

# JAYKAYCEM (CENTRAL) LIMITED

KAMLA TOWER,  
Kanpur-208001

## Statement of financial position as at March 31, 2020

	Notes	2019-20 (Rs.)	2018-19 (Rs.)
<b>Assets</b>			
<b>Non-current assets</b>			
Property, plant and equipment	5	90,52,78,231	77,42,50,264
Capital work in progress includes preoperative expenses	6	11,75,26,408	11,18,67,907
Deferred Tax Assets	7	22,33,620	22,33,620
Loan & Advances	8	4,00,000	3,10,000
Other non-current assets	9	2,04,24,410	2,04,54,410
<b>Total non - current assets</b>		<b>1,04,58,62,669</b>	<b>90,91,16,201</b>
<b>Current assets</b>			
Financial assets	10		
(i) Cash & Cash Equivalents		49,88,857	5,21,05,886
(ii) Bank Balance other than (i) Above		97,87,361	24,61,499
(iii) Current financial assets		14,57,473	7,91,695
Current Tax Assets( Net)	11	2,64,991	-
Other Current Assets	12	79,43,739	68,91,135
<b>Total current assets</b>		<b>2,44,42,422</b>	<b>6,22,50,215</b>
<b>Total assets</b>		<b>1,07,03,05,091</b>	<b>97,13,66,416</b>
<b>Equity and liabilities</b>			
<b>Shareholders' equity</b>			
Share capital	13	11,42,34,080	10,92,34,080
Other Equity	14	95,40,54,184	86,00,81,263
<b>Total shareholders' equity</b>		<b>1,06,82,88,264</b>	<b>96,93,15,343</b>
<b>Non-current liabilities</b>			
<b>Total non-current liabilities</b>			
<b>Current Liabilities</b>			
i) Trade Payable	15	20,02,819	19,02,368
ii) Other financial liability		14,008	65,921
iii) Current tax liability	11		82,784
<b>Total current liabilities</b>		<b>20,16,827</b>	<b>20,51,073</b>
<b>Total liabilities</b>		<b>20,16,827</b>	<b>20,51,073</b>
<b>Total shareholders' equity and liabilities</b>		<b>1,07,03,05,091</b>	<b>97,13,66,416</b>

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

(Ajay Kumar Sarangi)  
Managing Director  
DIN-00130805

(Anil Kumar Agarwal)  
Director  
DIN-00134884

Place : Kanpur  
Dated: 09.06.2020

(Prabhat Srivastava)  
Company Secretary

(Rajnish Rawat)  
Chief Financial Officer

# JAYKAYCEM (CENTRAL) LIMITED

KAMLA TOWER,

Kanpur-208001

Statement of profit or loss and other comprehensive income for the Period ended March 31, 2020

	Notes	2019-20	2018-19
Expenses		(Rs.)	(Rs.)
i)Employees benefit expenses	16	14,18,288	12,44,543
ii)Other expenses		22,60,047	5,55,186
Total Expenses		36,78,335	17,99,729
Other Income	17	26,51,256	34,07,286
Profit/Loss before tax & Exception items		-10,27,079	16,07,557
Current Tax		0	4,23,420
Tax Adjustment earlier Year			7,98,776
Deffered Tax(P/L)		0	-
Total comprehensive Income /(Loss) for the year		-10,27,079	3,85,361

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

(Ajay Kumar Saraogi )

Managing Director

DIN-00130805

(Anil Kumar Agarwal)

Director

DIN-00134884

Place : Kanpur

Dated: 09.06.2020

(Prabhat Srivastava)

Company Secretary

(Rajnish Rawal)

