

JAYKAYCEM CENTRAL LIMITED

KAMLA TOWER,
Kanpur-208001

Statement of financial position as at Mar 31, 2019

| | Notes | 2018-19 (Rs.) | 2017-18 (Rs.) |
|---|-------|---------------------|---------------------|
| Assets | | | |
| Non-current assets | | | |
| Property, plant and equipment | 5 | 77,42,50,264 | 60,92,38,746 |
| Capital work in progress includes preoperative expenses | 6 | 11,18,67,907 | 11,00,73,807 |
| Deffered Tax Assets | 7 | 22,33,620 | 22,33,620 |
| Loan & Advances | 8 | 3,10,000 | 2,20,000 |
| Other non-current assets | 9 | 2,04,54,410 | 2,04,24,410 |
| Total non - current assets | | 90,91,16,201 | 74,21,90,583 |
| Current assets | | | |
| Financial assets | 10 | | |
| (i)Cash & Cash Equivalents | | 5,21,05,886 | 11,82,98,895 |
| (ii)Bank Balance other than (i)Above | | 24,61,499 | 23,19,227 |
| (iii)Current financial assets | | 7,91,695 | 2,25,112 |
| Current Tax Assets(Net) | 11 | - | 4,80,665 |
| Other Current Assets | 12 | 68,91,135 | 65,12,654 |
| Total current assets | | 6,22,50,215 | 12,78,36,553 |
| Total assets | | 97,13,66,416 | 87,00,27,136 |
| Equity and liabilities | | | |
| Shareholders' equity | | | |
| Share capital | 13 | 10,92,34,080 | 10,44,72,170 |
| Other Equity | 14 | 86,00,81,263 | 76,44,57,702 |
| Total shareholders' equity | | 96,93,15,343 | 86,89,29,872 |
| Non-current liabilities | | | |
| Total non-current liabilities | | - | - |
| Current Liabilities | | | |
| i)Trade Payable | 15 | 19,02,368 | 10,50,264 |
| ii)Other financial liability | | 65,921 | 47,000 |
| iii) Current tax liability | 11 | 82,784 | - |
| Total current liabilities | | 20,51,073 | 10,97,264 |
| Total liabilities | | 20,51,073 | 10,97,264 |
| Total shareholders' equity and liabilities | | 97,13,66,416 | 87,00,27,136 |

The accompanying notes form an integral part of these financial statements.

For Gupta Vinod & Co.

For and behalf of Jaykaycem (Central) Ltd.

Chartered Accountants

(V. K. GUPTA)
Proprietor
M.No. 071745

(Dr. Krishna Behari Agarwal)
Director
DIN-00339934

(Ajay Kumar Saraogi)
Managing Director
DIN-00130805

Anil Kumar Agarwal
Director
DIN-00134884

Place : Kanpur
Dated: 18/05/2019

(Prabhat Srivastava)
Company Secretary

(Rajnish)
Chief Financial Officer

JAYKAYCEM CENTRAL LIMITED

KAMLA TOWER,
Kanpur-208001

Statement of profit or loss and other comprehensive income for the Year ended Mar 31, 2019

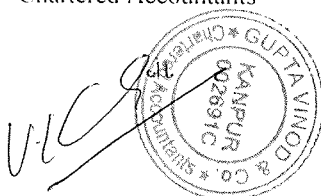
| | Notes | 2018-19 | 2017-18 |
|--|-------|------------------|--------------------|
| Expenses | | (Rs.) | (Rs.) |
| i)Employees benefit expenses | 16 | 12,44,543 | 7,46,787 |
| ii)Other expenses | | 5,55,186 | 1,27,28,086 |
| Total Expenses | | 17,99,729 | 1,34,74,873 |
| Other Income | 17 | 34,07,286 | 48,00,619 |
| Profit before tax & Exception items | | 16,07,557 | (86,74,254) |
| Current Tax | | 4,23,420 | - |
| Tax Adjustment earlier Year | | 7,98,776 | - |
| Deffered Tax(P/L) | | 0 | 22,33,620 |
| Total comprehensive Income /(Loss) for the year | | 3,85,361 | -64,40,634 |

The accompanying notes form an integral part of these financial statements.

