Listing Regulations.

20. KEY MANAGERIAL PERSONNEL

During the year under report, the Company has allowed to continue appointment of the following Officials as Key Managerial Personnel:-

S.No	Name of the Official	Designation
1.	Shri Ashok Gupta	Managing Director
2.	Shri Chandra Prakash Agarwal	Sr. General Manager (Taxation) & CFO
3.	Shri Prabhat Kumar Mishra	Manager(Legal) & Company Secretary

21. MEETINGS OF THE BOARD OF DIRECTORS

During the year 2015-16, four Board Meetings were convened and held, the details of which

are given in the Corporate Governance Report. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013 and Listing Regulations.

22. BOARD EVALUATION

Pursuant to the provisions of the Companies Act, 2013 and Clause 49 of the Listing Agreement, and Listing Regulations the Board has carried out an annual performance evaluation of its Independent Directors and the Independent Directors also evaluated the performance of Chairman and other Non-Independent Directors. The Board of Directors expressed their satisfaction with the evaluation process. The Board of Directors also evaluated the functioning/performance of Audit Committee, Stakeholders Relationship Committee, Nomination & Remuneration Committee, Committee of Directors and expressed satisfaction with their functioning/performance.

23. DIRECTORS' RESPONSIBILITY STATEMENT

The Directors pursuant to the provisions of Section 134(3)(c) of the Companies Act, 2013 do hereby confirm that:

- 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;
- 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;
- They have taken proper and sufficient care for maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- They have prepared the annual accounts on a going concern basis;
- The proper internal financial controls were in place and that the financial controls were adequate and were operating effectively;
- That systems to ensure compliance with the provisions of all applicable laws were in place and were adequate and operating effectively;

24. STATUTORY AUDITOR

M/s. P.L. Tandon & Co., Chartered Accountants, Kanpur, 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 Section 139 read with Section 141 of the Companies Act, 2013. You are requested to consider their appointment.

25. SECRETARIAL AUDIT

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed Messrs Banthia & Company, Kanpur, a firm of Company Secretaries in Practice to undertake the Secretarial Audit of the Company for the Financial Year 2016-17. The Secretarial Audit Report for the Financial Year 2015-16 is annexed herewith as "Annexure - A".

There is no secretarial audit qualification for the year under report.

26. STATUTORY INFORMATION

26.1. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO.

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

26.2. EXTRACT OF ANNUAL RETURN

The details forming part of the extract of the Annual Return in form MGT 9 as required under Section 92 of the Companies Act, 2013 is annexed hereto as "Annexure -B" and forms an integral part of this Report.

27. ACKNOWLEDGEMENTS

Your Directors wish to thank the employees for their dedication and hard work. Your Directors also wish to thank the Shareholders/ Stakeholders.

FOR AND ON BEHALF OF THE BOARD

Place : Kanpur	ASHOK GUPTA	Dr. K. B. AGARWAL
Dated : 24th June, 2016	Managing Director	Director
	DIN 00135288	DIN - 00339934



SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31ST March, 2016

[Pursuant to Section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

To,
The Members,
Jaykay Enterprises Ltd.
Kamla Tower
Kanpur.

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Jaykay Enterprises Ltd. (hereinafter called the company).

Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory Compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on 31st March, 2016 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance- mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the returns filed, books, papers, minute books, forms and other records maintained by Jaykay Enterprises Ltd. for the financial year ended on 31st March, 2016 according to the provisions of:

- (1) The Companies Act, 2013 (the Act) and the rules made there under;
- (2) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- (3) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- (4) Foreign Exchange Management Act, 1999 and the rules and regulations made there under.
- (5) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act')
 - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
 - c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
 - d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
 - e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; (N. A.)
 - f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with clients;
 - g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;
 - h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; (N.A.)

Annexure A

To,
The Members,
Jaykay Enterprises Ltd.
Kamla Tower
Kanpur.

Our report of even date is to be read along with this letter.

1. It is the responsibility of the management of the company to maintain secretarial record, devise proper systems to ensure compliance with the provisions of all the applicable law and to ensure that the systems are adequate and operate effectively.
2. Our responsibility is to express an opinion on these secretarial records based on our audit.
3. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.

ANNEXURE-A

- (6) I further report that reliance has been placed on the management representation on compliance with other laws, there is no specific Law applicable to the Company:

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

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

(The listing agreement with UPSE became non-applicable as the said Stock Exchange ceased to be Recognized Exchange as per SEBI Exit Order during the year 2015-2016. The shares of the company continue to be listed at BSE.)

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

We have relied on the information and representation made by the Company and its Officers for systems and mechanism formed by the Company for compliances under other applicable Acts, Laws, and Regulations to the Company.

I further report that the Board of Directors of the Company is duly constituted with proper balance of Executive Director, Non-Executive Director and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting. All decisions at Board Meetings and Committee Meetings are carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or Committee of the Board, as the case may be.

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

As informed, the company has responded to the notice(s) of statutory authorities/others.

I further report that during the audited period, there were no other events having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines etc. during the period under review except:

- (a) The shares of the Company listed at UPSE ceased as recognized exchanges and the Listing Agreement with said exchanges also ceased. The shares of Company are listed and traded at BSE.
- (b) The Company's application is pending before the Hon'ble BIFR to come out of the purview of SICA.

BANTHIA AND COMPANY
Company Secretaries
G. K. BANTHIA
(Prop.)

Place : Kanpur
Date : 24.06.2016

ACS No.:4933;
C P No.:1405

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

4. We have not verified the correctness and appropriateness of finance records and Books of Accounts of the company.
5. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.

Disclaimer:

6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

BANTHIA AND COMPANY
Company Secretaries
G. K. BANTHIA
(Prop.)

Place : Kanpur
Date : 24.06.2016

ACS No.:4933;
C P No.:1405