



JIK Industries Limited

***19th Annual Report
2010-2011***

CORPORATE INFORMATION

BOARD OF DIRECTORS

R.G.Parikh	- Chairman & Managing Director
S.C. Gurav	- Director
M. P. Thakkar	- Director
V. P Panikar	- Director

COMPANY SECRETARY

Rajit A. Kesariya

AUDITORS

M/s Motilal & Associates
Chartered Accountants, Mumbai

REGISTERED OFFICE

Pada No. 3, Balkum, Thane - 400608.
Phone: +91-22-25340063, 25426349

ADMINISTRATIVE OFFICE

1,2,3 , Gundecha Chambers,
N.M. Road, Fort,
Mumbai- 400023.
Phone: +91-22-22633313
Fax: +91-22-22676633
E-mail: admin@jik.co.in
Website: <http://www.jik.co.in/>

REGISTRAR & SHARE TRANSFER AGENT

Sharex Dynamic (India) Private Limited
Unit No. 1, Luthra Industrial Premises,
Andheri -Kurla Road, Safed Pool,
Andheri (East), Mumbai- 400072.
Phone: +91-22-2851 5606/5644
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DIRECTORS' REPORT

Your Directors are pleased to present herewith Nineteenth Annual Report together with the Audited Statements of Accounts of the Company for the Fifteen months period ended 30th June, 2011.

OPERATIONS

The performance of the Company during the reporting period has been satisfactory. The sales are showing positive signs of recovery after manifold challenges that were faced in the past. We are pleased to announce that during the year under report, the Company has entered into MOU with (i) Searange Houseware Limited inter alia for outsourcing co-operation and introduction of Searange's products under JIK's brand(s) and (ii) Guangzhou Nantian Sources Company Limited inter alia for business co-operation in hospitality supplies. During the year under review, the Company has introduced semi precious jewellery / crystal jewellery.

FINANCIAL HIGHLIGHTS

All secured creditors were settled and the Company became totally debt free with respect to secured creditors in the previous year. Standalone Financial Information of JIK Industries Limited is as follow:

Particulars	(Amount in Rupees)	
	Period ended 30th June, 2011	Period ended 31st March, 2010
Sales & Other Income	49,85,56,926	20,89,92,250
Total Expenses	44,93,63,528	20,82,07,295
Gross Profit/ (Loss)	4,91,93,398	7,84,955
Interest and Finance Charges	—	5,92,642
Depreciation and Amortization	60,54,149	58,69,296
Profit / (Loss) before Taxes and Extra - Ordinary Items	4,31,39,249	(56,76,983)
Provision for Taxes	(1,04,72,873)	5,49,897
Profit / (Loss) before Extra Ordinary Items	5,36,12,122	(62,26,880)
Extra Ordinary Items	—	3,52,45,548
Net Profit after Tax	5,36,12,122	2,90,18,668

EXTENSION OF FINANCIAL YEAR AND CHANGE IN SUBSEQUENT FINANCIAL YEAR

The Board of Directors at its meeting held on 30th March, 2011 had extended current financial year by three months, up to 30th June 2011 and also approved the change in subsequent financial year starting from 1st July, 2011 and end on 30th June, 2012. Accordingly the attached financials have been prepared for 15 months i.e. 1st April, 2010 to 30th June, 2011.

PUBLIC DEPOSIT

The Company has not accepted any fixed deposit from public during the period under report.

DIRECTORS

Mr. Manoj P. Thakkar was appointed as an Additional Director of the Company w.e.f. January 31, 2011. As per provisions of section 260 of the Companies Act, 1956, Mr. Manoj P. Thakkar, in his capacity as Additional Director will cease to hold office at the forthcoming Annual General Meeting and is eligible for appointment. Notice under section 257 of the Companies Act, 1956 has been received from a member signifying his intention to propose his appointment as a Director.

Mr. Vijay P. Panikar was appointed as an Additional Director of the Company w.e.f. August 18, 2011. As per provisions of section 260 of the Companies Act, 1956, Mr. Vijay P. Panikar, in his capacity as Additional Director will cease to hold office at the forthcoming Annual General Meeting and is eligible for appointment. Notice under section 257 of the Companies Act, 1956 has been received from a member signifying his intention to propose his appointment as a Director.

Mr. Kartik K. Kotadia has resigned from the Board of the Company w.e.f. January 21, 2011.

Mr. Vithal M. Dahake has resigned from the Board of the Company w.e.f. June 29, 2011.

Further, Mr. Surendra C. Gurav retires from office by rotation and being eligible, offer himself for re-appointment at the forthcoming Annual General Meeting of the Company.

In terms of the provision of section 274(1) (g) of the Companies Act, 1956 as amended from time to time, none of the Directors are disqualified.

AUDITORS

M/s. Motilal & Associates., Chartered Accountants, Statutory Auditors of the Company hold office until the conclusion of the forthcoming Annual General Meeting. The Company has received a letter from them to the effect that their re-appointment, if made, would be within the prescribed limit under Section 224 (1B) of the Companies Act, 1956 and that they are not disqualified for reappointment within the meaning of Section 226 of the said Act.

SUBSIDIARY COMPANIES

Pursuant to the Rehabilitation Scheme sanctioned (2008-2017) by the Hon'ble BIFR, the Company has been exempted from the requirement to attach documents in respect of subsidiary companies. Accordingly, the Balance Sheet, Profit & Loss Account, and other documents of the subsidiary companies are not being attached with the Balance Sheet of the Company. Financial information of the subsidiary companies, as required, is disclosed in the Annual Report. The Company will make available the Annual Accounts of the subsidiary companies to any member of the Company who may be interested in obtaining the same. The annual accounts of the subsidiary companies will also be kept open for inspection at the Registered Office of the Company during normal office hours (10.00 A.M. to 6.00 P.M.) The Consolidated Financial Statements presented by the Company includes financial results of its subsidiary companies.

As per communication received from the Company's subsidiaries regarding the development of their land at Thane, the Board of Directors will expedite for shifting of the plant to facilitate the joint development project.

CONSOLIDATED FINANCIAL STATEMENTS

In accordance with the Accounting Standard (AS-21) read with Accounting Standard (AS-23), the consolidated financial statements are attached, which form part of the Annual Report.

BRU (Bombay Relief Undertaking)

The Government of Maharashtra vide Notification No. BRU.2010/C.R.(419/10)/Ind-10 dated September 7, 2010 has declared the Company as "Relief Undertaking" for a period of one year from that date.

CORPORATE GOVERNANCE

The Report on Corporate Governance and Auditors Certificate regarding compliance with conditions of Corporate Governance as stipulated in Clause 49 of the Listing Agreement with Stock Exchanges forms part of this Annual Report.

The Management Discussion and Analysis Report for the period under review as stipulated in Clause 49 of the Listing Agreement with Stock Exchanges have been included in this Annual Report.

PARTICULARS OF EMPLOYEE

The Company does not have any employee falling within the scope of Section 217(2A) of the Companies Act, 1956, read with Companies (Particulars of the Employees) Rules, 1975 and as such no information has been provided.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNING & OUTGO

A statement pursuant to section 217(1)(e) of the Companies Act, 1956, giving details of measures taken toward conservation of energy, technology absorption, foreign exchange earnings and outgo in accordance with the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1998 is annexed in this report.

RESPONSIBILITY STATEMENT

Pursuant to Section 217(2AA) of the Companies Act, 1956, it is hereby confirmed that:

- in the preparation of the financial statements, the applicable accounting standards had been followed and there is no material departure;
- appropriate accounting policies have been selected and applied consistently and have 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 as at 30th June, 2011 and of the profit of the Company for the period ended on that date;
- proper and sufficient care has been taken for maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956, for safeguarding of the assets of the Company and for preventing and detecting fraud and other irregularities;
- the financial statements for 15 months period ended 30th June, 2011 have been prepared on a 'going concern basis'.

CASH FLOW STATEMENT:

In conformity with the provisions of Clause 32 of the Listing Agreement with the Stock Exchanges, the Cash Flow Statement for the financial period ended 30th June, 2011 is annexed herewith.

INFORMATION UNDER LISTING AGREEMENT WITH STOCK EXCHANGES DEMATERIALIZATION OF SHARES

The Shares of the Company have been admitted in dematerialized form for trading by the National Securities Depository Limited (NSDL) and the Central Depository Services (India) Limited (CDSL) under the ISIN: INE026B01049 and they are traded in dematerialized form.

As on 30th June, 2011 a total of 55353028 equity shares of the Company, which form 88.64 % of the equity share capital, stand dematerialized. Above 55353028 equity shares includes 64,40,000 equity shares allotted on 30th June, 2011 subject to necessary approvals.

In accordance with Circular No. D&CC/FITTC/CIR-16-2002 dated December 31, 2002 of Securities and Exchange Board of India, Secretarial Audit Report for the quarters ended June 30, 2010; September 30, 2010; December 31, 2010; March 31, 2011 and June 30, 2011 have been obtained from Company Secretary in whole time practice.

LISTING OF SECURITIES OF COMPANY

The equity shares of your Company continue to be listed on The Bombay Stock Exchange Limited and The National Stock Exchange of India Limited. The listing fee for the year 2011-12 has been paid to both the exchanges.

ACKNOWLEDGEMENT

Your Directors wish to acknowledge all their stakeholders and are grateful for the excellent support received from the Shareholders, Government authorities, esteemed corporate clients, customers and other business associates. Your Directors recognise and appreciate the hard work and efforts put in by all the employees of the Company and their contribution to the growth of the Company in a very challenging environment.

For and on behalf of the Board

Place: Mumbai
Dated: 29th August, 2011

Rajendra G. Parikh
Chairman & Managing Director

ANNEXURE I – TO DIRECTORS’ REPORT

Statement pursuant to Section 217(1) (e) of the Companies Act, 1956 read with Companies (Disclosure of Particulars in the Report of the Board of Directors) Rules, 1988.

FORM – A (see Rule 2)

Form of Disclosure of particulars with respect to Conservation of Energy

	Period ended 30 th June, 2011 (15 months)	Period ended 31 st March, 2010 (15 months)
A. Power and fuel consumption		
1. Electricity:		
(a) Purchased		
Units (KWH)	27403	24106
Total Amount (Rs)	341842	2,91,594
Rate per Unit (Avg.)	5.25	4.60
(b) Own generation		
(i) Through diesel generator:		
Units (KWH)	Nil	2363
Units per Ltr. of Diesel oil	Nil	4.25
Cost per unit (Rs.)	Nil	9.31
2. Coal (specify quality and where used)	Nil	Nil
3. Furnace Oil/Gas	Nil	Nil
4. Others/Internal Generation	Nil	Nil

B. Consumption per unit of production:

It is not feasible to maintain product-wise energy consumption data, since range of products having different energy requirements, is being manufactured.

FORM - B

Disclosure of particulars with respect to Technology Absorption, adoption and Innovation

The Company has done Research & Development Activity especially in new designs, new developments and products.

Technology Imported:

- Technology imported from Reci Industri AB of Sweden and Lindhsammar Glasbruk AB of Sweden.
- Year of import during 1996-97 and 1997-98 respectively.
- Has Technology been fully absorbed: Yes.
- If not fully absorbed, reasons and future course of action: NA

C. FOREIGN EXCHANGE EARNINGS & OUTGOING:

Total Foreign Exchange used and Earned:

	Period ended 30 th June, 2011 (15 months)	(Rs. in Lakhs) Period ended 31 st March, 2010 (15 months)
i. Total foreign exchange used	1.10	0.09
ii. Total foreign exchange earned	Nil	Nil

MANAGEMENT DISCUSSIONS AND ANALYSIS

The Company is in business of crystal, glass and allied products. This forms the basis for review of operational performance by the management for the Fifteen months period ended 30th June, 2011.

INDUSTRY STRUCTURE:

Nevertheless, economic growth in the industrialized nations was below average compared with the performance seen after previous economic slumps, with only Asia, particularly India and China seeing above average momentum/movement. The financial year 2010-11 faced headwinds such as the Euro-zone debt crisis, political upheaval in Middle East and the twin catastrophes of earthquakes and tsunami striking Japan.

Overall, Financial Year 2010-11 was a very challenging year for the Company.

COMPANY OVERVIEW:

JIK is in the business of manufacturing, outsourcing, marketing and trading of crystal, glass and allied products. The Company has entered into MOU with (i) Searange Houseware Limited inter alia for outsourcing co-operation and introduction of Searange's products under JIK's brand(s) and (ii) Guangzhou Nantian Sources Company Limited inter alia for business co-operation in hospitality supplies. During the year under review, the Company has introduced semi precious jewellery / crystal jewellery.

The Company has floated subsidiary of subsidiary abroad for increase its focus and capabilities in the high-end luxury product segment and export to Europe and Middle-East markets and enhance its overseas business development in these markets.

As compared to previous year, the Company has significant growth for the financial year 2010-11.

OPPORTUNITIES AND THREATS:

Management believes that it is right time to take advantage of the global business opportunities that are being presented. The Company in a position of advantage due to the range of products and price competitiveness. Also experience of exporting to global markets has an advantage in marketing of products. Moreover, in the domestic market, there are not many brands to compete within this segment.

As our domestic market is stable and global market is not so, Foreign Company may become aggressive in our domestic market.

OUTLOOK:

The Company continues to focus on launching new products, strengthening its brand presence, forging new strategic alliances to continuously improve its offerings in the market place and more focus in the domestic as well as the international markets. Shifting of the plant & other relevant factor may affect the performance of the Company.