Chief Financial Officer

JAYKAYCEM CENTRAL LIMITED  
KAMLA TOWER,  
KANPUR-208001

Statement of cash flows for the year ended March 31, 2020

	2019-20	2018-19
	Rs.	Rs.
Cash flows from operating activities		
Profit/(Loss) for the year	-10,27,079	3,85,361.00
Operating (loss) before changes in operating assets and liabilities (Increase)/decrease in current assets	-10,27,079	3,85,361.00
Current Financial Assets	-6,65,778	-5,66,583.00
Other current assets	-10,52,604	-3,78,481.00
Current Taxation Assets	-2,64,991	4,80,665.00
Increase/(decrease) in current liabilities		
i) Trade Payable	1,00,451	8,52,104.00
ii) Other financial liability	-51,914	18,921.00
iii) Taxation	-82,784	82,784.00
Cash generated from/(used in) operations	-30,44,699	8,74,771.00
Net cash from/(used in) operating activities	-30,44,699	8,74,771.00
Cash flows from investing activities		
Acquisition of property, plant and equipment	-13,10,27,967	-16,50,11,518.00
Capital work in progress including preoperative expenses	-56,58,501	-17,94,100.00
Other non-current assets	30,000	-30,000.00
Loans and advances	-90,000	-90,000.00
Net cash (used in) investing activities	-13,67,46,468	-16,69,25,618.00
Cash flows from financing activities		
Additional capital introduced	50,00,000	47,61,910.00
Share premium account	9,50,00,000	9,52,38,200.00
Net cash from financing activities	10,00,00,000	10,00,00,110.00
Net increase/(decrease) in cash and cash equivalents	-3,97,91,167	-6,60,50,737.00
Cash and cash equivalents, beginning of the year	5,45,67,385	12,06,18,122.00
Cash and cash equivalents, end of the year	1,47,76,218	5,45,67,385.00
Represented by:		
Cash in hand	7,915	2,97,114.00
Cash at banks	1,47,68,303	5,42,70,271.00
	1,47,76,218	5,45,67,385.00

The accompanying notes form an integral part of these financial statements

For Gupta Vinod & Co.  
Chartered Accountants

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

*VIC*

Place : Kanpur  
Dated: 09.06.2020

(Prabhat Srivastava)  
Company Secretary

For and on behalf of Jaykaycem Central Limited

(Ajay Kumar Saraogi)  
Managing Director  
DIN-00130805

(Anil Kumar Agarwal)  
Director  
DIN-00134884

(Rajnish)  
Chief Financial Officer

STATEMENT OF CHANGE IN EQUITY  
for the Period ended 31 ST March 2020

(A)EQUITY SHARE CAPITAL

	As at 31th March 2020		As at 31st Mar 2019	
	No. of Share	Amount	No. of Share	Amount
	Rs.	Rs.	Rs.	Rs.
Balance at the beginning of the year	10223408	109234080	10447217	104472170
Change in equity share capital during the year	500000	5000000	476191	4761910
Balance at the end of the reporting period	11423408	114234080	10923408	109234080

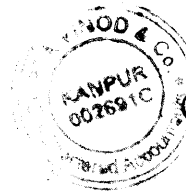
Equity Share capital increased during the year due to Issue of Right Equity Share as under:-  
Right issue of equity Shares-500000 Share Of Rs 10 each

50,00,000  
50,00,000

(B) OTHER EQUITY

	Share Premium account	Retained earnings	Total
	Rs.	Rs.	
Balance at 1st April 2019	866667600	(6586336.78)	860081263.22
Loss for the period		(10,27,079.00)	(1027079.00)
Addition in Share Premium Account*	9,50,00,000		9,50,00,000.00
Balance at 31 ST March 2020	96,16,67,600.00	(76,134,15.78)	954054184.22

\*500000 Equity Share of Rs.10 each at a premium of Rs.190/-



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Notes to the financial statements for the Period ended March 31, 2020

**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 1 April 30, 2019	77,25,26,671	71,285	11,10,701	5,41,608	77,42,50,264
Addition during the Period	13,09,06,927	-	1,21,040	-	13,10,27,967
Transferred during the Period	-	-	-	-	-
Disposals during the Period	-	-	-	-	-
and equipment during the Period	-	-	-	-	-
<b>As at March 31, 2020</b>	<b>90,34,33,598</b>	<b>71,285</b>	<b>12,31,740</b>	<b>5,41,608</b>	<b>90,52,78,231</b>
<b>Accumulated depreciation</b>					
As at 1 April 30, 2019	-	-	-	-	-
Charge for the period	-	-	-	-	-
Eliminated on disposals during the Period	-	-	-	-	-
Eliminated on assets written off during the Period year	-	-	-	-	-
<b>As at March 31, 2020</b>	<b>90,34,33,598</b>	<b>71,285</b>	<b>12,31,740</b>	<b>5,41,608</b>	<b>90,52,78,231</b>
<b>31, 2019</b>	<b>77,25,26,671</b>	<b>71,285</b>	<b>11,10,701</b>	<b>5,41,608</b>	<b>77,42,50,264</b>
March 31, 2019					

