

ANNUAL REPORT 2016-17



Jaykay Enterprises Limited

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 2016-2017

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 Seventy First Annual General Meeting of the members of **Jaykay Enterprises Limited** will be held on Wednesday the 26th day of July, 2017 at 11.30 AM at the Auditorium of Dr. Gaur Hari Singhania Institute of Management & Research, Kamla Nagar, Kanpur -208005 to transact the following business:-

ORDINARY BUSINESS

- To receive, consider and adopt:
 - The Audited Standalone Financial Statements of the Company for the Financial Year ended 31st March, 2017, together with the Reports of the Board of Directors and Auditors thereon;
 - The Audited Consolidated Financial Statements of the Company for the Financial Year ended 31st March, 2017, together with Reports of Auditors thereon.
- To appoint a Director in place of Shri **Ashok Gupta** (DIN 00135288), who retires by rotation and being eligible, offers himself for re-appointment.
- 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 Section 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 (the Act), and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force) and pursuant to recommendation of the Audit Committee and the Board of Directors, M/s. Gupta Vaish & Co, Chartered Accountants, (ICAI Firm Registration No. 005087C) be and are hereby appointed as Statutory Auditors of the Company in place of M/s P.L. Tandon & Company, Chartered Accountants (ICAI Registration NO.000186C), whose tenure expires at the ensuing Annual General Meeting, at such remuneration plus reimbursement of out-of pocket, travelling and living expenses etc., as may be mutually agreed between the Board of Directors of the Company and the said Auditors."

"RESOLVED FURTHER THAT M/s. Gupta Vaish & Co, Chartered Accountants, if appointed as the Statutory Auditors of the Company, shall hold office for a period of five years, from the conclusion of this this Annual General Meeting till the conclusion of the sixth Annual General Meeting to be held in the year 2022 (subject to ratification of the appointment by Members at every Annual General Meeting held after this Annual General Meeting)."

"RESOLVED FURTHER THAT the Board of Directors of the Company (including its Committee thereof), be and is hereby authorised to do all such acts, deeds, matters and things as may be considered necessary, desirable 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 resolution as a Special Resolution:

"RESOLVED THAT pursuant to provisions of Section 188 and other applicable provisions, if any, of the Companies Act, 2013 read with Companies (Meetings of Board and its Powers) Rules, 2014 and the applicable provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') (including any statutory modification(s) or re-enactment thereof for the time being in force), consent of the members of the Company be and is hereby accorded to entering in to a transaction with M/s ARR EMM HOLDINGS PRIVATE LIMITED, a related party in which a Director of the Company is interested as Director and member, in respect of Company's property situated at Ground Floor, J.K. Apartments, Plot No.2 EFGH, Commercial Centre, Masjid Moth, Greater Kailash-II, New Delhi-110048 on Leave and License basis on the terms and conditions as contained in the draft Leave and License Agreement with the authority to the Board of Directors of the Company to alter and vary the terms and conditions of the Leave and License Agreement including renewal thereof from time on such terms and conditions as may be deemed fit by the Board of Directors of the Company at

its absolute discretion without being required to seek further approval of the members of the Company and the approval of the members shall be deemed to have been expressly accorded to the Board expressly by the authority of this resolution."

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

By Order of the Board


(PRABHAT KUMAR MISHRA)
Company Secretary

Place : Kanpur

Dated : May 18, 2017

NOTES :

- 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 July19, 2017 to July26, 2017(both days 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 atleast 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

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-A' to Item Nos. 2 of 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. July 19, 2017.

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. July 19, 2017 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 **July 23, 2017 at 9.00 AM** and ends on **July 25, 2017 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. **July 19, 2017**, 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/Members.
- (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	<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"> 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 given at the top/beginning of the Address Slip (pasted on envelope). Members who have not updated their PAN with the Company/Depository Participant are requested to use in the PAN field the first two characters of their name in CAPITAL letters e.g. 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 envelope).
Dividend Bank Details of Date of Birth (DOB)	<p>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.</p> <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).

- (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 changed 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. 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.

- The Company has appointed M/s. ReenaJakhodia & 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.
- 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
- 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. Wednesday, 26th July, 2017.
- A copy of this Notice has been placed on the website of the Company and the website of CDSL.
- 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.
- 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.
- 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.