RISK MANAGEMENT:

JIK, like any other enterprise having national as well global business interests, is exposed to business risks which may be internal as well as external. In the broadest sense, we define risk as the eventuality of not achieving our financial, operative, or strategic goals as planned. To ensure our long-term corporate success, it is therefore essential that risks be effectively identified, analyzed and then mitigated by means of appropriate control measures. We have a comprehensive risk management system in place, which enables us to recognize and analyze risks early and to take the appropriate action. This system is implemented as an integral part of our business processes and includes monitoring and controlling internal enterprise business risks and addressing them through informed and objective strategies.

Apart from normal business associated risks, there exist external risks and concerns of volatility in global economies and increase in costs of inputs as applicable to the industry. One of the key risks faced by the Company in today's scenario is the rising inflationary trend and increase of imitation products and brands can hamper the growth.

The Company is well aware of these risks and challenges and has been putting in place mechanisms to ensure that they are managed and mitigated with adequate timely actions.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY:

The internal controls are designed to provide reasonable assurance with regard to defined roles and responsibilities down the line for all managerial position.

HUMAN RESOURCES MANAGEMENT:

Human resources are being recognized as one of the critical area to the success of the organization. Employees are vital and most valuable assets. We have created a favourable work environment that encourages innovation. There is close interaction between the Management and employees to facilitate smooth functioning of all the organizational activities.

CAUTION STATEMENT:

Statements in this Management Discussion and Analysis describing the Company's objectives, projections, estimates and expectations may be 'forward looking statements' within the meaning of applicable laws and regulations. Actual results may differ substantially or materially from those expressed or implied. Important developments that could affect the Company's operations include a downward trend in the domestic and international markets, rise in input costs, exchange rate fluctuations, and significant changes in political and economic environment in India, environment standards, tax laws, litigation and labour relations. Actual results could differ materially from those expressed or implied.

CORPORATE GOVERNANCE REPORT

(As required by Clause 49 of the Listing Agreement)

1. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

Your Company believes that Corporate Governance is critical to sustaining corporate development, increasing productivity and competitiveness. Your Company's essential philosophy is shaped by the management. The Company continuously endeavors to improve on these aspects on an ongoing basis.

2. BOARD OF DIRECTORS

2.1 Composition of the Board

The Board of Directors of the Company represents an optimum combination of Executive and Non- Executive directors for its independent functioning. The Board comprises of four directors, of which one is Executive Director and three Non-Executive Independent Directors (NEID). Out of three NEID, one appointed on August 18, 2011. The above composition is consistent with the relevant provisions of Clause 49 of the Listing agreement entered into with Stock Exchanges.

2.2 Board Meetings and attendance:

Nine Board Meetings were held during 15 months period ended 30th June, 2011 and the gap between two Board meetings did not exceed 4 months. The date on which the meetings were held are as follows:

Sr. No.	Date of Meeting	Board Strength	No. of Directors Present
1	18 th June, 2010	4	3
2	22 nd June, 2010	3	3
3	12 th July, 2010	3	3
4	13 th August, 2010	4	4
5	25 th October, 2010	4	4
6	31 st January, 2011	3	3
7	30 th March, 2011	4	4
8	14 th May, 2011	4	4
9	30 th June, 2011	3	3

2.3 Directors' attendance record at Board Meetings is as follow:

Name	Category	No. of Board Meeting held during the period ended 30th June, 2011 when the Director was on the Board	Number of Board Meeting attended during the period ended 30th June, 2011	Attendance at the last AGM
Mr. R. G. Parikh	Promoter, CMD	9	9	Yes
Mr. S. C. Gurav	NEID	9	9	Yes
Mr. R. H. Parihar*	NEID	1	-	No
Mr. K. K. Kotadia**	NEID	5	5	Yes
Mr. V. M. Dahake***	NEID	4	4	No
Mr. M. P. Thakkar****	NEID	3	3	No
Mr. V. P. Panikar*****	NEID	-	-	-

CMD: Chairman and Managing Director

NEID: Non Executive Independent Director

* Mr. R. H. Parihar has resigned as an Independent Director of the Company with effect from June 19, 2010.

** Mr. K. K. Kotadia has resigned as an Independent Director of the Company with effect from January 21, 2011.

*** Mr. V. M. Dahake appointed as an Additional Director with effect from August 13, 2010 and has resigned w.e.f. June 29, 2011.

**** Mr. M. P. Thakkar appointed as an Additional Director w.e.f. January 31, 2011.

***** Mr. V. P Panikar appointed as an Additional Director w.e.f. August 18, 2011.

2.4 Number of other Public Companies or Committees the Director is a Director/Member/Chairman

Name	Number of Directorships on the Board of Other Public Companies as on 30th June, 2011*	No. of Membership of Board of Committee as on 30th June, 2011#	No. of Board Committee for which Chairman as on 30th June, 2011#
Mr. R. G. Parikh	—	—	—
Mr. S. C. Gurav	—	—	—
Mr. R. H. Parihar	—	—	—
Mr. K. K. Kotadia	—	—	—
Mr. V. M. Dahake	—	—	—
Mr. M. P. Thakkar	—	—	—
Mr. V. P Panikar	—	—	—

* Excluding private limited companies, foreign companies and companies under section 25 of the Companies Act, 1956.

As per Clause 49 of Listing Agreement, the disclosure includes membership/ chairperson-ship of Audit Committee and the Shareholders/ Investors Grievance Committee in other Indian Public Company (Listed and unlisted).

3. AUDIT COMMITTEES:

3.1 Brief description of terms of reference

The terms of reference of this Committee are wide enough to cover the matters specified for audit committees in Clause 49 of the Listing Agreement as well as in section 292A of the Companies Act, 1956.

3.2 Composition of the Audit Committee and attendance of members

Sr. No.	Name of Members	Position
1	Mr. S. C. Gurav	Chairman
2	Mr. R. G. Parikh	Member
3	Mr. K. K. Kotadia Resigned w.e.f. 21.01.2011	Member
4	Mr. V. M. Dahake w.e.f. 20.01.2011 Resigned w.e.f. 29.06.2011	Member
5	Mr. M. P. Thakkar w.e.f. 31.01.2011	Member

The Chairman of the Committee had attended the last Annual General Meeting.

The Company Secretary acts as the Secretary of the Committee. The Minutes of the Audit Committee Meetings are noted at the Board Meeting.

The Audit Committee met five times during the 15 months period ended 30th June, 2011 and the gap between two meetings did not exceed 4 months.

Sr. No.	Date of Meeting	Committee Strength Present	No. of Members
1	18 th June, 2010	3	3
2	13 th August, 2010	3	3
3	25 th October, 2010	3	3
4	31 st January, 2011	3	3
5	14 th May, 2011	4	4

The attendance of the Members is as under:—

Sr. No	Name of Members	No. of Committee Meeting held during the period when the Director was on the Committee	No. of Meeting attended
1	Mr. S. C. Gurav	5	5
2	Mr. R. G. Parikh	5	5
3	Mr. K. K. Kotadia	3	3
4	Mr. V. M. Dahake	2	2
5	Mr. M. P. Thakkar	1	1

4. SUBSIDIARY COMPANIES:

The Company has four subsidiaries, viz. M/s. I. A. & I. C. Private Limited, M/s. Shah Pratap Industries Private Limited, M/s. Glassworks Trading Private Limited and M/s. IRIS Trading FZE, UAE. M/s. IRIS Trading FZE is a subsidiary of M/s. Glassworks Trading Private Limited.

5. DISCLOSURE

A. Related Party Transactions

In terms of the Accounting Standard (AS) 18, "Related Party Disclosures" issued by the Institute of Chartered Accountants of India, the Company has identified the related parties covered therein and details of transactions with such related parties have been disclosed in the Note No. B(9) to Schedule N – Notes to Accounts of the Annual Report for the 15 months period ended 30th June, 2011.

During the period, there were no transactions of material nature of the Company with the promoters, directors, management or their relatives, subsidiaries and other related parties covered under AS 18 that had potential conflict with the interests of the Company.

B. Disclosure of Accounting Treatment

The financial statements have been prepared in accordance with applicable Accounting Standards and relevant presentational requirement of the Companies Act, 1956 and are based on the historical cost convention.

C. Board Disclosures- Risk Management

The Company follows adequate procedures for risk management and minimization of procedures.

D. Proceeds from public issues, rights issues, preferential issues etc.

Preferential Issues during the period are as per the orders of Hon'ble BIFR.

E. Remuneration Committee:

The Company has constituted remuneration committee to recommend/review remuneration of executive director(s) based on performance and assessment criteria.

The composition of the Remuneration Committee is given below:

Sr. No.	Name of the Members	Designation
1	Mr. R. G. Parikh	Chairman
2	Mr. S. C. Gurav	Member
3	Mr. K. K. Kartik resigned w.e.f. 21.01.2011	Member
4	Mr. M. P. Thakkar w.e.f. 31.01.2011	Member

The Chairman of the Committee, Mr. R. G. Parikh, was present at the last Annual General meeting of the Company.

Details of remuneration paid to Mr. R. G. Parikh during the period ended 30th June, 2011 is as follows:

Name of Director	Sitting Fees	Remuneration	Total
Mr. R. G. Parikh Chairman & MD	—	15,00,000/-	15,00,000/-

The Non- Executive Independent Directors do not draw remuneration from the Company. Also no sitting fee is being paid for attending meetings of the Board /Committee.

F. Management:

As a part of the Directors' Report or as an addition thereto, a Management Discussion and Analysis Report form part of the Annual Report to the shareholders.

The Management Discussion and Analysis form part of the Annual Report and is in accordance with the requirement laid out in Clause 49 of the Listing Agreement. The same is published with this Annual Report.

No material transaction has been entered into by the company with Promoters, Directors or the Senior Management, their subsidiaries or relatives etc. that may have potential conflict with interest of the Company.

G. Shareholders:

- The Company has provided with all the details of the Directors seeking reappointment in the AGM Notice attached with the Annual Report.
- Quarterly results are put on the website and also sent in such a form as to enable the Stock Exchanges on which the company is listed to put it on its own website.

H. Share Transfer & Investors Grievance Committee

• Brief description of terms of reference

The Board of Directors of the Company has constituted the Share Transfer & Investors Grievance Committee. The Committee specifically redresses the grievances of the shareholders. The term of reference of Share Transfer & Investors Grievance Committee inter-alia considers the following matters:-

To approve transfer, transmission, sub-division and issue of duplicate/re-materialization of shares and for redressal of investors complaints.

Company Secretary is the Compliance Officer nominated for this purpose under Clause 47(a) of the Listing Agreement.

• Composition of Share Transfer & Investors Grievance Committee and attendance of members

The Chairman of the Committee is a Non-Executive Independent Director. The committee was re-constituted on January 31, 2011. The composition of the Committee and their attendance at the Committee meetings held during the 15 months period ended 30th June, 2011 are as under:

Name	Category	Position	No. of Committee Meeting held during the period when the Director was on the Committee	No. of Meeting attended
1	Mr. S. C. Gurav	Chairman	30	30
2	Mr. R. G. Parikh	Member	30	30
3	Mr. K. K. Kotadia resigned w.e.f. 21.01.2011	Member	22	22
4	Mr. M. P. Thakkar w.e.f. 31.01.2011	Member	8	8

During the 15 months period ended 30th June, 2011, 10 complaints were received from the shareholders. All complaints of shareholders were resolved. There was no outstanding complaint as on 30th June, 2011.

I. Management Committee

• Brief description of terms of reference

The Board of Directors of the Company has constituted the Management Committee. The terms of reference of the Management committee inter-alia consists of considering the urgent normal business and specific business delegated by the Board from time to time.

• Composition of Management Committee and attendance of members

The Management Committee comprises of two Non-executive Independent Directors i.e. Mr. S. C. Gurav, Mr. K. K. Kotadia (resigned w.e.f. 21.01.2011) and Mr. M. P. Thakkar (w.e.f. 31.01.2011) and Mr. R. G. Parikh, Chairman and Managing Director of the Company. The Committee has met once during the 15 months period ended 30th June, 2011 and Mr. S. C. Gurav, and Mr. R. G. Parikh had attended the meeting.

6. CEO/CFO CERTIFICATION:

The CEO has certified to the Board with regard to the financial statement and other matters as required by Clause 49 of the Listing Agreement. The certificate is contained in this report.

7. REPORT ON CORPORATE GOVERNANCE:

A separate section on Corporate Governance form part of the Annual Report. A Certificate from Statutory Auditors confirming compliance with all the conditions of Corporate Governance as stipulated in Clause 49 of the Listing Agreement with Stock Exchange is annexed in this Report.

i. There were no instances of non-compliance by the Company, penalties, strictures imposed on the company by Stock Exchanges or SEBI or any statutory authority on any matter related to the capital market during the last three years.

ii. The Company is regularly complying with all the mandatory requirements of Clause 49 of the Listing Agreement regarding Board Composition, Code of Conduct, Audit Committee, quarterly and annual disclosures etc.

iii. The Company does not have a Whistle Blower Policy. However, no personnel of the company has been prevented from reporting to the Management any misconduct observed by her/ him.

iv. Non mandatory Clauses:

The Company has not adopted any of the non-mandatory requirements as mentioned in clause 2 of Annexure-1D of Clause 49 of the Listing Agreement but voluntarily constituted the Management Committee.

8. INFORMATION ON GENERAL MEETINGS

8.1 Annual General Meeting

The last 3 Annual General Meetings of the Company were held as under:

Financial Year	Venue	Date	Time	Special Resolution Passed
2009-10	Pada No. 3, Balkum, Thane (West), Thane – 400 608	6.8.2010	9.30am	Yes
2007-08	Pada No. 3, Balkum, Thane (West), Thane – 400 608	13.6.2009	9.30am	Yes
2006-07	Pada No. 3, Balkum, Thane (West), Thane – 400 608	10.11.2007	9.30am	None

8.2 Extra Ordinary General Meeting

In addition to Annual General Meeting, the Company holds Extra Ordinary General Meetings of the Shareholders as and when need arises.