For Gupta Vinod & Co.

For and behalf of Jaykaycem (Central) Ltd.

Chartered Accountants



(V. K. GUPTA)

Proprietor

M.No. 071745

Place : Kanpur

Dated: 18/05/2019

(Dr. Krishna Behari Agarwal)

Director

DIN-00339934

(Prabhat Srivastava)

Company Secretary

(Ajay Kumar Saraogi)

Managing Director

DIN-00130805

(Rajnish)

Chief Financial Officer

Anil Kumar Agarwal

Director

DIN-00134884

Statement of cash flows for the year ended March 31, 2019

| | 2018-19 | 2017-18 |
|--|----------------|----------------|
| Cash flows from operating activities | Rs. | Rs. |
| Profit/(Loss) for the year | 3,85,361 | (64,40,634) |
| <i>Adjustments for:</i> | | |
| Deferred Tax | | (22,33,620) |
| Operating (loss) before changes in operating assets and liabilities | 3,85,361 | (86,74,254) |
| <i>(Increase)/decrease in current assets</i> | | |
| Current Financial Assets | (5,66,583) | (35,463) |
| Other current assets | (3,78,481) | (1,37,276) |
| Current Taxation Assets | 4,80,665 | (4,77,272) |
| <i>Increase/(decrease) in current liabilities</i> | | |
| i) Trade Payable | 8,52,104 | (11,09,506) |
| ii) Other financial liability | 18,921 | (20,294) |
| iii) Taxation | 82,784 | |
| Cash generated from/(used in) operations | 8,74,771 | (1,04,54,065) |
| Net cash from/(used in) operating activities | 8,74,771 | (1,04,54,065) |
| Cash flows from investing activities | | |
| Acquisition of property, plant and equipment | (16,50,11,518) | (23,11,69,779) |
| Capital work in progress including preoperative expenses | (17,94,100) | 1,03,15,294 |
| Other non-current assets | (30,000) | (19,90,550) |
| Loans and advances | (90,000) | |
| Net cash (used in) investing activities | (16,69,25,618) | (22,28,45,035) |
| Cash flows from financing activities | | |
| Additional capital introduced | 47,61,910 | 3,85,71,470 |
| Redeemable preference shares | 0 | (46,00,00,000) |
| Share premium account | 9,52,38,200 | 77,14,29,400 |
| (Repayment)/proceeds from long term loans - net | 0 | - |
| Net cash from financing activities | 10,00,00,110 | 35,00,00,870 |
| Net increase/(decrease) in cash and cash equivalents | (6,60,50,737) | 11,67,01,770 |
| Cash and cash equivalents, beginning of the year | 12,06,18,122 | 39,16,352 |
| Cash and cash equivalents, end of the year | 5,45,67,385 | 12,06,18,122 |
| Represented by: | | |
| Cash in hand | 2,97,114 | 2,09,869 |
| Cash at banks | 5,42,70,271 | 12,04,08,253 |
| | 5,45,67,385 | 12,06,18,122 |

The accompanying notes form an integral part of these financial statements.

For Gupta Vinod & Co.
Chartered Accountants

(V. K. GUPTA)
Proprietor
M.No. 071745

(Dr. Krishna Behari Agarwal)
Director
DIN-00339934

(Prabhat Srivastava)
Company Secretary

For and behalf of Jaykaycem (Central) Ltd.