**6 Capital work in progress includes preoperative expenses**

	2019-20	2018-19
i opening as on 01.04.2019	5689087.00	4548087.00
Addition During the Period	0.00	1141000.00
<b>Closing balance</b>	<b>5689087.00</b>	<b>5689087.00</b>
ii Preoperative expenses		
Opening Balance	106178820	105525720
Add: Other Professional Charges	5488775	653100
Public Hearing Expenses	0	0
Processing Fee	2000	0
Land Revenue	1060726	0
Bank charges	0	0
Less: Reverse	873000	0
<b>Closing Balance</b>	<b>111837321</b>	<b>106178820</b>
i-ii	117526408	111867907

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# JAYKAYCEM (CENTRAL) LIMITED

KAMLA TOWER,

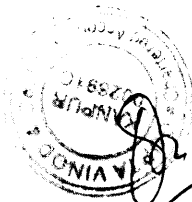
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Notes to the financial statements for the Period ended March 31, 2020

			2019-20	2018-19	
11	<b>Current Tax Assets( Net)</b>				
	Advance Tax( Net of Provision)		2,64,991	(82,784)	
12	<b>Other current Assets</b>				
	Balance with GST/Exice & custom department		79,43,739	68,91,135	
13	<b>Share capital</b>				
	<u>Names of shareholder</u> <u>Nationality</u>	<u>Percentage</u>	<u>No. of shares</u>	<u>2019-20</u>	<u>2018-19</u>
	M/	100	1,14,23,408	11,42,34,080	10,92,34,080
		100	1,14,23,408	11,42,34,080	10,92,34,080
14	<b>Other Equity</b>				
	Share Premium Account	86,66,67,600	96,16,67,600	86,66,67,600	
	433338 equity shares of Rs.10 each at a premium of Rs.200/-				
	50000 equity shares of Rs.10 each at a premium of Rs.190/-	9,50,00,000			
	<b>Retained earnings</b>				
	Balance at the beginning of the year		-65,86,337.00	(69,71,698.00)	
	(Profit) for the year		(10,27,079)	3,85,361.00	
	Balance at the end of the year		(76,13,416)	(65,86,337.00)	
			95,40,54,184	86,00,81,263	
15	<b>Current Liabiliteis</b>				
i)	Other Trade Payable		20,02,819	19,02,368	
ii)	Other financial liabilities (Government Dues)		14,008	65,921	
			20,16,827	19,68,289	
16	<b>i)Employees benefit expense:</b>				
	Salaries and related benefits		14,18,288	12,44,543	
	<b>ii)Other expenses</b>				
	Travelling and conveyance		34,970	32,010	
	professional expenses		89000	13,000	
	Miscellaneous		21,36,077	5,10,176	
			22,60,047	5,55,186	
17	<b>Other Income</b>				
	Interest income form Bank Deposit		2651256.00	34,07,286	
			26,51,256	34,07,286	

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**JAYKAYCEM (CENTRAL) LIMITED**  
**KAMLA TOWER,**  
**KANPUR-208001**

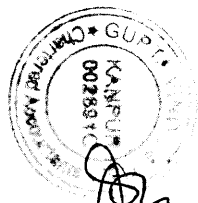
Notes to the financial statements for the Period ended March 31, 2020