The last 3 Extra Ordinary General Meetings of the Company were held as under:

Date	Venue	Whether any special resolution passed
10 th June, 2006 9.30 am	Pada No. 3, Balkum, Thane (West), Thane – 400 608	Yes
18 th November, 2004, 9.30 am	“Conference Hall”, Oriten Service Apartment, Chandivali Studio Road, D. P. Road No. 2, Andheri (East), Mumbai – 400 072	Yes
10 th June, 2004 9.30 am	“Cultural Hall”, Y.B. Chavan Centre, General J. Bhosale Marg, Sachivalaya Gymkhana, Nariman Point, Mumbai – 400 021	Yes

8.3 Postal ballot

During the 15 months period ended 30th June, 2011, no resolution was put through postal ballot nor any resolution proposed to be passed through postal ballot at the ensuing Annual General Meeting.

9. CODE OF CONDUCT:

In line with the amended Clause 49 of the listing agreement, the Company adopted a Code of Conduct and ethics for its Directors and Senior Executives. All the Board Members and Senior Management personnel have affirmed compliance with the Code of Conduct for the 15 months period ended 30th June, 2011.

10. MEANS OF COMMUNICATION:

- Quarterly/half yearly /yearly results are normally published in Free Press Journal and Navshakti. The audited annual accounts are posted to every members of the company. Quarterly shareholding distribution and quarterly/half yearly/yearly results submitted to the stock exchanges are posted on the website of the company <http://www.jik.co.in>.
- The company has created an email id investorrel@jik.co.in to facilitate redressal of investors/shareholders grievances.
- The Stock Exchanges are notified of any important developments that may materially affect the working of the Company.
- No presentations were made to any institutional investors or analysts etc.
- A Management Discussion and Analysis Report, which forms a part of the Annual Report, had been given by means of a separate Annexure and attached to the Directors Report.

11. GENERAL SHAREHOLDERS INFORMATION:

Detailed information in this regard provided in the shareholder information section forms part of this Annual Report.

11.1 Annual General Meeting

Date and Time: Friday, November 4, 2011, at 9.30 a.m.
Venue: Golden Swan Country Club, Off. Pokhran Road No. 1, Yeoor Hills, Thane (W) 400 602.

11.2 Financial calendar (tentative) for the year 1st July, 2011 to 30th June, 2012

Financial Year	1 st July, 2011 to 30 th June, 2012
1 st Quarter Results	on or before November 14, 2011
2 nd Quarter Results	on or before February 14, 2012
3 rd Quarter Results	on or before May 15, 2012
Audited Annual Results	on or before August 29, 2012

11.3 Book closure date

The Book Closure is from Monday, 31st October, 2011 to Friday, 4th November, 2011 (both the days inclusive).

11.4 Listing on stock exchange

Name & address of the Stock Exchange:

Bombay Stock Exchange Limited
Phiroze Jeejeebhoy Towers,
Dalal Street, Mumbai – 400 001

National Stock Exchange of India Limited

Exchange Plaza, Plot No. C/1,
G. Block, Bandra – Kurla Complex,
Bandra (East), Mumbai – 400 051

The Company has paid Annual Listing Fees for the year 2011-12 to the above Stock Exchanges.

11.5 Stock code

Bombay Stock Exchange Limited:	511618
National Stock Exchange of India Limited:	JKIND

11.6 Market price data

High/Low during each month of the 15 months period ended 30th June, 2011, on the Bombay Stock Exchange Limited and National Stock Exchange of India Limited

Month	JIK Share price data [BSE]		BSE Sensex	
	High (Rs.)	Low (Rs.)	High	Low
2010 Apr	17.55	14.65	18047.86	17276.80
May	17.25	13.10	17536.86	15960.15
Jun	17.43	12.60	17919.62	16318.39
Jul	20.25	14.00	18237.56	17395.58
Aug	20.40	15.10	18475.27	17819.99
Sept	18.65	14.35	20267.98	18027.12
Oct	18.51	14.25	20854.55	19768.96
Nov	18.40	11.05	21108.64	18954.82
Dec	15.28	9.40	20552.03	19074.57
2011 Jan	12.60	9.01	20664.80	18038.48
Feb	10.90	6.82	18690.97	17295.62
Mar	10.00	6.90	19575.16	17792.17
Apr	13.83	7.65	19811.14	18976.19
May	9.75	6.55	19253.87	17786.13
Jun	8.97	7.20	18873.39	17314.38

Month	JIK Share price data [NSE]		NSE Nifty	
	High (Rs.)	Low (Rs.)	High	Low
2010 Apr	17.95	14.50	5399.65	5160.90
May	17.50	13.40	5278.70	4786.45
Jun	17.90	13.15	5366.75	4961.05
Jul	20.20	13.05	5477.50	5225.60
Aug	19.40	14.05	5549.80	5348.90
Sept	16.40	14.05	6073.50	5403.05
Oct	17.00	14.05	6284.10	5937.10
Nov	16.00	10.80	6338.50	5690.35
Dec	13.70	9.50	6147.30	5721.15
2011 Jan	11.90	9.00	6181.05	5416.65
Feb	10.70	6.20	5599.25	5177.70
Mar	9.950	7.05	5872.00	5348.20
Apr	12.20	8.05	5944.45	5693.25
May	9.50	7.65	5775.25	5328.70
Jun	9.50	6.50	5,657.90	5,195.90

11.7 Share Price History

Source: BSE

Year	High	Low
1995	63.00	30.00
1996	107.75	45.00
1997	180.00	101.25
1998	230.00	150.00
1999	320.00	223.00
2000 November (F.V. Rs. 10/-)	412.00	-
2000 December (F.V. Rs. 1/-)	-	35.00
2001 (F.V. Rs. 1/-)	41.80	29.70
2002	44.95	21.30
2003	37.60	12.34
2004	14.99	1.80
2005	5.16	1.98
2006	3.06	1.90
2007 January (F.V. 1/-)	-	1.22
2007 March (F.V. 10/-)	20.95	-
2008	19.60	2.79
2009	26.30	6.41
2010	22.40	9.40

Volume of Share Traded

Month	BSE	NSE
2010 Apr	106760	52739
May	90523	47528
Jun	235612	146630
Jul	2707662	2636405
Aug	4678472	2062857
Sept	1370524	647956
Oct	1954994	880528
Nov	1021324	548348
Dec	499288	461742
2011 Jan	224318	163395
Feb	198676	166835
Mar	396221	182930
Apr	1247147	808154
May	171080	127682
Jun	133504	74219

Note on share price history :

- i. Face Value of the Equity Share of the Company was Rs. 10/- up to 28th November, 2000. As on Record Date 29th November, 2000, Share Capital of the Company was sub-divided viz. One Equity Share of face value of Rs. 10/- each sub-divided in Ten Equity Shares of Rs. 1/- each.
- ii. As on Record Date 14th February, 2007, Share Capital of the Company was consolidated viz. Ten Equity Shares of face value of Rs. 1/- each became One Equity Share of Rs. 10/- each.
- iii. Pursuant to Hon'ble BIFR Orders, Paid up share Capital of the Company reduced in the ratio 10:1 as on Record Date 10th October, 2008.

11.8 Distribution of shareholding as on 30th June, 2011

No. of Range	No. of holders	% of holders	Total Share	% of Shareholding
Up to 100	11387	70.36	392723	0.63
101 to 200	1552	9.59	246480	0.39
201 to 500	1438	8.89	527864	0.85
501 to 1000	787	4.86	661153	1.06
1,001 to 5,000	785	4.85	1787771	2.86
5,001 to 10,000	106	0.66	745969	1.19
10001 to 1,00,000	95	0.59	2372597	3.80
1,00,001 & above	33	0.20	55710494	89.22
Total	16183	100.00	62445051	100.00

11.9 Shareholding pattern as on 30th June, 2011

Sr. No.	Category of Share Holding	No. of Shares	Percentage
1	Promoters & Associates	29464797	47.19
2	Financial Institutions / Banks / Insurance / Mutual Funds	858458	1.37
3	NRI/OCB	157731	0.25
4	Private Corporate Bodies	23164292	37.10
5	Indian Public	8799773	14.09
	Total	62445051	100.00

11.10 Pledge of Shares of Promoters & Associates as on 30th June, 2011

Sr. No	Category of Share Holders	No. of Shares	Percentage
1	Promoter & Associate	32385	0.05

12.1 Details of complaints / queries received and redressed during 1st April, 2010 to 30th June, 2011

Number of shareholders complaints / queries received	10
Number of shareholders complaints / queries redressed	10
Number of shareholders complaints / queries pending	NIL

12.2 Registrars and transfer agents

In compliance of SEBI requirements, Sharex Dynamic (India) Private Limited has been appointed the Registrar and Share Transfer Agent of the Company who handles share transfer work in Physical as well as Electronic Form and other related activities at the following address:

Sharex Dynamic (India) Private Limited

Unit No. 1, Luthra Industrial Premises,
Andheri –Kurla Road, Safed Pool,
Andheri (East), Mumbai- 400072.
Tel. Nos. 022-2851 5606/5644 Fax No.022-2851 2885

12.3 Share Transfer System

As on 30th June, 2011, 88.64% of the equity shares of the Company are in dematerialised form. Transfer of these shares is effected through depositories without involvement of the Company. As regards transfer of shares in physical form, the same are processed and approved on a regular basis and the certificates are returned to the shareholders within 30 days from the date of receipt (subject to the documents being valid and complete in all respects).

12.4 Dematerialization of shares

The Shares of the Company have been admitted in dematerialized form for trading by the National Securities Depository Limited (NSDL) and the Central Depository Services (India) Limited (CDSL) under the ISIN: **INE 026B01049** and they are traded in dematerialized form.

As on 30th June, 2011, a total of 55353028 equity shares of the Company, which form 88.64 % of the equity share capital, stand dematerialized. Above 55353028 equity shares includes 64,40,000 equity shares allotted on 30th June, 2011 subject to necessary approvals.

Respective e-forms with ROC are pending due to pending litigation of non implementation of Hon'ble BIFR orders by Ministry of Corporate Affairs & others.

The Company has issued 5106 equity shares with differential voting right. Such equity shares are not listed on both the stock exchanges (NSE & BSE) and are in physical mode.

12.5 Outstanding GDRs/ADRs/Warrants or any Convertible Instruments, conversion date and likely impact on equity

The Company has not issued any GDRs /ADRs but issued Fully Convertible Bonds as per Hon'ble BIFR Orders and as decided by the Board of Directors of the Company. The said Bonds shall be converted into equity shares subject to terms of issue. The outstanding of the said bonds are as under:

Date of Conversion	No of bonds
on or before September 25, 2011	1,48,48,800
on or before August 12, 2011	5,96,200*
Total	1,54,45,000

*The Board of Directors at its meeting held on August 12, 2011 has converted 5,96,200 bonds.

If above bonds are converted then the issued and paid up capital of the Company will go up by 2,12,95,000 equity shares of face value of Rs. 10/- each.

12.6 Location of manufacturing plant

Pada No. 3, Balkum,
Thane (West),
Thane – 400 608

12.7 Investors' correspondence may be address to:

Sharex Dynamic (India) Pvt. Ltd.
Unit No. 1, Luthra Industrial Premises,
Andheri –Kurla Road, Safed Pool,
Andheri (East), Mumbai- 400072.
Tel. Nos. 022-2851 5606/5644
Fax No. 022- 2851 2885

For further assistance:

Mr. Rajit Kesariya
Compliance Officer
JIK Industries Limited
Admin. Office: 1, 2 & 3, Gundecha Chambers,
Nagindas Master Road,
Fort, Mumbai-400023

For and on behalf of the Board

Place: Mumbai
Date: 29th August, 2011

R.G. Parikh
Chairman & Managing Director

CEO CERTIFICATION

I, Rajendra G. Parikh, Chairman & Managing Director of JIK Industries Limited, to the best of my knowledge and belief hereby certify that:

- a. I have reviewed the financial statements and Cash Flow Statement for the 15 months period ended 30th June, 2011 and that to the best of our knowledge and belief;
 - i. these statements do not contain any materially untrue statements or omit any material fact or contain statements that might be misleading;
 - ii. these statements together present a true and fair view of the Company's affairs are in compliance with existing Accounting Standards, applicable laws and regulations.
- b. To the best of my knowledge and belief, no transactions entered into by the Company during the 15 months period ended 30th June, 2011 are fraudulent, illegal or violate the Company's code of conduct.
- c. I accept responsibility for establishing and maintaining internal controls for financial reporting and I have evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting. Deficiencies in the design or operation of such internal controls, if any, proper steps have been taken to rectify these deficiencies.
 - i. There has not been any significant change in accounting policies during the year requiring disclosure in the notes to the financial statements; and
 - ii. I am not aware of any instance during the year of significant fraud with involvement therein of the management or any employee having a significant role in the Company's internal control system over financial reporting.

Place: Mumbai
Date: 29th August, 2011

R.G. Parikh
Chairman & Managing Director

AUDITORS CERTIFICATE ON CLAUSE 49 COMPLIANCE

To,
The Members of
JIK Industries Limited,

We have reviewed the records concerning the Company's compliance of conditions of Corporate Governance as stipulated in Clause 49 of the Listing Agreement entered into, by the Company with the Stock Exchanges, for the period ended 30th June, 2011.

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

We have conducted our review on the basis of the relevant records and documents maintained by the Company and furnished to us for the review and the information and explanations given to us by the Company.

Based on such a review, in our opinion, the Company has complied with the conditions of Corporate Governance, as stipulated in Clause 49 of the said Listing Agreements.