(Ajay Kumar Saraogi)
Managing Director
DIN-00130805

(Anil Kumar Agarwal)
Director
DIN-00134884

(Rajnish)
Chief Financial Officer

Place : Kanpur
Dated: 18/05/2019

STATEMENT OF CHANGE IN EQUITY
for the year ended 31 st Mar 2019

(A)EQUITY SHARE CAPITAL

Balance at the beginning of the year
Change in equity share capital during the year
Balance at the end of the reporting period

| | As at 31st March, 2019 | | As at 31st March, 2018 | |
|--|------------------------|------------------|------------------------|------------------|
| | No. of Share | Amount | No. of Share | Amount |
| | Rs. | Rs. | Rs. | Rs. |
| | 10447217 | 104472170 | 6590070 | 65900700 |
| | 476191* | 4761910 | 3857147 | 38571470 |
| | <u>10447217</u> | <u>109234080</u> | <u>10447217</u> | <u>104472170</u> |

Equity Share capital increased during the year due to Issue of Right Equity Share as under/-
Right issue of equity Share Shares-476191 Share of Rs.10/- each

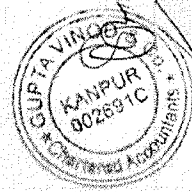
| | |
|--|------------------|
| | 47,61,910 |
| | <u>47,61,910</u> |

(B) OTHER EQUITY

Balance at 1st April 2018
Profit for the year
Addition in Share Premium Account**
Balance as at 31st March, 2019

| | Share Premium account | Retained earnings | Total |
|--|-----------------------|-------------------|------------------|
| | Rs. | Rs. | Rs. |
| | 771429400 | (6971698) | 764457702 |
| | - | 385361 | 385361 |
| | 9,52,38,200 | - | 95238200 |
| | <u>866687600</u> | <u>(6586337)</u> | <u>860081263</u> |

*476191 Equity Share of Rs.10/- each at a premium of Rs.200/-



Notes to the financial statements for the Period ended Mar 31, 2019

5 Property, plant and equipment

The gross carrying amounts and accumulated depreciation are shown below:

| Cost | Land Rs. | Building and improvements Rs. | Plant and machinery Rs. | Furniture, fixtures and office equipments Rs. | Total Rs. |
|---|--------------|-------------------------------------|-------------------------------|--|--------------|
| As at March 31, 2018 | 60,86,35,991 | 71,285 | 3,08,373 | 2,23,098 | 60,92,38,746 |
| Addition during the year | 16,38,90,680 | - | 8,02,328 | 3,30,510 | 16,50,23,518 |
| Transferred during the year | - | - | - | - | - |
| Disposals during the year | - | - | - | (12,000) | (12,000) |
| Write off of property plant and equipment during the year | - | - | - | - | - |
| As at Mar 31, 2019 | 77,25,26,671 | 71,285 | 11,10,701 | 5,41,608 | 77,42,50,264 |
| Accumulated depreciation | | | | | |
| As at March 31, 2018 | - | - | - | - | - |
| Charge for the year | - | - | - | - | - |
| Eliminated on disposals during the year | - | - | - | - | - |
| Eliminated on assets written off during the year | - | - | - | - | - |
| As at Mar 31, 2019 | - | - | - | - | - |
| Carrying value as at Mar 31, 2019 | 77,25,26,671 | 71,285 | 11,10,701 | 5,41,608 | 77,42,50,264 |
| Carrying value as at March 31, 2018 | 60,86,35,991 | 71,285 | 3,08,373 | 2,23,098 | 60,92,38,746 |

6 Capital work in progress includes preoperative expenses

| | 2018-19 | 2017-18 |
|--|------------|------------|
| i opening as on 01.04.2018 | 4548087.00 | 4548087.00 |
| Addition During the year | 1141000.00 | 0.00 |
| Closing balance | 5689087.00 | 4548087.00 |
| ii Preoperative expenses | | |
| Opening Balance | 105525720 | 115841014 |
| Add: Other Professional Charges | 653100 | 1694850 |
| Legal Expenses | 0 | 81648 |
| Charges general | 0 | 0 |
| Interest on loan | 0 | 0 |
| Bank charges | 0 | 0 |
| Less: Transferred to Profit & Loss a/c | 0 | 12091792 |
| Closing Balance | 106178820 | 105525720 |
| i+ii | 111867907 | 110073807 |