ANNEXURE TO THE NOTICE

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013:-

ITEM NO. 4

Your Company owns a property admeasuring 1922 Sq. ft. at the Ground floor, J.K. Apartments, Plot No.2 EFGH, Commercial Centre, Masjid Moth, Greater Kailash-II, New Delhi-110048. The said property was under tenancy at a monthly license fee of Rs. 1,65,000/- p.m. However, present tenant has approached the Company to surrender their tenancy rights by 31st July, 2017 before the expiry of the existing agreement.

M/s ARR EMM HOLDINGS PRIVATE LIMITED, New Delhi (the Licensee) has approached the Company to take the said premises on Leave and License basis for a period of 36 months at the monthly rent of Rs. 1,65,000/- which is as per the prevailing rent in the area considering location and age of the Building and on arm's length basis.

Smt. Vidhi Nidhipati Singhania who is the woman Director in the Company and one of the Director and major shareholder in the Licensee company along with her husband Shri Nidhipati Singhania and her relatives, is a related party within the meaning of Section 2(76) of the Companies Act 2013 as such the proposed transaction falls within the ambit of related party transaction under the provisions of Section 188 of the Companies Act, 2013 and Regulation 23 of SEBI (Listing Obligations and Disclosure

Requirements) Regulations, 2015 ('Listing Regulations'). Since the Company has minimal business activities, the yearly License fee constitutes more than 65% of Company's total income hence the transaction falls under the category of 'Material Related Party Transaction' as per provisions of Regulation 23 of Listing Regulations read with Section 188 of the Companies Act, 2013 and rules framed thereunder. Hence, the prior approval of the members is necessary before entering into Leave and License Agreement between Company and the Licensee Company.

The Board recommends the proposed special resolution for the consideration and approval of the Members of the Company.

None of the Directors and Key Managerial Personnel of the Company, except Smt. Vidhi Nidhipati Singhania Director alongwith her relatives, Mr Nidhipati Singhania (Husband), Shri Raghavpat Singhania and Shri Madhavpat Singhania (Sons) who belongs to promoter and promoter group of the Company, is concerned or interested in the above transaction and therefore, prohibited to vote on the resolution as per provisions of Section 188 of the Companies Act, 2013.



Information pursuant to Sub-rule 15 (3) of the Companies (Meetings of Board and its Powers) Rules, 2014

1.	Name of the Related Party	M/s. ARR EMM HOLDINGS PRIVATE LIMITED ('the Licensee')	
2.	Name of the director or key managerial personnel who is related, if any, and nature of relationship.	Smt. Smt. Vidhi Nidhipati Singhania, Women Director of the Company is a Director and shareholder in the Licensee company.	
3.	Nature, material terms, monetary value and particulars of the contract or arrangement.	1.	Leave and License Agreement It is proposed to enter into Leave and Licence Agreement with the Licensee in respect of Company's property situated at "Ground Floor", J.K. Apartments, Plot No.2 EFGH, Commercial Centre, Masjid Moth, Greater Kailash-II, New Delhi-110048 as per the terms and conditions contained in the draft Leave and Licence Agreement.
		2.	Area 1922 sq. ft.
		3.	Duration of the Agreement Upto 36 Months subject to renewal thereafter
		4.	Date of agreement The agreement will be executed after the approval of shareholders in the Annual General Meeting
		5.	Security Deposit Three months' rent as non-interest bearing security deposit, refundable at the time of surrender of Leave and License.
		6.	Monthly Rent Rs. 1,65,000/- per month
		7.	Increase monthly rent 10% at the time of renewal of the Leave & License Agreement .
		8.	Usage of the premises Business purpose or any other purpose as the Licensee may think fit in its absolute discretion.
4	Any other information relevant or important for the members to take a decision on the proposed resolution.	The transaction is proposed to be entered in to on arm's length basis and at prevailing market rate.	

By Order of the Board

(PRABHATH KUMAR MISHRA)
Company Secretary

Place : Kanpur
Dated : May 18, 2017

'ANNEXURE – A' TO ITEM NO. 2 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.

Name of the Director	Shri Ashok Gupta
Age	63 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. – Stakeholders' Relationship Committee - Member 3. Khandelwal Extractions Limited – Audit Committee - Chairman
Relationship with other Directors, Managers and other Key Managerial Personnel of the Company	None
No. of equity shares held in the Company	4 (Four)
No. of Board Meetings attended during the year	5 (Five)
Terms and conditions of re-appointment including remuneration	Terms of re-appointment :- Executive Director liable to retire by rotation Remuneration:- Morefully described in Director's Report of the Company.

DIRECTORS' REPORT

TO THE MEMBERS

Your Directors present the Annual Report and Audited Statements of Account for the year ended 31st March, 2017.