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

For **MOTILAL & ASSOCIATES**
Chartered Accountants
Registration No.:106584W

(M.L.JAIN)
PROPRIETOR
MEMBERSHIP NO. 36811

Place: Mumbai
Date : 29th August, 2011

AUDITORS' REPORT

**AUDITORS' REPORT TO THE MEMBERS OF
JIK INDUSTRIES LIMITED**

1. We have audited the attached Balance Sheet of M/s **JIK INDUSTRIES LIMITED** as at June 30, 2011, the Profit and Loss Account and the Cash Flow Statement of the Company for the period ended on that date, both annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with auditing standards generally accepted in India. These Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatements. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditors' Report) Order, 2003, as amended by Companies (Auditors' Report) (Amendment) Order, 2004, issued by the Central Government in terms of Section 227(4A) of the Companies Act, 1956, we enclose in the Annexure, a statement on the matters specified in paragraphs 4 and 5 of the said Order.
4. Further to our comments in the Annexure referred to in paragraph 3 above, we report as follows:
 - a. We have 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 appears from our examination of those books;
 - c. The Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report are in agreement with the books of account;
 - d. In our opinion, the Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report are in compliance with the accounting standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956;
 - e. On the basis of written representations received from the directors, as on June 30, 2011 and taken on record by the Board of Directors, we report that none of the directors are disqualified as on June 30, 2011, from being appointed as a director in terms of section 274 (1) (g) of the Companies Act, 1956.
 - f. In our opinion and to the best of our information and according to the explanations given to us, the said accounts give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:
 - i) In the case of the Balance Sheet, of the state of the affairs of the Company as at June 30, 2011;
 - ii) In the case of the Profit & Loss Account, of the Profit for the period ended on that date and
 - iii) In the case of the Cash Flow Statement, of the Cash Flows for the period ended on that date.

For **MOTILAL & ASSOCIATES**
Chartered Accountants
Registration No.:106584W

(M.L.JAIN)
PROPRIETOR
MEMBERSHIP NO. 36811

Place: Mumbai
Date : August 29, 2011

ANNEXURE TO THE AUDITORS' REPORT

Referred to in paragraph 3 of our report of even date

- i) In respect of its fixed assets:
- The company is in the process of maintaining proper records for showing full particulars including quantitative details and situation of fixed assets.
 - All the assets have not been physically verified by the management during the period but there is a regular programme of verification which, in our opinion, is reasonable having regard to the size of the company and the nature of its assets. No material discrepancies were noticed on such verification.
 - The Company has not disposed of any substantial part of its fixed assets so as to affect its going concern status.
- ii) In respect of inventory of raw material, stores and operating supplies:
- The inventory has been physically verified during the period by the management. In our opinion, the frequency of verification is reasonable.
 - The procedures of the physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business.
 - The company is maintaining proper records of inventory. The discrepancies noticed on verification between the physical stock and the book records have been appropriately dealt with in the books of account.
- iii) In respect of the loans, secured or unsecured, given/taken by the company from companies, firms or other parties covered in the register maintained u/s. 301 of the Companies Act, 1956.
- At the period end, the outstanding balance of such loans aggregated Rs.51,00,000/- and maximum amount outstanding during the period amounted to Rs.51,00,000/-.
 - The terms and conditions of such loans are, in our opinion, prima facie, not prejudicial to the interest of the company.
 - The repayment of principal amounts and interest during the period has been as per stipulation.
 - There are no overdue amounts outstanding at the period-end.
- iv) In our opinion and according to the information and explanations given to us, there are adequate internal control system commensurate with the size of the company and the nature of its business with regard to purchase of inventory, fixed assets and with regards to the sale of goods and services. During the course of our audit, we have not observed any continuing failure to correct major weakness in internal control.
- v) In respect of transactions entered in the register maintained in pursuance of section 301 of the Companies Act, 1956;
- To the best of our knowledge and belief and according to the information and explanations given to us, transactions that needed to be entered into the register have been so entered.
 - According to the information and explanations given to us, the transactions made in pursuance of contract or arrangements with parties during the period have been made at prices which are reasonable having regard to prevailing market prices at that time.
- vi) In our opinion and according to the information and explanations given to us the company has not accepted deposits in terms of the provisions of section 58A and 58AA or any other relevant provisions of the Act and the rules framed there under.
- vii) We are informed that the company is in the process of appointing a firm of chartered accountants to take care of internal audit.
- viii) We have been informed by the Company that the Central Government has not prescribed maintenance of cost records under section 209(1)(d) of the Companies Act, 1956 for the product of the Company.
- ix) (a) According to the information and explanations given to us the following undisputed statutory dues were outstanding as per books of accounts as at June 30, 2011, for the period of more than six months;

Name of the statute	Nature of the dues	Period to which Amount relates	Amount (In Rs.)
Sales Tax Act.	Sales Tax	2002-03	85,579
Sales Tax Act.	Sales Tax	2003-04	1,475,888
Sales Tax Act.	Sales Tax	2004-05	844,650
Sales Tax Act.	Sales Tax	2005-06	216,607

(b) According to the records of the Company, the dues of Income Tax which have not been deposited on account of disputes are as under:

Name of the statute	Nature of dues	Amount (In Rs)	Period which the amount relates	Forum where disputes pending
Income Tax Act	Income Tax	39,67,311	1995-96	Income Tax Appellate Tribunal, Mumbai
Income Tax Act	Income Tax	6,56,65,216	2000-01	Commissioner of Income Tax, (Appeals) Mumbai.
Income Tax Act	Income Tax	3,72,68,974	2001-02	Commissioner of Income Tax, Mumbai City II.
Income Tax Act	Income Tax	9,58,579	2002-03	Commissioner of Income Tax, (Appeals) Mumbai

- The accumulated losses of the Company as at June 30, 2011 are more than fifty percent of its net worth at the period end due to regrouping and rearranging of previous period figures and the Company has not incurred cash losses during the financial period and also in the immediately preceding financial period.
- According to the information and explanations given to us, the Company has not defaulted in repayment of dues to financial institutions and banks. The Company has not issued debentures during the period.
- According to the information and explanations given to us, the Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- In our opinion, the company is not a chit fund or a nidhi mutual benefit fund/society. Therefore the provisions of clause 4(xiii) are not applicable to the company.
- In our opinion, the company is not dealing in or trading in shares, securities, debentures and other investments. Accordingly, the provisions of clause 4(xiv) are not applicable to the company.
- In our opinion and according to the information and explanations given to us, the company has not given any guarantee.
- In our opinion and according to the information and explanations given to us, no term loans have been obtained during the period under review.
- According to the cash flow statement and other records examined by us and the information and explanations given to us, on an overall basis, funds raised on short-term basis have, prima facie, not been used during the period for long-term investments.
- During the period, the company has made allotment of shares to parties covered in the register maintained under section 301 of the Companies Act, 1956 as per Hon'ble BIFR orders.
- The company has not issued Debentures during the period and hence the provisions of clause 4(xix) are not applicable to the company.
- In our opinion and according to the information and explanations given to us, the company has not raised any money by public issue during the period covered by our report except private placement of shares.
- According to the information and explanations given to us, no fraud on or by the company has been noticed or reported during the course of our audit.

For **MOTILAL & ASSOCIATES**
Chartered Accountants
Registration No.:106584W

Place: MUMBAI
Date : August 29, 2011

M.L.JAIN
(PROPRIETOR)
MEMBERSHIP NO. 36811

BALANCE SHEET AS AT JUNE 30, 2011

	SCHEDULE	AS AT JUNE 30, 2011 (RUPEES)	AS AT MARCH 31, 2010 (RUPEES)
SOURCES OF FUNDS			
A. SHAREHOLDERS' FUNDS:			
SHARE CAPITAL	A	624,450,510.00	287,400,510.00
RESERVES & SURPLUS	B	306,899,351.83	118,287,229.86
		931,349,861.83	405,687,739.86
B. LOAN FUNDS:			
SECURED	C	0.00	0.00
UNSECURED	D	203,725,161.00	193,223,582.00
		203,725,161.00	193,223,582.00
	TOTAL	1,135,075,022.83	598,911,321.86
APPLICATION OF FUNDS:			
A. FIXED ASSETS:			
GROSS BLOCK	E	238,202,258.97	258,989,544.97
LESS: DEPRECIATION		139,336,495.67	133,282,346.67
NET BLOCK		98,865,763.30	125,707,198.30
B. INVESTMENTS			
	F	240,324,000.00	240,324,000.00
C. CURRENT ASSETS, LOANS & ADVANCES:			
INVENTORIES	G	16,787,489.85	10,210,243.87
RECEIVABLES	H	225,825,018.10	112,838,951.70
LOANS & ADVANCES	I	490,270,816.53	57,313,489.00
CASH & BANK BALANCES	J	484,283.60	1,054,797.05
		733,367,608.08	181,417,481.62
LESS: CURRENT LIABILITIES & PROVISIONS	K	4,860,239.55	5,442,376.06
NET CURRENT ASSETS		728,507,368.53	175,975,105.56
D. DEFERRED TAX ASSETS			
(REFER NOTE 4.a & b OF SCHEDULE "N" OF NOTES TO ACCOUNTS)		67,377,891.00	56,905,018.00
	TOTAL	1,135,075,022.83	598,911,321.86
NOTES TO ACCOUNTS	N		

AS PER OUR REPORT OF EVEN DATE
FOR **MOTILAL & ASSOCIATES**
CHARTERED ACCOUNTANTS
Registration No.: 106584W

FOR AND ON BEHALF OF THE BOARD

M.L. JAIN
Proprietor
MEMBERSHIP NO. 36811

R.G. PARIKH
CHAIRMAN & MANAGING DIRECTOR

S. C. GURAV **R.A. KESARIYA**
DIRECTOR COMPANY SECRETARY

Place: Mumbai
Dated: August 29, 2011

Place: Mumbai
Dated: August 29, 2011

PROFIT & LOSS ACCOUNT FOR THE PERIOD ENDED JUNE 30,2011

	SCHEDULE	CURRENT PERIOD (RUPEES)	PREVIOUS PERIOD (RUPEES)
INCOME:			
SALES		498,556,925.89	204,304,788.78
OTHER INCOME		0.00	4,687,461.50
	TOTAL INCOME	498,556,925.89	208,992,250.28
EXPENDITURE:			
RAW MATERIAL CONSUMED/PURCHASES (INCREASE)/DECREASE IN		442,535,347.63	201,351,644.81
STOCK-IN-TRADE	L	(7,257,405.54)	(5,955,280.49)
MANUFACTURING, OPERATING AND OTHER EXPENSES	M	14,085,585.83	12,810,930.99
INTEREST AND FINANCE CHARGES (NET)		0.00	592,641.68
DEPRECIATION		6,054,149.00	5,869,296.00
	TOTAL EXPENSES	455,417,676.92	214,669,232.99
PROFIT/(LOSS) BEFORE TAX AND EXTRA ORDINARY ITEMS		43,139,248.97	(5,676,982.71)
PROVISION FOR TAXATION - CURRENT TAX		0.00	0.00
- DEFERRED TAX		(10,472,873.00)	542,132.00
- FRINGE BENEFIT TAX		0.00	7,765.00
PROFIT/(LOSS) BEFORE EXTRA ORDINARY ITEMS		53,612,121.97	(6,226,879.71)
EXTRA ORDINARY ITEMS		0.00	35,245,547.68
PROFIT/(LOSS) FOR THE YEAR		53,612,121.97	29,018,667.97
ADD:- BALANCE B/F FROM LAST YEAR		(647,778,626.32)	(676,797,294.29)
SURPLUS/(DEFICIT) CARRIED TO BALANCE SHEET		(594,166,504.35)	(647,778,626.32)
EARNING PER SHARE			
(BASIC) - EQUITY		1.42	(0.23)
(BASIC) - 'A' EQUITY SHARES		1.05	(0.31)
(DILUTED) - EQUITY		0.91	(0.08)
(DILUTED) - 'A' EQUITY SHARES		1.05	(0.06)
(REFER NOTE 11 OF SCHEDULE "N" OF NOTES TO ACCOUNTS) (FACE VALUE RS.10/-)			
NOTES TO THE ACCOUNTS	N		

AS PER OUR REPORT OF EVEN DATE
FOR **MOTILAL & ASSOCIATES**
CHARTERED ACCOUNTANTS
Registration No.:106584W

FOR AND ON BEHALF OF THE BOARD

M.L. JAIN
Proprietor
MEMBERSHIP NO. 36811

R.G.PARIKH
CHAIRMAN & MANAGING DIRECTOR

S. C. GURAV
DIRECTOR

R.A.KESARIYA
COMPANY SECRETARY

Place: Mumbai
Dated: August 29, 2011

Place: Mumbai
Dated: August 29, 2011

**SCHEDULES A TO N ANNEXED TO AND FORMING PART OF BALANCE SHEET AND PROFIT & LOSS ACCOUNT
FOR THE PERIOD ENDED JUNE 30, 2011**

	CURRENT PERIOD (RUPEES)	PREVIOUS PERIOD (RUPEES)
SCHEDULE-A		
SHARE CAPITAL:		
AUTHORISED:		
156,900,000 EQUITY SHARES OF RS.10/- EACH (PREVIOUS PERIOD 147,000,000 EQUITY SHARES OF RS.10/- EACH)	1,569,000,000.00	1,470,000,000.00
100,000 'A' ORDINARY EQUITY SHARES OF RS. 10/- EACH FULLY PAID UP (PREVIOUS PERIOD 10,000,000 'A' ORDINARY EQUITY SHARES OF RS.10/- EACH) (REFER NOTE 3.a OF SCHEDULE "N" OF NOTES TO ACCOUNTS)	1,000,000.00	100,000,000.00
	<u>1,570,000,000.00</u>	<u>1,570,000,000.00</u>
ISSUED, SUBSCRIBED & PAID-UP:		
62,439,945 EQUITY SHARES OF RS.10/- EACH FULLY PAID UP (PREVIOUS PERIOD 28,734,945 EQUITY SHARES OF RS.10/- EACH) (REFER NOTE 3.b & c OF SCHEDULE "N" OF NOTES TO ACCOUNTS)	624,399,450.00	287,349,450.00
5106 'A' ORDINARY EQUITY SHARES OF RS 10/- EACH FULLY PAID UP (PREVIOUS PERIOD 5,106 'A' ORDINARY EQUITY SHARES OF RS.10/- EACH)	51,060.00	51,060.00
	<u>624,450,510.00</u>	<u>287,400,510.00</u>