JAYKAYCEM CENTRAL LIMITED
KAMLA TOWER,
KANPUR-208001

Notes to the financial statements for the Period ended Mar 31, 2019

| | | 2018-19 | 2017-18 |
|----|---|--------------------|---------------------|
| | | Rs. | Rs. |
| 7 | Deffered Tax Assets | | |
| | Unabsorbed Losses | 22,33,620 | 22,33,620 |
| | | <u>22,33,620</u> | <u>22,33,620</u> |
| 8 | Loan & Advances | (Rs.) | (Rs.) |
| | Security Deposit | 3,10,000 | 2,20,000 |
| | | <u>3,10,000</u> | <u>2,20,000</u> |
| 9 | Other non-current assets | | |
| | Advance for capital assets | 28,84,410 | 28,54,410 |
| | Advance for acquiring Mining Lease | 1,75,70,000 | 1,75,70,000 |
| | | <u>2,04,54,410</u> | <u>2,04,24,410</u> |
| 10 | i)Cash and bank balances | 2018-19 | 2017-18 |
| | | (Rs.) | (Rs.) |
| | Balance with bank | | |
| | In current account | 1,03,59,240 | 31,00,026 |
| | In fixed deposit | - | - |
| | Upto three months | 4,14,49,532 | 11,49,89,000 |
| | Cash on hand | - | - |
| | Cheque in hand | 297114 | 209869 |
| | | <u>5,21,05,886</u> | <u>11,82,98,895</u> |
| | ii)Other Bank Balance | | |
| | In fixed deposit | | |
| | more than three months and upto one year | 24,61,499 | 23,19,227 |
| | | <u>24,61,499</u> | <u>23,19,227</u> |
| | iii)Other Current Financial assets | | |
| | other Loan & advances | 7,91,695 | 2,16,798 |
| | Advance to Employees | - | 8,314 |
| | | <u>7,91,695</u> | <u>2,25,112</u> |



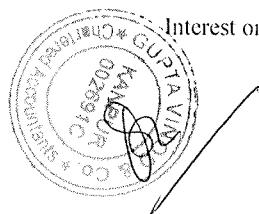
JAYKAYCEM CENTRAL LIMITED

KAMLA TOWER,

KANPUR-208001

Notes to the financial statements for the Period ended Mar 31, 2019

| | | | | | |
|-----|--|-------------------|----------------------|--------------|--------------|
| 11 | Current Tax Assets(Net) | | | 2018-19 | 2017-18 |
| | Advance Tax(Net of Provision) | | | (82,784) | 4,80,665 |
| 12 | Other current Assets | | | | |
| | Balance with GST/Exice & custom department | | | 68,91,135 | 65.12,654 |
| 13 | Share capital | | | | |
| | <u>Names of shareholder</u> <u>Nationality</u> | <u>Percentage</u> | <u>No. of shares</u> | 2018-19 | 2017-18 |
| | M/ | 100 | 1,09,23,408 | 10,92,34,080 | 10,44,72,170 |
| | - | 100 | 1,09,23,408 | 10,92,34,080 | 10,44,72,170 |
| 14 | Other Equity | | | | |
| | Share Premium Account | | | 86.66,67.600 | 77,14,29,400 |
| | 433338 equity shares of Rs.10 each at a premium of Rs.200/- | | | | |
| | Retained earnings | | | | |
| | Balance at the beginning of the year | | | (69,71,698) | (5,31,064) |
| | (Profit) for the year | | | 3,85,361 | (64,40,634) |
| | Balance at the end of the year | | | (65,86,337) | (69.71.698) |
| | | | | 86,00,81,263 | 76.44.57.702 |
| 15 | Current Liabiliteis | | | | |
| i) | Other Trade Payable | | | 19,02,368 | 10,50,264 |
| ii) | Other financial liabilities (Government Dues) | | | 65,921 | 47,000 |
| | | | | 19.68.289 | 10.97.264 |
| 16 | i)Employees benefit expenses | | | | |
| | Salaries and related benefits | | | 12,44,543 | 7.46.787 |
| | ii)Other expenses | | | | |
| | Cess & S,h Edu Cess | | | 0 | 1.65.263 |
| | Travelling and conveyance | | | - | |
| | professional expenses | | | 0 | 18,100 |
| | Expenses relating to earlier year | | | - | 1.20.91.792 |
| | Miscellaneous | | | 5,55,186 | 4.52.931 |
| | | | | 5,55,186 | 1.27.28.086 |
| 17 | Other Income | | | | |
| | Interest income form Bank Deposit | | | 34,07,286 | 48.00.433 |
| | Interest on income tax refund | | | - | 186 |
| | | | | 34,07,286 | 48.00.619 |