		Half Year Ended-	2018-19
		Rs.	Rs.
7	<b>Deffered Tax Assets</b>		
	Unabsorbed Losses	22,33,620	22,33,620
		<u>22,33,620</u>	<u>22,33,620</u>
8	<b>Loan &amp; Advances</b>	(Rs.)	(Rs.)
	Security Deposit	4,00,000	3,10,000
		<u>4,00,000</u>	<u>3,10,000</u>
9	<b>Other non-current assets</b>		
	Advance for capital assets	28,54,410	28,84,410
	Advance for acquiring Mining Lease	1,75,70,000	1,75,70,000
		<u>2,04,24,410</u>	<u>2,04,54,410</u>
10	<b>i)Cash and bank balances</b>	2019-20	2018-19
		(Rs.)	(Rs.)
	Balance with bank		
	In current account	49,80,942	1,03,59,240
	In fixed deposit	-	-
	Upto three months	-	4,14,49,532
		-	-
	Cash on hand	7915	297114
	Cheque in hand	<u>49,88,857</u>	<u>5,21,05,886</u>
	<b>ii)Other Bank Balance</b>		
	In fixed deposit		
	more than three months and upto one year	97,87,361	24,61,499
		<u>97,87,361</u>	<u>24,61,499</u>
	<b>iii)Other Current Financial assets</b>		
	other Loan & advances	14,57,473	7,91,695
		<u>14,57,473</u>	<u>7,91,695</u>

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**Jaykaycem (Central) Limited**  
(CIN: U72305UP1987PLC009162)

## Notes to the financial statements as at 31st March, 2020

### 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. 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.

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        Acres of land worth Rs. 90.34 Crores has been purchased till 31st March, 2020 at the site plant.

#### 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. Going Concern

The accounts for the year under report have been prepared on going concern basis. The company is fully owned subsidiary of M/s J.K. Cements Limited. It will have sufficient liquidity from the holding company to continue to meet its day to day business obligations in future. There does not exist any material uncertainty related to the company's ability to continue as a going concern in future due to COVID-19 pandemic.

#### 4. Basis of preparation of financial statements

##### 4.1 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.11,42,34,080 (Rs. Eleven Crore Forty Two Lacs Thirty Four Thousand Eighty ) divide into 1,14,23,408 equity shares of Rs.10/- each.
- (ii) To meet the funds requirement for purchase of land for the proposed cement plant during the year 2019-20 the company raised funds on 26/09/2019 by making right issue of 5,46,170 (Five lacs forty six thousand one hundred seventy) equity shares of Rs.10/- each for cash at a premium of Rs.190/- per share total aggregating to Rs. 10,92,34,000 (Rs.Ten crores ninty two lacs thirty four thousand 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.31<sup>st</sup> August, 2019. The right was subscribed for 5,00,000 equity shares of the company as under:

(a) Equity capital	– 5,00,000 x10	= Rs. 50,00,000	
(b) Share premium	– 5,00,000 x190	= Rs.9,50,00,000	
(c) Issued, subscribed and paid up capital (01/04/2019)	=	Rs. 10,92,34,080	
Addition : Right issue of equity shares	=	Rs. 50,00,000	
Issued, subscribed and paid up capital (31/03/2020)	=	<b>Rs. 11,42,34,080</b>	
(d) Share premium (01/04/2019)	=	Rs. 86,66,67,600	
Addition during the year 2019-20	=	Rs. 9,50,00,000	
Share Premium (31/03/2020)	=	<b>Rs. 96,16,67,600</b>	

Note: The valuation analysis of unquoted equity shares of the Company as at 31<sup>st</sup> March, 2019 was done by CA Gautam Maurya (Registered Valuer,IBBI) (Reg. No. IBBI/RV/05/2019/10980) vide his valuation report dt.17/08/2019.

#### 4.2 Property, Plant and equipment:

- (a) 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.
- (b) The Company is regular in timely registration of the land purchased in its name with the Sub Registrar Office Panna. However, in few cases although the documents submitted timely with the authorities but due to pandemic COVID-19 followed by country wide lockdown from 25<sup>th</sup> March,2020 registry and mutation in favour of the company could not be completed up to 31st March, 2020. All such cases are being regularised after the lockdown has been lifted.
- (c) The Company has capital commitment of Rs.58.25 lacs as on 31<sup>st</sup> March, 2020 payable to different sellers of land under Right to Fair Compensation and Transparency in Land Acquisition, Rehabilitation and Resettlement Act, 2013.