1. FINANCIAL RESULTS

	2016-17 (Rs. in Lakhs)	2015-16 (Rs. in Lakhs)
Revenue from operations	30.25	30.25
Other Income	589.17	552.64
Profit before Depreciation & Tax	172.17	144.73
Depreciation	7.44	8.66
Profit before Tax	164.73	136.07
Tax Expenses	35.80	25.39
Profit After Tax For the Year	128.93	110.68
Balance brought forward from Previous Year	3631.65	3520.97
Balance carried to Balance Sheet	3760.58	3631.65

2. OVERALL PERFORMANCE

During the year under report your Company's 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 profit for the year remained Rs. 128.93 Lakhs.

3. CURRENT DEVELOPMENT

As reported earlier, the Company's application before Board for Industrial & Financial Reconstruction ('BIFR') seeking de-registration from BIFR in order to come out from the purview of The Sick Industrial Companies (Special Provisions) Act, 1985 (the 'SICA') was pending for disposal.

In the meantime with the issuance of Notification dated November 25, 2016 by Ministry of Finance, Government of India, giving effect to the provisions of the Sick Industrial Companies (Special Provisions) Repeal Act, 2003 (the 'SICA Repeal Act, 2003') w.e.f. December 1, 2016, the BIFR stands dissolved and all proceedings stand abated. As there were no issues pending before BIFR/AAIFR or any other Courts relating to sickness of your Company, hence, under the circumstances, your Company refrain from approaching National Company Law Tribunal ('NCLT').

4. SUBSIDIARY COMPANY/ASSOCIATE COMPANY-CONSOLIDATED FINANCIAL STATEMENTS

The Company has no Subsidiary but only one Associate Company, J.K. Cotton Ltd. (JKCL) as on March 31, 2017 in terms of Rule 6 of the Companies (Accounts) Rules, 2014. The Associate Company i.e. JKCL recorded a profit of Rs. 97.56 lakhs for the year ended March 31, 2017 (Previous Year profits Rs. 1555.55 Lakhs).

The Statement as required under Section 129(3) of the Companies Act, 2013 in respect of the Associate Company viz. JKCL is annexed and forms an integral part of the Annual Report.

Consolidated Financial Statements have been prepared in accordance with Accounting Standard-23('AS-23') 'Accounting of Associates' issued by the Institute of Chartered Accountants of India ('ICAI') form part of the Annual Report and 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, 2017 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 the Companies (Appointment and Remuneration of Managerial Personnel) 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 in respect of employees of the Company and Directors is furnished hereunder:

S. No	Name	Designation	Remuneration paid		Increase in Remuneration from previous year Rs.	Ratio/time per Median of employee remuneration
			2016-17 Rs.	2015-16 Rs.		
1	Mr. Ashok Gupta	Managing Director (KMP)	2,753,440	2,443,068	310,372	5.92
2	Mr. Chandra Prakash Agarwal	Sr. General Manager (Taxation) & Chief Financial Officer (KMP)	1,673,134	1,456,400	216,734	3.59
3	Mr. Prabhat Kumar Mishra	Manager (Legal) & Company Secretary (KMP)	1,130,179	931,260	198,919	2.43

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

- (i) The Appellate Authority for Industrial and Financial Reconstruction (AAIFR) vide its common Order dated December 11, 2008 allowed the appeal of the Company (JKSL) and rejected the appeals filed by M/s. Arfat Petro Chemicals Pvt. Ltd. (APPL- The Buyer of Kota Plants) and held that responsibility of payment of labour dues and revival of Kota units being entirely of APPL alone.

M/s. APPL assailed the said Order dated December 11, 2008 before Rajasthan High Court. The Rajasthan High Court vide its Order dated July 28, 2009 set aside the entire Order of AAIFR dated December 11, 2008 without considering that the Order passed by AAIFR qua JKSL was not the subject matter of challenge before the High Court. The application of JKSL seeking clarification of the Order dated July 28, 2009 was also dismissed by Rajasthan High Court vide its Order dated January 4, 2010.

The Rajasthan High Court Orders dated July 28, 2009 and January 4, 2010 were challenged by two Employees Unions as well as J.K. Synthetics Ltd. (Company) respectively.

The Hon'ble Supreme Court vide its Order dated November 18, 2016, allowed the appeal filed by Company (JKSL) and dismissed the Appeals filed by two Employees Unions and restored the AAIFR Order dated December 11, 2008.