Jaykaycem (Central) Limited
(CIN: U72305UP1987PLC009162)

Notes to the financial statements as at 31st March, 2019
Company overview and significant accounting policies

1. Company overview

The company is a public limited company domiciled in India. It was registered as J.K. Circuit Works Limited on 30th November, 1987 under the provisions of the Companies Act, 1956 with the Registrar of Companies, U.P. Kanpur vide Reg. No.009162 dt. 30th November, 1987. Its registered office is situated at Kamla Tower, Kanpur-208001 (U.P). The name was changed to Jaykaycem (Central) Limited to correspond the name with cement activity with the approval of Registrar of Companies, U.P. Kanpur. Presently the company is engaged in acquisition of land at District Panna in the state of Madhya Pradesh for setting up an integrated Cement Plant, acquiring mining lease from the Govt. of Madhya Pradesh for mining of limestone which is the basic raw material for manufacturing Grey Cement, in different parts of M.P. The Company applied for, whereupon the Government of Madhya Pradesh has issued a letter of intent to grant Mining Lease of 1594.34 hectares of land at village Judi, Kamtana, Kakra etc. district Panna, Madhya Pradesh . Apart from this the Company has also applied for another mining lease for Lime stone in Simaria Block for an area of 3095.23 hectare in tehsil Simaria Dist. Panna, M.P. which is under consideration of the Government of Madhya Pradesh. Total 872.950 Acres of land worth Rs. 77.25 Crores has been purchased till 31st March, 2019 at the site plant adjacent to the mines. The company became wholly owned subsidiary of J.K. Cement Limited with effect from 16/07/2015 by acquiring 100 percent equity shares of the company. The Company has yet to start its business activities.

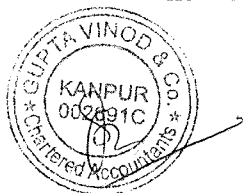
2. Accounting concepts:

The financial statements are prepared under the historical cost convention on an accrual basis in accordance with the applicable mandatory Ind AS and according to Schedule III of the Companies Act, 2013.

3. Basis of preparation of financial statements

3.1 Capital structure of the company

- (i) The shareholders' equity has been changed during the year as compared to the previous year.
 - (a) Authorised Capital : Rs.15,00,00,000 (Rs. Fifteen Crore) divided into 1,50,00,000 equity shares of Rs.10/- each.
 - (b) Issued, subscribed and paid up capital : Rs.10,92,34,080 (Rs. Ten Crore Ninty Two Lacs Thirty Four Thousand Eighty) divide into 1,09,23,408 equity shares of Rs.10/- each.
- (ii) To meet the funds requirement for purchase of land for the proposed cement plant at the site adjacent to mines, during the year 2018-19 the company raised funds on 21/08/2018 by making right issue of 5,22,360 (Five lacs twenty two thousand three hundred sixty) equity shares of Rs.10/- each for cash at a premium of Rs.200/- per share total aggregating to Rs. 10,96,95.600 (Rs.Ten crores ninety six lacs ninety five thousand six hundred only) to the existing shareholder(s) in the ratio of 1 (one) new equity share of Rs.10/ each for every 20 (twenty) equity shares of the company



held as on the Record Date i.e.30/07/2018. The right was subscribed for 476191 equity shares of the company as under:

| | |
|---|-------------------------|
| (a) Equity capital - 4,76,191x10 = Rs. 47,61,910 | |
| (b) Share premium – 4,76,191x200 = Rs.9,52,38,200 | |
| (c) Issued, subscribed and paid up capital (01/04/2018) = | Rs. 10,44,72,170 |
| Addition : Right issue of equity shares = | Rs. 47,61,910 |
| Issued, subscribed and paid up capital (31/03/2019) = | Rs. 10,92,34,080 |
| (d) Share premium (01/04/2018) = | Rs. 77,14,29,400 |
| Addition during the year 2018-19 = | Rs. 9,52,38,200 |
| Share Premium (31/03/2019) = | Rs. 86,66,67,600 |

Note: Preliminary evaluation of valuation of shares of the company has been done by M/s P.L. Tandon & Co., Chartered Accountants, Kanpur.