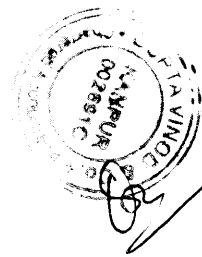
#### 4.3 Capital work in progress including preoperative expenses:

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.

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#### 4.4 Other non-current asset:

- (i) The Company has paid Rs.1,75,70,000 to M.P. Govt. in the year 2016-2017 as advance for acquiring mining lease.
- (ii) Rs. 28,54,410 shown as "Advance against capital assets" relates to the parties against land dealing which is under dispute for which cases are pending in the court.
- (iii) Member Secretary M.P Pollution Control Board - Rs.5,00,000
- (iv) DOD Indian Bureau of Mines Jabalpur - Rs.7,75,000
- (v) 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.
  - (c) Rs. 90,000 towards demat of company's equity shares deposited with NSDL.

#### 4.5 Advance, deposits and other receivables:

Includes credit for amount recoverable under GST – Rs. 79,43,739.

#### 4.6 Related Parties:

(a) *Parties where the control/significant influence exists*

- i) J.K. Cement Limited (Holding Company)

(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) J K Paints and Pigments Limited [Earlier Jaykaycem (Eastern) Limited]
- ii) J.K. Cement (Western) Limited
- iii) J.K. Cement Limited (Holding Company)
- iv) J.K Cotton Limited
- v) Yadu International Limited
- vi) Jaykay Enterprises Limited

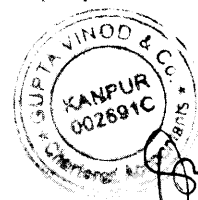
#### 4.7 Related Party Transactions:

- (a) To meet the requirement of funds for purchase of land for the proposed cement plant . during the year 2019-2020 the company has received from

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the holding company M/s J.K Cement Limited Rs.10,00,00,000 against right issue of 5,00,000 equity shares of Rs.10/- each at premium of Rs.190 per share.

- |     |  |                                      |
|-----|--|--------------------------------------|
| (b) | Shri Rajnish ,CFO  | - Remuneration -Rs.9,48,080          |
| (c) | Shri Prabhat Srivastava,<br>Company secretary                  | - Remuneration -Rs.4,70,208          |
| (d) | Remuneration paid to Directors<br>for attending Board Meetings | - NIL                                |
| (e) | Jaykay Enterprises Limited                                     | - Rs.5900/- ( for services received) |

#### 4.8 Foreign exchange:

There were no foreign transactions during the year.

#### 4.9 Profit and Loss Account:

During the year company hold meeting with land owners, local authorities and other Govt. Officials for acquiring physical possession of the land purchased so far. These expenses are included in the profit and loss account for the year under report.

#### 4.10 Earning per share:

	2019-2020	2018-2019
	Rs.	Rs.
1. Net Profit/Loss available to equity shareholders	(10,27,079)	3,85,361
2. Number of equity shares	1,14,23,408	1,09,23,408
3. Basic and diluted earning per share	(0.09)	0.04

#### 4.11 Interest income:

Interest income is from fixed deposits with bank.

#### 4.12 Depreciation:

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

#### 4.13 Cash and cash equivalents:

Cash and cash equivalents comprise cash at bank and on hand and short-term deposits that are readily convertible to cash and are free from risk of changes in value.

#### 4.14 Contingent assets:

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The amount of Rs.28,54,410 towards "Advance against land purchase" relates to parties which is under dispute for which cases are pending in the court.

4.15 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 year.

#### 5 Payment to auditors:

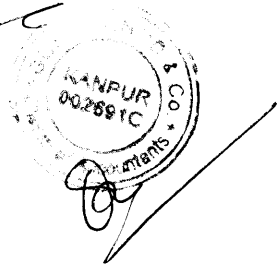
Audit fee (Previous year-21,600/-) .....21,600/-  
Certification fee (Previous Year- Nil)..... 9,000/-  
Out of pocket expenses .....4150/-

For Gupta Vinod & Co.  
Chartered Accountants

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


Place: Kanpur

Date : 09/06/2020

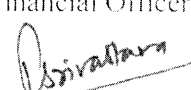


For and behalf of Jaykaycem (Central) Ltd.