- (ii) In pursuant to Notification dated November 25, 2016, by Ministry of Finance, Government of India bringing into force the provisions of SICA Repeal Act, 2003 w.e.f. December 1, 2016. Effective from December 1, 2016, the provisions of SICA ceased to exist and all the pending references/appeals before BIFR/AAIFR stands abated. No significant or material Order has been passed by the Regulators or Courts or Tribunals which impact the going concern concept status of the Company in future.

10. CORPORATE GOVERNANCE

A report on Corporate Governance alongwith 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 the criteria as mentioned in Section 135 of the Companies Act, 2013 read with Companies (Corporate Social Responsibility Policy) Rules, 2014. Hence the CSR provisions are not applicable to the Company during the F.Y. 2016-17.

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, 2017.

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

18. INDIAN ACCOUNTING STANDARDS (IND AS) – IFRS CONVERGED STANDARDS

Pursuant to the notification, issued by The Ministry of Corporate Affairs dated February 16, 2015 relating to the Companies (Indian Accounting Standard) Rules, 2015, the Company and its associate have adopted 'IND AS' with effect from April 01, 2017. The impact of the change on adoption of IND AS has been assessed and the Company is ready to adopt IND AS.

19. 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 which 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.

20. CHANGES IN PROMOTERS HOLDING

During the year, M/s J.K. Traders Ltd. and Smt. Sushila Devi Singhania, belongs to the Promoters Group of the Company, have purchased through the Stock Exchange 7,55,634 and 8,21,288 Equity Shares, respectively, of the Company constituting 4.25% of the Equity Share Capital. The total Promoter shareholding of the Company hence stands increased to 24.95% from 20.70%.

21. DIRECTORS AND KEY MANAGERIAL PERSONNEL

21.1 In accordance with the provisions of Section 152 of the Companies Act, 2013 and the Company's Articles of Association, Mr. Ashok Gupta (DIN 00135288) will retire by rotation at the ensuing Annual General Meeting and being eligible, offers himself for reappointment.

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.

21.2 With the coming into force of the Companies Act 2013, the Board appointed the existing Independent Directors viz Dr. Krishna Behari 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.

22. 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

23. MEETINGS OF THE BOARD OF DIRECTORS

During the year 2016-17, five 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.

24. BOARD EVALUATION

Pursuant to the provisions of the Companies Act, 2013 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.

25. 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.

26. STATUTORY AUDITOR

M/s. P.L Tandon & Co., Chartered Accountants Kanpur the present Auditors have completed their tenure of two terms of five consecutive years and also an additional period of 3 years as stipulated under Section 139 of the Companies Act, 2013. M/s P.L.Tandon & Co., will thus be holding the office of the Statutory Auditors up to the conclusion of the forthcoming Annual General Meeting.

The Company is proposing to appoint M/s. Gupta Vaish & Co, Chartered Accountants, (ICAI Firm Registration No. 005087C), as Statutory Auditors for a period of 5 years commencing from the conclusion of this Annual General Meeting till the conclusion of the Sixth Annual General Meeting to be held in the year 2022. M/s. Gupta Vaish & Co have consented to the said appointment and confirmed that their appointment, if made, would be within the limits mentioned under Section 141(3)(g) of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014.

27. 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 M/s Banthia & Company, Kanpur, a firm of Company Secretaries in Practice to undertake the Secretarial Audit of the Company for the Financial Year 2017-18. The Secretarial Audit Report for the Financial Year 2016-17 is annexed herewith as "Annexure - A".

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

28. STATUTORY INFORMATION:-

28.1. 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 outgo are given in the additional information in the Annual Report.

28.2. 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.

29. ACKNOWLEDGEMENTS

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

FOR AND ON BEHALF OF THE BOARD

	ASHOK GUPTA	Dr. K. B. AGARWAL
Place : Kanpur	Managing Director	Director
Dated : 18th May, 2017	DIN - 00135288	DIN - 00339934

ANNEXURE-A

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31st March, 2017

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

To,
The Members,
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, 2017 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 books, papers, minute books, forms and returns filed and other records maintained by Jaykay Enterprises Ltd. for the financial year ended on 31st March, 2017 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.)
- (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:

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 laws 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.

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 SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 entered into by the Company with the Bombay Stock Exchange Limited have been complied.