**SCHEDULE-B
RESERVES & SURPLUS:**

	BALANCE AS AT 31-03-2010	ADDITIONS	DEDUCTIONS	BALANCE AS AT 30-06-2011
1.SHARES/SECURITIES PREMIUM	620,685,087.18	135,000,000.00	0.00	755,685,087.18
2.CAPITAL RESERVE	4,980,910.00	0.00	0.00	4,980,910.00
3.CAPITAL REDEMPTION RESERVE	128,456,000.00	0.00	0.00	128,456,000.00
4.SHARE FORFEITURE	438,000.00	0.00	0.00	438,000.00
5.STATE SUBSIDY	3,250,000.00	0.00	0.00	3,250,000.00
6.GENERAL RESERVE	8,255,859.00	0.00	0.00	8,255,859.00
7.PROFIT & LOSS A/C	(647,778,626.32)	53,612,121.97	0.00	(594,166,504.35)
TOTAL	<u>118,287,229.86</u>	<u>188,612,121.97</u>	<u>0.00</u>	<u>306,899,351.83</u>

SCHEDULE-C

SECURED LOANS:

RUPEE TERM LOANS FROM INSTITUTIONS	0.00	0.00
TOTAL	<u>0.00</u>	<u>0.00</u>

SCHEDULE-D

UNSECURED LOANS:

INTEREST FREE SALES TAX LOANS:

1)DEVELOPMENT CORPORATION OF KONKAN LTD. (REPAYABLE WITHIN A YEAR RS. 2,50,000/-) (PREVIOUS PERIOD RS. 2,50,000)	1,536,224.00	2,048,300.00
2)SALES TAX DEFERMENT LOAN (REPAYABLE WITHIN A YEAR RS. 4,00,000/-) (PREVIOUS PERIOD RS. 4,00,000/-)	2,381,462.00	3,175,282.00
FULLY CONVERTIBLE BONDS	194,707,475.00	187,500,000.00
OTHERS	5,100,000.00	500,000.00
TOTAL	<u>203,725,161.00</u>	<u>193,223,582.00</u>

SCHEDULE-E

FIXED ASSETS

PARTICULARS	GROSS BLOCK				DEPRECIATION			NET BLOCK	
	BAL ON 31-03-2010 (RUPEES)	ADDITIONS/ ADJUSTMENTS (RUPEES)	DEDUCTION ADJUSTMENTS (RUPEES)	TOTAL ON 30-06-2011 (RUPEES)	UPTO 31-03-2010 (RUPEES)	FOR THE PERIOD (RUPEES)	UPTO 30-06-2011 (RUPEES)	AS AT 30-06-2011 (RUPEES)	AS AT 31-03-2010 (RUPEES)
LAND & SITE DEVELOPMENT	6,204,865.81	-	-	6,204,865.81	5,576,615.81	-	5,576,615.81	628,250.00	628,250.00
FACTORY BUILDING	16,079,088.46	-	-	16,079,088.46	16,079,088.46	-	16,079,088.46	-	-
PLANT & MACHINERY	118,558,017.28	-	-	118,558,017.28	78,035,621.28	4,079,936.00	82,115,557.28	36,442,460.00	40,522,396.00
LABORATORY EQUIPMENT	381,847.10	-	-	381,847.10	225,997.10	21,225.00	247,222.10	134,625.00	155,850.00
MOULDS	8,383,621.32	-	-	8,383,621.32	8,357,572.32	19,704.00	8,377,276.32	6,345.00	26,049.00
ELECTRICAL INSTALLATIONS	11,597,791.28	-	-	11,597,791.28	6,371,712.11	687,928.00	7,059,640.11	4,538,151.17	5,226,079.17
AIR CONDITIONER	635,911.86	18,180.00	-	654,091.86	340,908.86	38,315.00	379,223.86	274,868.00	295,003.00
COMPUTER	7,421,186.76	169,350.00	-	7,590,536.76	7,291,150.76	57,671.00	7,348,821.76	241,715.00	130,036.00
OFFICE EQUIPMENT	1,340,687.47	-	-	1,340,687.47	702,031.47	78,174.00	780,205.47	560,482.00	638,656.00
VEHICLE	2,049,843.07	-	-	2,049,843.07	2,049,843.07	-	2,049,843.07	-	-
FURNITURE & FIXTURES	13,716,622.09	-	-	13,716,622.09	8,251,805.43	1,071,196.00	9,323,001.43	4,393,620.66	5,464,816.66
CAPITAL WORK IN PROGRESS	72,620,062.47	-	20,974,816.00	51,645,246.47	-	-	-	51,645,246.47	72,620,062.47
TOTAL	258,989,544.97	187,530.00	20,974,816.00	238,202,258.97	133,282,346.67	6,054,149.00	139,336,495.67	98,865,763.30	125,707,198.30
PREVIOUS YEAR	197,901,683.99	62,122,316.30	1,034,455.32	258,989,544.97	127,413,050.67	5,869,296.00	133,282,346.67	125,707,198.30	70,488,633.32

SCHEDULE-F

INVESTMENTS:	FACE VALUE	NOS. 30-06-2011	VALUE 30-06-2011	NOS. 31-3-2010	VALUE 31-3-2010
UNQUOTED (VALUED AT COST):					
THE MALAD SAHAKARI BANK LTD.	10	4900	49,000.00	4900	49,000.00
SUBSIDIARY COMPANIES:					
SHAH PRATAP INDUSTRIES PVT.LTD.	100	10210	25,525,000.00	10210	25,525,000.00
GLASSWORKS TRADING PVT LTD	10	100000	1,000,000.00	100000	1,000,000.00
I.A. & I.C.PVT.LTD.	10	855000	213,750,000.00	855000	213,750,000.00
TOTAL			240,324,000.00		240,324,000.00

SCHEDULE-G

INVENTORIES:

(AS TAKEN, VALUED AND CERTIFIED BY THE MANAGEMENT)

	CURRENT PERIOD (RUPEES)	PREVIOUS PERIOD (RUPEES)
1. RAW MATERIALS	1,342,290.25	2,020,815.25
2. WORK-IN-PROCESS	349,379.50	144,792.00
3. FINISHED GOODS	14,779,972.10	7,727,154.06
4. STORES, SPARES & CONSUMABLES	315,848.00	317,482.56
TOTAL	16,787,489.85	10,210,243.87

SCHEDULE-H

RECEIVABLES:

(UNSECURED)

OUTSTANDING FOR MORE THAN SIX MONTHS	17,186,197.00	0.00
OTHERS	208,455,716.10	112,655,846.70
(UNSECURED, CONSIDERED DOUBTFUL)		
OUTSTANDING FOR MORE THAN SIX MONTHS	183,105.00	183,105.00
OTHERS	0.00	0.00
TOTAL	225,825,018.10	112,838,951.70

SCHEDULE-I

LOANS & ADVANCES:

(UNSECURED, UNLESS OTHERWISE STATED)

1. ADVANCES RECOVERABLE IN CASH OR IN KIND OR FOR VALUE TO BE RECEIVED		
- TO SUBSIDIARIES	440,230,771.00	0.00
- TO OTHERS	49,904,492.53	57,172,436.00
2. DEPOSITS	135,553.00	141,053.00
TOTAL	490,270,816.53	57,313,489.00

	CURRENT PERIOD (RUPEES)	PREVIOUS PERIOD (RUPEES)
SCHEDULE-J		
CASH & BANK BALANCES:		
CASH IN HAND (CERTIFIED BY MANAGEMENT)	217,575.81	319,813.31
BALANCE WITH SCHEDULED BANKS:		
IN CURRENT ACCOUNTS	266,707.79	734,983.74
IN FIXED DEPOSITS	0.00	0.00
BALANCE WITH OTHER BANKS:		
IN CURRENT ACCOUNTS	0.00	0.00
TOTAL	484,283.60	1,054,797.05
SCHEDULE-K		
CURRENT LIABILITIES & PROVISIONS:		
CURRENT LIABILITIES:		
ADVANCE FROM CUSTOMERS	10,214.53	22,951.53
CREDITORS FOR GOODS	478,667.77	1,151,990.53
CREDITORS FOR EXPENSES	828,938.25	1,060,238.00
OTHER CURRENT LIABILITIES	3,284,608.00	3,080,630.00
PROVISIONS:		
FOR GRATUITY	257,811.00	126,566.00
TOTAL	4,860,239.55	5,442,376.06
SCHEDULE-L		
(INCREASE)/DECREASE IN STOCK-IN-TRADE:		
OPENING STOCKS:		
WORK-IN-PROCESS	144,792.00	125,357.00
FINISHED GOODS	7,727,154.06	1,791,308.57
	7,871,946.06	1,916,665.57
CLOSING STOCKS:		
WORK-IN-PROCESS	349,379.50	144,792.00
FINISHED GOODS	14,779,972.10	7,727,154.06
	15,129,351.60	7,871,946.06
(INCREASE)/DECREASE IN STOCK-IN-TRADE	(7,257,405.54)	(5,955,280.49)
SCHEDULE-M		
MANUFACTURING, OPERATING & OTHER EXPENSES:		
STAFF COST	5,583,558.00	5,367,905.00
RENT, RATES & TAXES	285,000.00	357,806.00
CONVEYANCE	56,907.50	43,106.00
PRINTING & STATIONERY	371,924.00	416,344.70
POSTAGE & COURIER SERVICE CHARGES	159,794.00	206,478.00
MEMBERSHIP, SUBSCRIPTION, PERIODICALS & REGISTRATION	43,655.00	83,725.08
TELEPHONE, TELEX & FAX CHARGES	266,419.68	235,276.47
TRAVELLING EXPENSES	178,942.07	886,536.80
FOREIGN TRAVEL EXPENSES	139,835.77	0.00
DIRECTORS REMUNERATION/SITTING FEES	1,500,000.00	340,000.00
ADVERTISEMENT & PUBLICITY	280,846.00	109,071.00
BANK CHARGES	47,365.70	27,216.41
INSURANCE CHARGES	30,509.00	23,172.00
BUSINESS PROMOTION & ENTERTAINMENT	77,049.04	286,776.10
TRANSPORTATION, CLEARING & FORWARDING CHARGES	118,730.66	28,453.00
ELECTRICITY CHARGES	337,477.00	327,359.00
POWER & FUEL CHARGES	341,842.00	313,594.38
PACKING MATERIALS, STORES, SPARES & CONSUMABLES	49,550.56	3,814.60
VALUE ADDED TAX	651,864.00	36,375.75
REPAIRS, MAINTENANCE & OPERATING EXPENSES	65,784.50	32,579.00
MISCELLANEOUS EXPENSES	274,282.85	236,922.94
DONATIONS	7,500.00	0.00
SERVICE/PROCESSING CHARGES	539,397.00	1,007,151.00
AUDITOR'S REMUNERATION	225,563.50	276,377.50
COMPUTER EXPENSES/SOFTWARE CHARGES	30,764.00	70,600.00
SUNDRY BALANCES WRITTEN OFF/BACK	(140,587.00)	(791,558.74)
LEGAL, PROFESSIONAL & CONSULTANCY CHARGES	2,561,611.00	2,885,849.00
TOTAL	14,085,585.83	12,810,930.99

SCHEDULE - N

SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON ACCOUNTS

A. SIGNIFICANT ACCOUNTING POLICIES:

1. BASIS OF ACCOUNTING:

The financial statements have been prepared under the historical cost convention on an accrual system based on principle of going concern and are in accordance with the generally accepted accounting principles and the accounting standards referred to in section 211(3C) of the Companies Act, 1956.

2. FIXED ASSETS:

Fixed assets are capitalized at cost inclusive of freight, duties, taxes, insurance, installation and net of cenvat credit and VAT set off.

3. DEPRECIATION:

Depreciation on fixed assets for own use has been provided based on straight line method and at the rates prescribed by Schedule XIV of the Companies Act, 1956. Depreciation on assets added/disposed off during the period is provided on pro-rata basis from the date of addition or up to the date of disposal, as applicable. Depreciation on building constructed on lease hold land is provided over the lease Period. Cost of improvements to land and building taken on lease are amortized over the remaining lease period.

4. IMPAIRMENT OF ASSETS:

Impairment loss is recognized wherever the carrying amount of an asset is in excess of its recoverable amount and the same is recognized as an expense in the statement of profit and loss and carrying amount of the asset is reduced to its recoverable amount.

Reversal of impairment losses recognized in the prior years is recorded when there is an indication that the impairment losses recognized for the asset no longer exist or have decreased.

5. INVESTMENTS:

Long Term Investments are stated at cost except that there is permanent diminution in value of the said investment as required by AS-13.

6. INVENTORY:

- Raw materials are valued at cost or net realizable value which ever is lower as per FIFO method followed.
- Work-in-process is valued at estimated cost (including factory overheads and depreciation)
- Manufactured finished goods are valued at lower of estimated cost (including factory overheads and depreciation) or net realizable value as per FIFO method followed.
- Traded goods are valued at lower of cost or net realizable value as per FIFO method followed.
- Re-usable waste generated on conversion of defective or damaged or obsolete stocks are valued at estimated material cost.

7. PURCHASES AND SALES:

- Purchases are recorded net of cenvat credit.
- Sales are recognized at the time of despatches and include excise duty, VAT and are net of returns. In case of export sales, revenue is recognized as on the date of bill of lading, being the effective date of despatch.