3.2 Property, Plant and equipment:

Valued at cost. Cost of land includes cost plus stamp duty and registration charges and payment made to seller under Land Acquisition, Rehabilitation and Resettlement Act, 2013.

3.3 Capital work in progress including preoperative expenses:

Expenses incurred on civil work of pillars for demarcation on the boundary and other related expenses for acquisition of land have been grouped under this head.

3.4 Other non-current asset:

- (i) The company is in the process of acquiring mining lease for Limestone in different parts of state from the Govt. of Madhya Pradesh. It has so far paid Rs.17,570,000 to M.P. Govt. as advance for acquiring mining lease.
- (ii) Out of the total Rs. 28,84,410 shown as “Advance against capital assets” the amount of Rs.8,63,860/- relates to three parties against land dealing which is under dispute for which cases are pending in the court.
- (iii) Security deposit includes:
 - (a) Rs.2,20,000 towards amount deposited with M.P Govt. for procuring license.
 - (b) Rs. 90,000 towards demat of company’s equity shares deposited with CDSL.

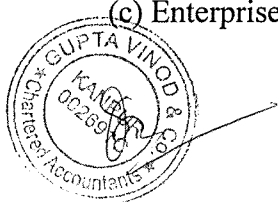
3.5 Advance, deposits and other receivables:

Includes credit for amount recoverable under GST – Rs. 68,91,135

3.6 Related Party

- (a) Parties where the control/significant influence exists
 - i) J.K. Cement Limited
- (b) Key Management Personnel (KMP) & their Relatives
 - i) Shri Yadupati Singhania, Director
 - ii) Dr. Krishna Behari Agarwal, Director
 - iii) Shri Ajay Kumar Saraogi, Managing Director
 - iv) Shri Anil Kumar Agarwal, Director
 - v) Shri Pramod Kumar Bansal, Director
 - vi) Shri Rajnish , CFO
 - vii) Shri Prabhat Srivastava, Company Secretary

- (c) Enterprises significantly influenced by Key Management Personnel or their Relatives



- i) Jaykaycem (Eastern) Limited
- ii) J.K. Cement (Western) Limited
- iii) J.K. Cement Limited
- iv) J.K Cotton Limited
- v) Yadu International Limited

3.7 Related Party Transactions:

- (a) To meet the requirement of funds for purchase of land for the proposed cement plant at the site adjacent to mine, during the year 2018-19 the company has received from the holding company M/s J.K Cement Limited Rs.10,00,00,110 against right issue of 4,76,191 equity shares of Rs.10/- each at premium of Rs.200 per share.
- (b) Jaykay Enterprises Limited - Services received - Rs. 5,900.00
- (c) Shri Rajnish CFO - Remuneration - Rs. 8,40,753.00
- (d) Shri Prabhat Srivastava, - Remuneration - Rs. 3,92,954.00
Company secretary

3.8 Foreign exchange:

There were no foreign transactions during the year.

3.9 Earning per share:

| | 2018-19 Rs. | 2017-18 Rs. |
|---|----------------|----------------|
| 1. Net Profit/Loss available to equity shareholders | 3,85,361 | (6440634) |
| 2. Number of equity shares | 1,09,23,408 | 1,04,47,217 |
| 3. Basic and diluted earning per share | 0 .03527 | (0.6164) |

3.10 Interest income:

Interest income is from fixed deposits with bank.

3.11 Depreciation:

Since the project is still in pre- operative stage, depreciation provisions will be considered once the commercial production is commenced.