(The listing agreement with UPSE became non-applicable As the said Stock Exchange ceased to be Recognized Stock Exchange as per SEBI Exit Order during the year 2015-16. The shares of the company continue to be listed as 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 systems 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 audit 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 Stock Exchanges 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 had been pending before the Hon'ble BIFR to come out of the purview of SICA. On November 25, 2016 by notification of Central Government, The Sick Industrial Companies (Special Provisions) Repeal Act, 2003 became effective from December 1, 2016. The matter accordingly before BIFR stands abated.
- (c) Open Offer under SEBI (Substantial Acquisition of Shares and Takeovers) Regulation, 2011, had been complied with by the acquirers for acquisition of shares from public. Intimation of the same received by the Company in April 2017 and necessary action of filing prescribed form MGT - 10 undertaken.

Signature
BANTHIA AND COMPANY
Company Secretaries
G. K. BANTHIA
(Prop.)
ACS No.:4933;
C P No.:1405

Place : Kanpur
Date : 18.05.2017

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.

Signature
BANTHIA AND COMPANY
Company Secretaries
G. K. BANTHIA
(Prop.)
ACS No.:4933;
C P No.:1405

Place : Kanpur
Date : 18.05.2017



FORM NO. MGT-9
EXTRACT OF ANNUAL RETURN

ANNEXURE-B

As on financial year ended on 31.03.2017

Pursuant to Section 92 (3) of the Companies Act, 2013 and Rule 12(1) of the Companies (Management & Administration) Rules, 2014.

I. REGISTRATION & OTHER DETAILS

1. CIN	L99999UP1961PLC 001187
2. Registration Date	May 9, 1961
3. Name of the Company	Jaykay Enterprises Limited
4. Category/Sub-category of the Company	Public Company Limited by shares
5. Address of the Registered office & contact details	Kamla Tower, Kanpur, Uttar Pradesh-208001 India Ph. No. 91 512 2371478-81 Fax. No. 91 512 233 2665 website- www.jaykayenterprises.com
6. Whether listed company	Yes
7. Name, Address & contact details of the Registrar & Transfer Agent, if any.	The Company has an in-house share department at the registered office address.

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

(All the business activities contributing 10 % or more of the total turnover of the Company shall be stated)

S. No.	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the Company
1.	Registrar & Share Transfer Agent	82990	100%
2.			
3.			

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

SN	Name and address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
1.	J.K. Cotton Limited.	L17111UP1924PLC000275	Associate	40.34	2(6)

IV. SHARE HOLDING PATTERN

(Equity share capital breakup as percentage of total equity)

① Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year [As on 31-March-2016]				No. of Shares held at the end of the year [As on 31-March-2017]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/ HUF	5,368,504	100	5,368,604	14.46%	6,189,792	100	6,189,892	16.67%	2.21%
b) Central Govt	-	-	-	0.00%	-	-	-	0.00%	0.00%
c) State Govt(s)	-	-	-	0.00%	-	-	-	0.00%	0.00%
d) Bodies Corp.	2,318,125	500	2,318,625	6.24%	3,073,759	500	3,074,259	8.28%	2.04%
e) Banks / FI	-	-	-	0.00%	-	-	-	0.00%	0.00%
f) Any other	565	4	569	0.00%	565	4	569	0.00%	0.00%
Sub Total (A) (1)	7,687,194	604	7,687,798	20.70%	9,264,116	604	9,264,720	24.95%	4.25%
(2) Foreign									
a) NRI Individuals	-	-	-	0.00%	-	-	-	0.00%	0.00%
b) Other Individuals	-	-	-	0.00%	-	-	-	0.00%	0.00%
c) Bodies Corp.	-	-	-	0.00%	-	-	-	0.00%	0.00%
d) Any other	-	-	-	0.00%	-	-	-	0.00%	0.00%
Sub Total (A) (2)	-	-	-	0.00%	-	-	-	0.00%	0.00%
TOTAL (A)	7,687,194	604	7,687,798	20.70%	9,264,116	604	9,264,720	24.95%	4.25%
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	925	100,063	100,988	0.27%	925	99,913	100,838	0.27%	0.00%
b) Banks / FI	5,501	24,753	30,254	0.08%	34,319	24,053	58,372	0.16%	0.07%
c) Central Govt	-	-	-	0.00%	-	-	-	0.00%	0.00%
d) State Govt(s)	-	-	-	0.00%	-	-	-	0.00%	0.00%
e) Venture Capital Funds	-	-	-	0.00%	-	-	-	0.00%	0.00%
f) Insurance Companies	1,459,552	250	1,459,802	3.93%	1,459,552	250	1,459,802	3.93%	0.00%