  
(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,  
3/216, Vishnupuri,  
Kanpur-208002**

**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, 2020, the Statement of Profit and Loss (including Other Comprehensive Income), Statement of changes in Equity and Statement of Cash Flows for the year then ended, and notes to the 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 **Companies Act, 2013 (the "Act")** in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("IND AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2020, and 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 Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone 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 ("ICAI") together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

#### **Key audit matters**

There were no Key audit matters pertaining to the Company in our audit of the standalone financial statements for the period under report.



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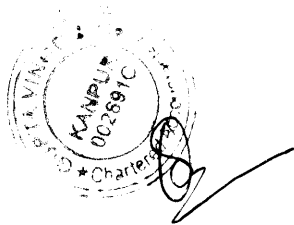
## **Information Other than the Standalone Financial Statements and Auditor's Report Thereon**

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 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 IND AS and other 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 detecting frauds and other irregularities; selection and application of appropriate implementation and maintenance of accounting policies; making judgments and estimates that





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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 standalone financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

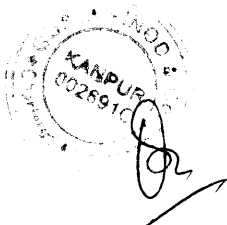
In preparing the standalone financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the 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 Standalone Financial Statements**

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

As per provisions of Section 143(3)(i) of the Act the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.

Based on the audit evidence obtained and the Directors' Report the financial statements have been prepared on a going concern basis and also there does not exist any material uncertainty related to events or conditions with reference to COVID-19 pandemic that may cast significant doubt on the Company's ability to continue as a going concern.





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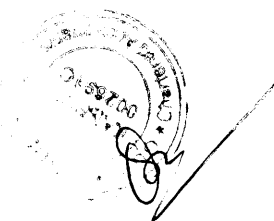
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## **Other Matter**

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

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

1. As required by Section 143(3) of the Act, based on our audit we report that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - c) The Balance Sheet, the Statement of Profit and Loss (including other comprehensive income), Statement of changes in equity and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
  - d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
  - e) On the basis of the written representations received from the directors as on 31st March, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on 31<sup>st</sup> March, 2020 from being appointed as a director in terms of Section 164 (2) of the Act.
  - f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in Annexure 'A'. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
  - g) In our opinion and to the best of our information and according to the explanations given to us, the company did not pay any remuneration to its directors during the year.
  - h) For the period from April, 2019 up to January, 2020 we could visit and check the records of the company but for the period February and March, 2020 due to COVID-19 pandemic followed by country wide lockdown the records were available to us by the client online for audit.







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(UDIN-20071745AAAAAB2101)

- i) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
- (i) The Company has disclosed the impact of pending litigations on its financial position in its financial statements. Refer Note.4.4 and 4.14 of the financial statements as at March 31, 2020.
- (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, 2020 ("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: 09/06/2020

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



(Vinod Kumar Gupta)

Proprietor

(M.No. 071745)

(UDIN-20071745AAAAAB2101)



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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, 2020 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

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

The 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.

### **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



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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.

### **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.



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### **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 financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2020, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

**Place: Kanpur  
Date: 09/06/2020**

**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, 2020]**

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) Land represents the significant proportion of "Property, Plant and equipment" 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, 2020 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.
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, 2020 for a period more than six months from the date they became payable.





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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. 4.1(ii) of the financial statements as at March 31, 2020.
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. 4.7 of standalone financial statements as at March 31, 2020.
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.
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.
15. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.
16. No other order matters specified in the said order is applicable to the Company in respect of the accounts under audit

**Place: Kanpur  
Date: 09/06/2020**

**s For Gupta Vinod & Co.,  
Chartered Accountants  
(Firm's Reg. No. 002691C)  
(Vinod Kumar Gupta)  
Proprietor  
(M. No. 071745)**