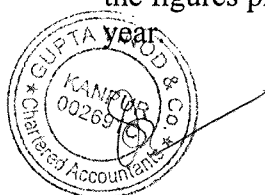
3.12 Cash and cash equivalents:

Cash and cash equivalents comprise cash at bank and on hand and short-term deposits that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

3.13 Contingent assets:

The amount of Rs.8,63,860/- towards "Advance against land purchase" relates to three parties which is under dispute for which cases are pending in the court. Decision of the court is awaited.


3.14 Figures of the previous year have been recast/regrouped wherever found necessary as per the figures presented during the year. The regrouping has not affected the loss of the previous



4. Payment to auditors:

Audit fee (Previous year-21,600/-)21,600/-
Certification fee NIL
Out of pocket expensesNIL

**For Gupta Vinod & Co.
Chartered Accountants
Jaykaycem (Central) Ltd.**

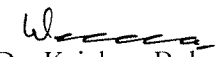

(V. K. GUPTA)
Proprietor
M.No.071745

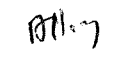


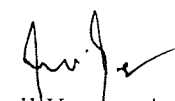
Place: Kanpur

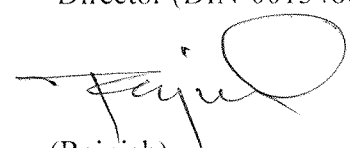
Date : 18/05/2019


For and behalf of


(Dr. Krishna Behari Agarwal)
Director (DIN-00339934)


(Ajay Kumar Saraogi)
Managing Director
(DIN-00130805)


(Anil Kumar Agrawal)
Director (DIN-00134884)


(Rajnish)
(Chief Financial Officer)


(Prabhat Srivastava)
Company Secretary



**Gupta Vinod & Co.,
Chartered Accountants,
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Kanpur-208002**

Phone: 2563524 Email: vinod3216@gmail.com Mobile: 9839029218

Independent Auditors' Report

TO THE MEMBERS OF JAYKAYCEM (CENTRAL) LIMITED

Report on the standalone Financial Statements

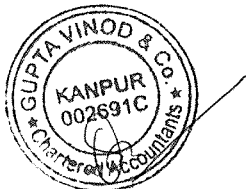
Opinion

We have audited the accompanying Standalone financial statements of **M/s. Jaykaycem (Central) Limited ("the Company")** which comprises the Balance Sheet as at March 31, 2019, the Statement of Profit and Loss, Statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2019, and profit/loss, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

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





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Key audit matters

There were no Key audit matters pertaining to the Company for the year under audit.

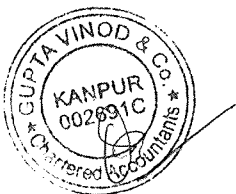
Information Other than the Standalone Financial Statements and Auditor's Report Thereon

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

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. To the best of our knowledge and based on the work we have performed, we are of the opinion that there is no material misstatement of this other information as such we have nothing to report in this regard.

Responsibility of Management for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and





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detecting frauds and other irregularities; selection and application of appropriate implementation and maintenance of accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate **internal financial controls**, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

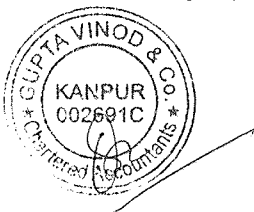
In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or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

Auditor's Responsibility for the Audit of the Financial Statements

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

Other Matter

The Company does not have any branch, hence reporting under this clause is not applicable.





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Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the Annexure 'B' a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable. As required by Section 143(3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - e) On the basis of the written representations received from the directors as on 31st March, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2019 from being appointed as a director in terms of Section 164 (2) of the Act.
 - f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in Annexure 'A'.