8. TAXATION:

Income tax expense comprises current tax, deferred tax charge or release and charge on account of fringe benefit tax. The deferred tax charge or credit is recognized using substantially enacted rates. In the case of unabsorbed depreciation or carry forward losses, deferred tax assets are recognized only to the extent there is virtual certainty or realization of such assets. Other deferred tax assets are recognized only to the extent there is reasonable certainty of realization in future. Such assets are reviewed as at each Balance Sheet date to reassess realization.

9. RETIREMENT BENEFITS:

Provisions for/contributions to retirement benefits schemes are made as follows;

- Provident fund on actual liability basis.
- Gratuity based on actuarial valuation done as at the reporting date.

10. PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS:

Provisions involving substantial degree of estimation in measurement are recognized when there is present obligation as a result of past event and it is probable that there will be an outflow of resources. Contingent Liabilities are not recognized but are disclosed in the notes. Contingent Assets are neither recognized nor disclosed in the financial statement except where virtual certainty is there.

11. USE OF ESTIMATES:

The preparation of financial statements in conformity with the generally accepted accounting principles requires estimates and assumptions to be made that affect the reported amounts of assets and liabilities on the date of financial statements and the reported amounts of revenues and expenses during the reported Period. Difference between the actual results and estimates are recognized in the Period in which the results and estimates are recognized in the Period in which the results are known or materialize.

12. PROVISIONING/WRITEOFF OF DOUBTFUL DEBTS:

Unrealizable Debts and Sundry balances has been written-off to present true and fair view of the Management and as per the policy adopted by the Management of the company in the previous years.

B. NOTES ON ACCOUNTS:

- Contingent Liabilities not provided for:

	Current Period	Previous Period
a) Disputed Income Tax Demand	107,860,080	106,901,501
b) Other Matters	272,300	Nil

- Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances) Rs.243.55 lakhs (Previous Period Rs.243.80 lakhs).
- The Authorised Share Capital of the company has been re-classified into 15,69,00,000 Equity Shares of Rs.10/- each and 1,00,000 'A' Ordinary Equity Shares of Rs.10/- each with Differential Voting Rights (DVR).
 - The issued, subscribed and paid up capital includes 31,928 Equity shares of Rs.10 /- each fully paid up, allotted for consideration other than cash as per the scheme of amalgamation of erstwhile JIK INDUSTRIES LTD., sanctioned by the Hon'ble High Court, Bombay on March 14, 1996.
 - The issued, subscribed and paid up capital includes 3,16,232 Equity shares of Rs.10/- each fully paid up, allotted for consideration other than cash as per the scheme of arrangement under Section 391 of the Companies Act, 1956 sanctioned by the Hon'ble High Court, Bombay on September 16, 2005.

4) (a) In compliance with the Accounting Standard AS 22 relating to "Accounting for taxes on income" issued by The Institute of Chartered Accountants of India", the Deferred Tax Assets/(Liability) (Net) accruing during the current period Rs.10,472,873/-, (Previous Period Rs. 542,132/-) has been shown in the Profit and Loss Account.

(b) Major components of deferred tax liabilities and assets arising on account of timing differences are:

Sr. No.	Deferred Tax Assets/ Liabilities	As at March 31, 2010	Current Period Charges	As at June 30, 2011
A Deferred Tax Assets:				
1.	Unabsorbed Losses/depreciation as per Income Tax Act	63,940,419	9,836,734	73,777,153
2.	Disallowance under Sec.43B & 40A(7) of Income Tax Act 1961	984,552	28,870	1,013,422
Total (A)		64,924,971	9,865,604	74,790,575
B Deferred Tax Liabilities:				
1.	Related to Fixed Asset	8,019,953	(607,269)	7,412,684
Total (B)		8,019,953	(607,269)	7,412,684
C Net Deferred Tax Asset / (Liability)		56,905,018	10,472,873	67,377,891

5) The closing stock is as per the inventory taken, valued and certified by the management.

6) In the opinion of the management, the current assets, loans and advances have the values on realization in the ordinary course of business at least equal to the amounts at which they are stated in the balance sheet except the receivables and loans and advances which falls under management's policy for bad and doubtful debts as taken in the previous years.

7) Balances of loans and advances, debtors and creditors are subject to confirmation and reconciliation.

8) There are no dues to Micro, Small & Medium Enterprises as at Balance Sheet date and no interest has been paid to any such parties. This is based on the information on such parties having been identified on the basis of information available with the Company and relied upon by the auditors.

9) Related Parties Disclosures

i) Relationships:

(a) Subsidiary Companies:

- I. A. & I. C. Pvt. Limited (IAIC)
- Shah Pratap Industries Pvt. Limited (SPIL)
- Glassworks Trading Pvt. Limited (GTPL)
- IRIS Trading FZE (ITF) (Subsidiary of GTPL)

(b) Key Management Personnel: (KMP)

Shri. Rajendra G. Parikh (RGP)

(c) Relatives of Key Management Personnel and entities in which key Management Personnel are interested, where transactions have taken place:

M/s. Share Bazar House. (SBH)

M/s. Korpus Financial Services Pvt. Limited (KFSPL)

Note: Related party relationship is identified by the Company and relied upon by the auditors.

ii) Details of Transactions with Related Parties: (figures in bracket pertains to previous Period).

Sr. No	Nature of transaction	Subsidiaries			KMP	Relatives of KMP
		IAIC	SPIL	GTPL	RGP	SBH
1.	Rent Paid	Nil (Nil)	Nil (Nil)	Nil (Nil)	1,50,000 (1,50,000)	1,35,000 (1,35,000)
2.	Loans & Advances Receivable / (-) Payable by Company	40,15,46,508 (Nil)	3,73,99,250 (Nil)	12,85,013 (Nil)	-51,00,000 (Nil)	Nil (Nil)

10) The amount due from subsidiary companies and the maximum amount due from them at any time during the period (figures in bracket pertains to previous period).

Name of the company	Amount Due on 30.06.2011	Maximum Amount Due
a) I. A. & I. C. Pvt. Limited	40,15,46,508 (Nil)	40,17,00,754 (35,048,178)
b) Shah Pratap Industries Pvt. Limited	3,73,99,250 (Nil)	3,73,99,250 (19,646,358)
c) Glassworks Trading Pvt. Limited	12,85,013 (45,013)	12,85,013 (9,42,994)

11) Earning per Share:

(A) Basic

	June 30, 2011	March 31, 2010
a. Net Profit/(Loss) After Tax before Extraordinary item	53,612,122	(6,226,880)
b. Weighted average Number of Equity Shares	37,777,609	27,475,755
c. Weighted average Number of 'A' Ordinary Equity Shares	5,106	2,020
d. Share of Profit/(Loss) for Equity Shares	53,606,761	(6,226,257)
e. Share of Profit/(Loss) for 'A' Ordinary Equity Shares	5,361	(623)
f. Basic Earning Per Equity Share in Rupees (FV Rs.10/-) (d/b)	1.42	(0.23)
g. Basic Earning Per 'A' Ordinary Equity Share in Rupees (FV Rs.10/-) (e/c)	1.05	(0.31)

(B) Diluted

	June 30, 2011	March 31, 2010
a. Net Profit/(Loss) After Tax before Extraordinary item	53,612,122	(6,226,880)
b. Weighted average Number of Dilutive Potential Equity Shares	21,295,000	550,00,000
c. Weighted average Number of Dilutive 'A' Ordinary Equity Shares	5,106	2,020
d. Aggregate of A (b) & B (b)	59,072,609	82,475,755
e. Share of Profit/(Loss) for Potential Equity Shares	53,606,761	(6,226,755)
f. Share of Profit/(Loss) for 'A' Ordinary Equity Shares	5,361	(125)
g. Diluted Earning Per Equity Share in Rupees (FV Rs.10/-)(e/d)	0.91	(0.08)
h. Diluted Earning Per 'A' Ordinary Equity Share in Rupees (FV Rs.10/-) (f/c)	1.05	(0.06)

12) The Company operates in one segment i.e. crystal, glass and allied products hence no separate disclosure of segment-wise information has been made as per Accounting Standards (AS-17) Segment Reporting issued by the Institute of Chartered Accountants of India.

13) Information as required pursuant to paragraphs 3 & 4 of Schedule VI of the Companies Act, 1956:

- a. Licensed and Installed Capacity (As certified by the management) (Relied upon by the Auditors - being a technical matter)
Licensed capacity: Not Applicable

Installed capacity

Unit Current Period Previous Period

Crystal glass products manufacturing

** Installed capacity can not be given due to the nature of manufacturing process and the nature of products/articles manufactured.

- b. Actual Production:
Crystal glass products Pcs. 11,332 11,037

c. Quantitative Information in respect of opening stock, Closing Stock, Purchases, Sales and consumption (As Certified by the Directors):

	Unit	Current Period		Previous Period	
		Qty.	Value (Rupees)	Qty.	Value (Rupees)
1. Opening Stock:					
Crystal /Glass products	Various	19,440	28,34,027	8,381	6,80,859
Other traded goods	Various	9,308	48,93,128	7,600	11,10,450
2. Closing Stock:					
Crystal /Glass products	Various.	33,310	98,41,208	19,440	28,34,027
Other traded goods	Various	9,427	49,38,765	9,308	48,93,128
3. Purchases:					
Crystal /Glass products	Various	3,57,856	5,00,12,907	13,16,941	18,93,87,468
Other Traded Goods	Various	7,81,314	39,18,43,916	47,668	1,13,18,718
4. Sales:					
Crystal /Glass products	Various	3,55,318	4,66,52,874	13,16,919	19,36,59,472
Other traded goods	Various	7,81,195	45,19,04,052	45,960	1,06,45,317
5. Consumption:					
Premix for crystal glass products	Kgs.	8300	6,78,525	7895	6,45,459

Note: The quantitative information for production is recorded in pieces, sale/purchase of crystal/glass & allied products and also stock records are maintained as various units.

	Current Period (Rupees)	Previous Period (Rupees)
d. Value of Imports on CIF basis:		
Raw materials for crystal glass	---	---
e. Expenditure in foreign currency: (on payment basis) (net of tax, where applicable)		
Travelling	1,10,187	---
f. Earnings in foreign currency:		
F.O.B. Value of Exports	---	---
g. Consumption of Materials:	%	%
Raw Materials:		
Indigenous	---	---
Imported	<u>6,78,525</u>	<u>6,45,459</u>
	<u>100</u>	<u>100</u>
	<u>100</u>	<u>100</u>
h. Remuneration to Directors:		
Remuneration	1,500,000	300,000
Contribution to provident & pension funds	---	---
Others	---	40,000
i. Auditors Remunerations (including Service tax, where applicable)		
Audit fees	206,813	206,813
Certification & tax matters, etc.	18,751	69,565

14) During the Period the Company's wholly owned subsidiary M/s. Glassworks Trading Private Limited has incorporated a wholly owned subsidiary M/s. IRIS Trading FZE in Hamriyah Free Zone.

15) In earlier year, while presenting financial statement to present a consolidated status loss under the head Profit and Loss account was adjusted and set off against the reserves. Thus Net figures were reflected in financial statements. However, in books of accounts the figures remained unmerged and continued with brought forward and carried forward losses. The same continues even till date.

We have been advised that the presentation should be only as per books of accounts and losses under the head Profit and Loss account cannot be merged with reserves for consolidation or presentation purpose.

As such we have given the presentation for current year as per books of accounts. The net effect and result remains the same and there is no change in overall financial position of the company. The presentation is in compliance with Schedule VI. Meanwhile the tax provision if any will have their impact accordingly.

16) Hon'ble BIFR has given order to The New India Assurance Co Ltd to settle the insurance claim filed by the Company due to fire at Chemical Waste Recycling Plant at Vijaygad, Tal. Wada. Further, the Company has filed a petition in Hon'ble Bombay High Court against the insurance company.

17) The Company has made provision for gratuity for the period under review as certified by M/s. VHV Finance & Consultancy Services.

18) Board for Industrial and Financial Reconstruction (BIFR) has sanctioned the Rehabilitation Scheme of the company in terms of Section 19(3) read with Section 18(4) of SICA having scheme period 2008-2017.

19) The Company has during the Period allotted 3,37,05,000 Equity Shares on conversion of Fully Convertible Bonds to Promoters / Associates / Other than Promoters as per Hon'ble BIFR orders. Out of the above 64,44,000 Equity Shares have been allotted on 30th June 2011 subject to necessary approvals.

20) The Rehabilitation Scheme sanctioned by Hon'ble BIFR also provides for certain other reliefs and concessions by the Central Government / State Government of Maharashtra / and other Authorities etc. The same shall be accounted for in the books of accounts of the Company as and when the said reliefs/concessions are actually availed by the Company.

21) The Hon'ble BIFR in its sanctioned Rehabilitation Scheme has directed the Income Tax Authorities to grant relief u/s. 115JB and other reliefs under the Income Tax Act, 1961 to the Company. In view of this the Company has not made provision for taxation u/s. 115JB of the said Act.

22) The Company has received order from Government of Maharashtra dated September 7, 2010 by which the Company has been declared "Relief Undertaking" for one year from that date.

23) Respective e-forms with ROC are pending due to pending litigation of non implementation of Hon'ble BIFR orders by Ministry of Corporate Affairs & others.

24) The Company continues its operation on the property of subsidiaries with lease term having expired and the same has not been renewed till date and after agreeing to shift from the premises.

25) The figures for the Previous Period are regrouped / rearranged / reclassified wherever considered necessary.