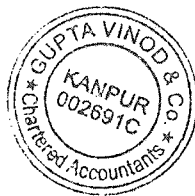
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- g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- (i) The Company has disclosed the impact of pending litigations on its financial position in its financial statements. Refer Note. 3.13 of the financial statements as at March 31, 2019.
- (ii) The Company does not have any long term contracts including derivatives contracts for which there were any material foreseeable losses.
- (iii) There were no amounts which required to be transferred to the Investor Education and Protection Fund by the Company.
2. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of section 143(11) of the Act, we give in Annexure 'B' a statement on the matters specified in paragraph 3 and 4 of the Order.

Place: Kanpur

Date: 18/05/2019



**For Gupta Vinod & Co.,
Chartered Accountants
(Firm's Reg. No. 002691C)**

**(Vinod Kumar Gupta)
Proprietor
(M.No. 071745)**



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ANNEXURE 'A' TO THE INDEPENDENT AUDITOR'S REPORT

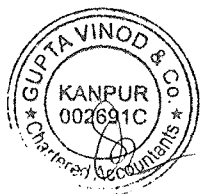
[Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of Jaykaycem (Central) Limited of even date]

Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of JAYKAYCEM (CENTRAL) LIMITED ("the Company") as of March 31, 2019 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Board of Directors of the Company is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.





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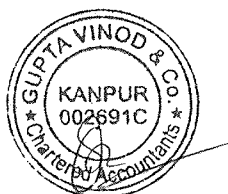
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Auditor's Responsibility

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Company based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance

about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. We believe that the audit evidence we have obtained, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting of the Company.





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Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over





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financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2019, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Place: Kanpur

Date: 18/05/2019



**For Gupta Vinod & Co.,
Chartered Accountants
(Firm's Reg. No. 002691C)**

**(Vinod Kumar Gupta)
Proprietor
(M.No. 071745)**



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ANNEXURE 'B' TO THE INDEPENDENT AUDITOR'S REPORT

[Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of Jaykaycem (Central) Limited of even date for the year ended March 31, 2019]

1. In respect of the Company's fixed assets:
 - (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
 - (b) The Company has a program of verification to cover all the items of fixed assets in a phased manner which in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program fixed assets were physically verified by the management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
 - (c) The Company is in the process of purchasing land for its proposed mining activities and setting up of its cement plant in Amanganj Dist. Panna in the state of Madhya Pradesh (M.P). The title deeds of land purchased so far are held in the name of the Company.
2. In our opinion and according to the information and explanations given to us, the Company has not given any loan or made investments within the meaning of section 185 and 186 of the Companies Act, 2013.
3. The Company has not accepted deposits during the year and does not have any unclaimed deposits as at March 31, 2019 and therefore the provisions of clause 3(v) of the Order are not applicable to the Company.
4. In our opinion and according to the information given to us, there are adequate internal control system commensurate with the size of the Company and the present nature of its business. We have not observed any major weakness in such internal control system.





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5. According to the information and explanations given to us, the Company is regular in depositing with appropriate authorities all applicable statutory dues.
6. There were no undisputed amounts payable in respect of statutory dues in arrear as at March 31, 2019 for a period more than six months from the date they became payable.
7. The Company has not taken any loans or borrowings from financial institutions, banks and government.
8. During the year under audit the Company has raised equity on Right basis to the existing shareholder(s) of the Company. Refer Note No.3.1 of the financial statements as at March 31,2019.
9. To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company or no material fraud on the Company by its officers or employees has been noticed or reported during the year.
10. The Company is not a Nidhi Company and hence reporting under clause 3 (xii) of the Order is not applicable to the Company.
11. In our opinion and according to the information and explanations given to us related party transactions, if any, entered into during the financial year were in the ordinary course of business and that provisions of section 188 of the Companies Act, 2013 are not attracted. Ref. Note No. 3.6 and 3.7 of the financial statements as at March 31,2019.
12. In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its directors or persons connected to its directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.





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13. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.
14. No other order matters specified in the said order is applicable to the Company in respect of the accounts under audit.

Place: Kanpur

Date: 18/05/2019



**For Gupta Vinod & Co.,
Chartered Accountants
(Firm's Reg. No. 002691C)**

**(Vinod Kumar Gupta)
Proprietor
(M.No. 071745)**