SIGNATURES TO SCHEDULES A TO N

As per our report of even date

For and on behalf of the Board

FOR MOTILAL & ASSOCIATES

CHARTERED ACCOUNTANTS

Registration No.:106584W

(M.L. JAIN)
PROPRIETOR
MEMBERSHIP NO. 36811

R. G. PARIKH
CHAIRMAN &
MANAGING
DIRECTOR

S. C. GURAV
DIRECTOR

R.A. KESARIYA
COMPANY
SECRETARY

Place: Mumbai
Dated: August 29, 2011

Cash Flow statement for the period ended June 30, 2011 pursuant to clause 32 of the listing agreement.

	PERIOD ENDED 30/06/2011	YEAR ENDED 31/03/2010
A.CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit/(Loss) Before Tax and Extra-ordinary Items	43,139,249	(5,676,983)
Adjustment for :		
Interest & Finance Charges (Net)	0.00	592,642
Depreciation	6,054,149	5,869,296
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES	49,193,398	784,955
Adjustments for:		
Trade Receivables,Loans & Advances	(545,943,394)	(114,955,186)
Inventories	(6,577,246)	(5,319,686)
Trade Payables & Other Liabilities	(582,137)	(9,678,684)
CASH USED FOR OPERATING ACTIVITIES	(503,909,378)	(129,168,601)
Prior Period and Extra-ordinary Item	0.00	35,245,548
NET CASH FROM/(USED) OPERATING ACTIVITIES	(503,909,378)	(93,923,053)
B.CASH FLOW FROM INVESTING ACTIVITIES		
Capital W.I.P/Advance for Capital Items & Pre-operative Expenses	20,974,816.00	(58,970,062.00)
Purchase of Fixed Assets (Net)	(187,530)	(2,117,799)
Purchase of Investments	0.00	(45,975,000)
NET CASH FROM /(USED) IN INVESTING ACTIVITIES	20,787,286	(107,062,861)
C.CASH FLOW FROM FINANCING ACTIVITIES		
Issue of Equity share capital/Share Application Money	337,050,000	39,916,032
Additions to Shares Premium	135,000,000	68,940
Secured/Unsecured Loans	10,501,579	162,248,000
Interest & Financing Charges (Net)	0.00	(592,642)
NET CASH FROM/(USED) IN FINANCING ACTIVITIES	482,551,579	201,640,330
NET INCREASE/(DECREASE) IN CASH OR CASH EQUIVALENTS	(570,513)	654,416
CASH AND CASH EQUIVALENTS AT BEGINING OF THE YEAR	1,054,797	400,381
CASH AND CASH EQUIVALENTS AT END OF THE PERIOD	484,284	1,054,797

Note : Figures for the previous year are regrouped wherever considered necessary.

FOR AND ON BEHALF OF THE BOARD

PLACE: MUMBAI
DATED: August 29, 2011

R.G.PARIKH **S. C. GURAV** **R.A.KESARIYA**
CHAIRMAN & MANAGING DIRECTOR DIRECTOR COMPANY SECRETARY

AUDITORS CERTIFICATE

We have examined the attached cash flow statement of JIK Industries Limited for the period ended June 30,2011. The statement has been prepared by the Company in accordance with the requirements of clause 32 of the Listing agreement with The Stock Exchanges and is based on and in agreement with the corresponding profit & loss account and balance sheet of the Company covered by our report of even date to the members of the Company.

FOR MOTILAL & ASSOCIATES
CHARTERED ACCOUNTANTS
Registration No.: 106584W

PLACE : MUMBAI
DATED : August 29, 2011

M.L. JAIN
(PROPRIETOR)
MEMBERSHIP NO.36811

BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE

I. Registration Details :

Registration No.	1	1	-	5	6	4	7	5
Balance Sheet Date	3	0	0	6	2	0	1	1
	Date			Month			Year	

State Code					1	1
------------	--	--	--	--	---	---

II. Capital Raised during the period (Amount in Rs. Thousands) :

Public Issue								
Bonus Issue								

Right Issue								
Private Placement								
			3	3	7	0	5	0

III. Position of Mobilization and Deployment of Funds (Amount in Thousands) :

Total Liabilities	1	1	3	5	0	7	5		
Paid up Capital			6	2	4	4	5	1	
Share Application Money									
Secured Loans									
Net Fixed Assets*									
				9	8	8	6	6	
Net Current Assets									
				7	2	8	5	0	7
Accumulated Losses									

Total Assets	1	1	3	5	0	7	5			
Reserves & Surplus										
				3	0	6	8	9	9	
Unsecured Loans										
					2	0	3	7	2	5
Investments										
					2	4	0	3	2	4
Misc. Expenditure										
Deferred Tax										
						6	7	3	7	8

IV. Performance of Company (Amount in Rs. Thousands)

Turnover									
				4	9	8	5	5	7
Profit/(Loss) Before Tax									
					4	3	1	3	9
Earning per share in Rs.***									
						1	.	4	2

Total Expenditure										
					4	5	5	4	1	8
Profit/(Loss) After Tax**										
						5	3	6	1	2
Dividend Rate %										

V. General names of Two Principal Products / Services of the Company. (as per monetary term)

a) Item Code No.	7	0	1	3	3	1	0	0										
Product Description	C	R	Y	S	T	A	L		G	L	A	S	S					
b) Item Code No.	N	.	A															
Product Description	T	R	A	D	I	N	G		A	C	T	I	V	I	T	I	E	S

* Includes advance for capital item.
 ** After Extra-Ordinary Item.
 *** Earning per share excluding extra ordinary income.

**Statement pursuant to Section 212 of the Companies Act 1956 relating to
Subsidiary Companies**

(Rupees in Lacs)

	Name of the subsidiary company	I.A. & I.C Pvt. Limited	Shah Pratap Industries Pvt. Limited	Glass Works Trading Pvt. Limited
1	Financial period of the subsidiary company ended on	31.03.2011	31.03.2011	31.03.2011
2	Holding Company's Interest			
	a) Number of Shares fully paid	855000	10210	100000
	b) Extent of holding	98.07%	94.54%	100.00%
3	Net aggregate of profit / (loss) of the subsidiary, so far as they concern members of the JIK Industries Limited			
	(1) for the financial period of the subsidiary			
	(a) dealt with in the accounts of the holding company	-	-	-
	(b) not dealt with in the accounts of the holding company	(1.90)	(0.10)	(0.87) *
	(2) for the previous financial years of the subsidiary since it became the holding company subsidiary			
	(a) dealt with in the accounts of the holding company	-	-	-
	(b) not dealt with in the accounts of the holding company	(1356.53)	(3.30)	0.04
4	Changes in the interest of JIK Industries Limited between the end of the subsidiaries financial year and June 30, 2011.			
	No. of Shares acquired	-	-	-
5	Material changes between the end of the subsidiaries Financial Year and June 30, 2011.			
	- Fixed Assets (net additions)	-	-	-
	- Investments	-	-	-
	- Moneys lend by the subsidiary	-	-	-
	- Moneys borrowed by the subsidiary company other than for meeting current liabilities	-	-	-

(*) Includes figures of IRIS Trading FZE, a wholly owned Subsidiary of Glassworks Trading Pvt.Ltd

FOR AND ON BEHALF OF THE BOARD

R. G. PARIKH **S. C. GURAV** **R.A. KESARIYA**
CHAIRMAN & DIRECTOR COMPANY
MANAGING SECRETARY
DIRECTOR

Place : Mumbai
Dated : August 29, 2011

AUDITORS' REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS

TO THE BOARD OF DIRECTORS OF JIK INDUSTRIES LIMITED ON THE CONSOLIDATED FINANCIAL STATEMENT OF JIK INDUSTRIES LIMITED AND ITS SUBSIDIARIES

- We have examined the attached Consolidated Balance Sheet of **JIK INDUSTRIES LIMITED** and its subsidiaries, which together constitute "the Group", as at June 30, 2011, the Consolidated Profit and Loss Accounts and the Consolidated Cash Flow Statement of the Group for the period ended on that date, both annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
- We conducted our audit in accordance with auditing standards generally accepted in India. These Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatements. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statements. We believe that our audit provides a reasonable basis for our opinion.
- We have relied on Financial Statement of Subsidiaries which have been audited by other auditors whose reports have been furnished to us and our opinion, in so far as it relates to the amount included in respect of these subsidiaries, is based solely on the report of the other auditors. The figures of these subsidiaries have been incorporated on the basis of audited financial statements for the year ended March 31, 2011.
- We report that, the consolidated financial statements have been prepared by the Company, in accordance with the requirement of Accounting Standard (AS) 21 (Consolidated Financial Statements), issued by the Institute of Chartered Accountant of India based on our audit and consideration of reports of other auditors on separate financial statements and to the best of our information and according to the explanations given to us, the consolidated financial statements give a true and fair view in conformity with the accounting principals generally accepted in India along-with the self explanatory notes to accounts.
 - In the case of the Consolidated Balance Sheet, of the Consolidated state of the affairs of the Group as at June 30, 2011;
 - In the case of the Consolidated Profit & Loss Account, of the Profit of the Group for the period ended on that date and
 - In the case of the Consolidated Cash Flow Statement, of the Cash Flows of the Group for the period ended on that date.

For **MOTILAL & ASSOCIATES**
CHARTERED ACCOUNTANTS
Registration No.:106584W

Place : Mumbai
Date : August 29, 2011

(M. L. JAIN)
PROPRIETOR
MEMBERSHIP NO.36811

CONSOLIDATED BALANCE SHEET AS AT JUNE 30,2011

SCHEDULE	AS AT JUNE 30, 2011 (RUPEES)	AS AT MARCH 31, 2010 (RUPEES)
SOURCES OF FUNDS		
A.SHAREHOLDERS' FUNDS:		
SHARE CAPITAL	A 624,450,510.00	287,400,510.00
SHARE APPLICATION MONEY	0.00	0.00
RESERVES & SURPLUS	B 221,836,946.59	33,769,926.55
	846,287,456.59	321,170,436.55
MINORITY INTEREST	1,034,319.46	1,042,706.02
B.LOAN FUNDS:		
SECURED	C 0.00	0.00
UNSECURED	D 203,725,161.00	193,223,582.00
	203,725,161.00	193,223,582.00
TOTAL	1,051,046,937.05	515,436,724.57
APPLICATION OF FUNDS:		
A.FIXED ASSETS:		
GROSS BLOCK	E 241,957,233.80	262,744,519.80
LESS:DEPRECIATION	142,123,952.67	135,980,105.67
NET BLOCK	99,833,281.13	126,764,414.13
GOODWILL ON CONSOLIDATION	96,762,580.15	96,762,580.15
B.INVESTMENTS	F 438,666,830.00	173,500.00
C.CURRENT ASSETS,LOANS & ADVANCES:		
INVENTORIES	G 16,787,489.85	10,210,243.87
RECEIVABLES	H 225,825,018.10	112,838,951.70
LOANS & ADVANCES	I 338,483,089.53	346,008,592.75
CASH & BANK BALANCES	J 2,334,615.34	1,312,925.73
	583,430,212.82	470,370,714.05
LESS:CURRENT LIABILITIES & PROVISIONS	K 235,048,603.55	235,570,846.06
NET CURRENT ASSETS	348,381,609.27	234,799,867.99
D.DEFERRED TAX ASSETS	67,377,891.00	56,905,018.00
(REFER NOTE 8 OF SCHEDULE "P" OF NOTES TO ACCOUNTS)		
E.MISCELLANEOUS EXPENDITURE: (TO THE EXTENT NOT WRITTEN OFF)	L 24,745.50	31,344.30
TOTAL	1,051,046,937.05	515,436,724.57
NOTES TO ACCOUNTS	P	

AS PER OUR REPORT OF EVEN DATE
FOR **MOTILAL & ASSOCIATES**
CHARTERED ACCOUNTANTS
Registration No.:106584W

FOR AND ON BEHALF OF THE BOARD

M.L. JAIN
Proprietor
MEMBERSHIP NO. 36811

R.G.PARIKH
CHAIRMAN & MANAGING DIRECTOR

S. C. GURAV **R.A.KESARIYA**
DIRECTOR COMPANY SECRETARY

Place : Mumbai
Dated : August 29, 2011

Place : Mumbai
Dated : August 29, 2011

CONSOLIDATED PROFIT & LOSS ACCOUNT FOR THE PERIOD ENDED ON JUNE 30,2011

	SCHEDULE	CURRENT PERIOD (RUPEES)	PREVIOUS PERIOD (RUPEES)
INCOME:			
SALES		498,556,925.89	204,304,788.78
OTHER INCOME		526,357.75	4,727,304.50
	TOTAL INCOME	<u>499,083,283.64</u>	<u>209,032,093.28</u>
EXPENDITURE:			
RAW MATERIAL CONSUMED/PURCHASES		442,535,347.63	201,351,644.81
(INCREASE)/DECREASE IN STOCK-IN-TRADE	M	(7,257,405.54)	(5,955,280.49)
MANUFACTURING, OPERATING AND OTHER EXPENSES	N	14,767,103.81	51,036,576.38
INTEREST AND FINANCE CHARGES (NET)		(60,735.00)	3,415,304.30
DEPRECIATION		6,143,847.00	5,969,058.00
MISC. EXPENSES WRITTEN OFF	O	6,598.80	2,174.70
	TOTAL EXPENSES	<u>456,134,756.70</u>	<u>255,819,477.70</u>
PROFIT/(LOSS) BEFORE TAX AND EXTRA ORDINARY ITEMS		42,948,526.94	(46,787,384.42)
PROVISION FOR TAXATION - CURRENT TAX		1,118.00	1,992.00
- DEFERRED TAX		(10,472,873.00)	542,132.00
- FRINGE BENEFIT TAX		0.00	7,765.00
PROFIT/(LOSS) AFTER TAX BEFORE EXTRA ORDINARY ITEMS		53,420,281.94	(47,339,273.42)
EXTRA ORDINARY ITEMS		(100,000.00)	35,403,089.68
PROFIT/(LOSS) AFTER TAX AND EXTRA ORDINARY ITEMS		53,320,281.94	(11,936,183.74)
LESS : MINORITY INTEREST IN INCOME/(LOSS)		(8,386.56)	(790,079.00)
PROFIT/ (LOSS) AVAILABLE FOR APPROPRIATION		53,328,668.50	(11,146,104.74)
ADD: - BALANCE B/F FROM LAST YEAR		(759,336,204.03)	(748,189,799.29)
- PRIOR PERIOD ADJUSTMENTS		(234,478.30)	(300.00)
DEFICIT CARRIED TO BALANCE SHEET		<u>706,242,013.83</u>	<u>759,336,204.03</u>
EARNING PER SHARE			
(BASIC) - EQUITY		1.41	(1.75)
(BASIC) - 'A' EQUITY SHARES		1.05	(2.38)
(DILUTED) - EQUITY		0.90	(0.58)
(DILUTED) - 'A' EQUITY SHARES		1.05	(0.48)
(REFER NOTE 10 OF SCHEDULE "P" OF NOTES TO ACCOUNTS)			
(FACE VALUE RS.10/-)			

NOTES TO THE ACCOUNTS

P

AS PER OUR REPORT OF EVEN DATE
FOR **MOTILAL & ASSOCIATES**
CHARTERED ACCOUNTANTS
Registration No.:106584W

FOR AND ON BEHALF OF THE BOARD

M.L. JAIN
Proprietor
MEMBERSHIP NO. 36811

R.G.PARIKH
CHAIRMAN & MANAGING DIRECTOR

S. C. GURAV
DIRECTOR

R.A.KESARIYA
COMPANY SECRETARY

Place : Mumbai
Dated : August 29, 2011

Place : Mumbai
Dated : August 29, 2011

SCHEDULES FORMING PART OF CONSOLIDATED ACCOUNTS

	<u>CURRENT PERIOD (RUPEES)</u>	<u>PREVIOUS PERIOD (RUPEES)</u>
SCHEDULE-A		
SHARE CAPITAL:		
AUTHORISED:		
156,900,000 EQUITY SHARES OF RS.10/- EACH (PREVIOUS PERIOD 147,000,000 EQUITY SHARES OF RS.10/- EACH)	1,569,000,000.00	1,470,000,000.00
100,000 'A' ORDINARY EQUITY SHARES OF RS. 10/- EACH FULLY PAID UP (PREVIOUS PERIOD 10,000,000 'A' ORDINARY EQUITY SHARES OF RS.10/- EACH)	1,000,000.00	100,000,000.00
	1,570,000,000.00	1,570,000,000.00
ISSUED, SUBSCRIBED & PAID-UP:		
62,439,945 EQUITY SHARES OF RS.10/- EACH FULLY PAID UP (PREVIOUS YEAR 28,734,945 EQUITY SHARES OF RS.10/- EACH)	624,399,450.00	287,349,450.00
5106 'A' ORDINARY EQUITY SHARES OF RS 10/- EACH FULLY PAID UP (PREVIOUS PERIOD 5,106 'A' ORDINARY EQUITY SHARES OF RS.10/- EACH)	51,060.00	51,060.00
	624,450,510.00	287,400,510.00

**SCHEDULE-B
RESERVES & SURPLUS:**

	<u>BALANCE AS AT 31-03-2010</u>	<u>ADDITION</u>	<u>DEDUCTION</u>	<u>BALANCE AS AT 30-06-2011</u>
1. CAPITAL RESERVE	4,980,910.00	0.00	0.00	4,980,910.00
2. CAPITAL REDEMPTION RESERVE	128,456,000.00	0.00	0.00	128,456,000.00
3. SHARES/SECURITIES PREMIUM	647,725,361.58	135,000,000.00	0.00	782,725,361.58
4. SHARE FORFEITURE	438,000.00	0.00	0.00	438,000.00
5. STATE SUBSIDY	3,250,000.00	0.00	0.00	3,250,000.00
6. GENERAL RESERVE	8,255,859.00	0.00	0.00	8,255,859.00
7. TRANSLATION RESERVE ON CONSOLIDATION	0.00	(27,170.16)	0.00	(27,170.16)
8. PROFIT & LOSS A/C	(759,336,204.03)	53,094,190.20	0.00	(706,242,013.83)
TOTAL	33,769,926.55	188,067,020.04	0.00	221,836,946.59

**SCHEDULE-C
SECURED LOANS:**

RUPEE TERM LOANS FROM INSTITUTIONS	0.00	0.00
TOTAL	0.00	0.00

**SCHEDULE-D
UNSECURED LOANS:**

INTEREST FREE SALES TAX LOANS:		
1)DEVELOPMENT CORPORATION OF KONKAN LTD. (REPAYABLE WITHIN A YEAR RS. 2,50,000/-) (PREVIOUS PERIOD RS. 2,50,000)	1,536,224.00	2,048,300.00
2)SALES TAX DEFERMENT LOAN (REPAYABLE WITHIN A YEAR RS. 4,00,000/-) (PREVIOUS PERIOD RS. 4,00,000/-)	2,381,462.00	3,175,282.00
FULLY CONVERTIBLE BONDS	194,707,475.00	187,500,000.00
OTHERS	5,100,000.00	500,000.00
TOTAL	203,725,161.00	193,223,582.00

SCHEDULE - E
CONSOLIDATED SCHEDULE OF FIXED ASSETS

PARTICULARS	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	BAL ON 31-03-2010 (RUPEES)	ADDITIONS/ ADJUSTMENTS (RUPEES)	DEDUCTION ADJUSTMENTS (RUPEES)	TOTAL ON 30-06-2011 (RUPEES)	UPTO 31-03-2010 (RUPEES)	ADJUSTMENTS DEDUCTION (RUPEES)	FOR THE PERIOD (RUPEES)	UPTO 30-06-2011 (RUPEES)	AS AT 30-06-2011 (RUPEES)	AS AT 31-03-2010 (RUPEES)
LAND & SITE DEVELOPMENT	6,360,825.64	-	-	6,360,825.64	5,576,615.81	-	-	5,576,615.81	784,209.83	784,209.83
FACTORY BUILDING	19,625,603.46	-	-	19,625,603.46	18,724,954.46	-	89,455.00	18,814,409.46	811,194.00	900,649.00
PREMISES	-	-	-	-	-	-	-	-	-	-
SHOPS	-	-	-	-	-	-	-	-	-	-
PLANT & MACHINERY	118,558,017.28	-	-	118,558,017.28	78,035,621.28	-	4,079,936.00	82,115,557.28	36,442,460.00	40,522,396.00
LABORATORY EQUIPMENT	381,847.10	-	-	381,847.10	225,997.10	-	21,225.00	247,222.10	134,625.00	155,850.00
MOULDS	8,383,621.32	-	-	8,383,621.32	8,357,572.32	-	19,704.00	8,377,276.32	6,345.00	26,049.00
ELECTRICAL INSTALLATIONS	11,597,791.28	-	-	11,597,791.28	6,371,712.11	-	687,928.00	7,059,640.11	4,538,151.17	5,226,079.17
AIR CONDITIONER	635,911.86	18,180.00	-	654,091.86	340,908.86	-	38,315.00	379,223.86	274,868.00	295,003.00
COMPUTER	7,473,686.76	169,350.00	-	7,643,036.76	7,343,043.76	-	57,914.00	7,400,957.76	242,079.00	130,643.00
OFFICE EQUIPMENT	1,340,688.47	-	-	1,340,688.47	702,031.47	-	78,174.00	780,205.47	560,483.00	638,657.00
VEHICLE	2,049,843.07	-	-	2,049,843.07	2,049,843.07	-	-	2,049,843.07	-	-
FURNITURE & FIXTURES	13,716,621.09	-	-	13,716,621.09	8,251,805.43	-	1,071,196.00	9,323,001.43	4,393,619.66	5,464,815.66
CAPITAL WORK IN PROGRESS	72,620,062.47	-	20,974,816.00	51,645,246.47	-	-	-	-	51,645,246.47	72,620,062.47
TOTAL	262,744,519.80	187,530.00	20,974,816.00	241,957,233.80	135,980,105.67	-	6,143,847.00	142,123,952.67	99,833,281.13	126,764,414.13
PREVIOUS PERIOD	204,325,978.82	62,122,316.30	3,703,775.32	262,744,519.80	130,011,047.67	-	5,969,058.00	135,980,105.67	126,764,414.13	74,314,931.15

SCHEDULE-F

INVESTMENTS:	FACE VALUE	NOS. 30-06-2011	VALUE 30-06-2011	NOS. 31-03-2010	VALUE 31-03-2010
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UNQUOTED (VALUED AT COST):

THE MALAD SAHAKARI BANK LTD.	10	4900	49,000.00	4900	49,000.00
MARATHA SAHAKARI BANK LTD.	10	0	0.00	9950	99,500.00
THE SARASWAT CO-OP BANK LTD.	10	2500	25,000.00	2500	25,000.00
JAGATI PUBLICATIONS LTD.	10	2916657	438,592,830.00	0	0.00
TOTAL			438,666,830.00		173,500.00

CURRENT PERIOD (RUPEES)	PREVIOUS PERIOD (RUPEES)
----------------------------	-----------------------------

SCHEDULE-G
INVENTORIES:

(AS TAKEN, VALUED AND CERTIFIED BY THE MANAGEMENT)

1. RAW MATERIALS	1,342,290.25	2,020,815.25
2. WORK-IN-PROCESS	349,379.50	144,792.00
3. FINISHED GOODS	14,779,972.10	7,727,154.06
4. STORES, SPARES & CONSUMABLES	315,848.00	317,482.56
TOTAL	16,787,489.85	10,210,243.87

SCHEDULE-H
RECEIVABLES:

(UNSECURED)

OUTSTANDING FOR MORE THAN SIX MONTHS	17,186,197.00	0.00
OTHERS	208,455,716.10	112,655,846.70
(UNSECURED, CONSIDERED DOUBTFUL)		
OUTSTANDING FOR MORE THAN SIX MONTHS	183,105.00	183,105.00
OTHERS	0.00	0.00
TOTAL	225,825,018.10	112,838,951.70

	<u>CURRENT PERIOD</u> <u>(RUPEES)</u>	<u>PREVIOUS PERIOD</u> <u>(RUPEES)</u>
SCHEDULE-I		
LOANS & ADVANCES		
(UNSECURED, UNLESS OTHERWISE STATED)		
1. ADVANCES RECOVERABLE IN CASH OR IN KIND OR FOR VALUE TO BE RECEIVED	338,096,063.53	345,618,489.75
2. INTEREST INCOME ACCRUED	12,673.00	10,250.00
3. DEPOSITS	374,353.00	379,853.00
TOTAL	<u><u>338,483,089.53</u></u>	<u><u>346,008,592.75</u></u>
SCHEDULE-J		
CASH & BANK BALANCES:		
CASH IN HAND (CERTIFIED BY MANAGEMENT)	318,643.01	522,547.51
BALANCE WITH SCHEDULED BANKS:		
IN CURRENT ACCOUNTS	1,437,934.33	790,378.22
IN FIXED DEPOSITS	578,038.00	0.00
BALANCE WITH OTHER BANKS:		
IN CURRENT ACCOUNTS	0.00	0.00
TOTAL	<u><u>2,334,615.34</u></u>	<u><u>1,312,925.73</u></u>
SCHEDULE-K		
CURRENT LIABILITIES & PROVISIONS:		
CURRENT LIABILITIES:		
CREDITORS FOR GOODS	478,667.77	1,151,990.53
ADVANCE FROM CUSTOMERS	10,214.53	22,951.53
CREDITORS FOR EXPENSES	861,938.25	1,164,733.00
OTHER CURRENT LIABILITIES	233,438,854.00	233,080,630.00
INCOME TAX PAYABLE	0.00	21,983.00
PROVISIONS:		
FOR TAXATION	1,118.00	1,992.00
FOR GRATUITY	257,811.00	126,566.00
TOTAL	<u><u>235,048,603.55</u></u>	<u><u>235,570,846.06</u></u>
SCHEDULE-L		
MISCELLANEOUS EXPENDITURE:		
(TO THE EXTENT NOT WRITTEN OFF OR ADJUSTED)		
PRELIMINARY EXPENSES	24,745.50	31,344.30
TOTAL	<u><u>24,745.50</u></u>	<u><u>31,344.30</u></u>
SCHEDULE-M		
(INCREASE)/DECREASE IN STOCK-IN-TRADE:		
OPENING STOCKS:		
WORK-IN-PROCESS	144,792.00	125,357.00
FINISHED GOODS	7,727,154.06	1,791,308.57
	<u><u>7,871,946.06</u></u>	<u><u>1,916,665.57</u></u>
CLOSING STOCKS:		
WORK-IN-PROCESS	349,379.50	144,792.00
FINISHED GOODS	14,779,972.10	7,727,154.06
	<u><u>15,129,351.60</u></u>	<u><u>7,871,946.06</u></u>
(INCREASE)/DECREASE IN STOCK-IN-TRADE	<u><u>(7,257,405.54)</u></u>	<u><u>(5,955,280.49)</u></u>

	<u>CURRENT PERIOD</u> (RUPEES)	<u>PREVIOUS PERIOD</u> (RUPEES)
SCHEDULE-N		
MANUFACTURING, OPERATING & OTHER EXPENSES:		
STAFF COST	5,583,558.00	5,367,905.00
RENT, RATES & TAXES	339,000.00	411,806.00
CONVEYANCE	56,907.50	43,106.00
PRINTING & STATIONERY	371,954.00	417,212.70
POSTAGE & COURIER SERVICE CHARGES	159,794.00	206,605.00
MEMBERSHIP, SUBSCRIPTION, PERIODICALS & REGISTRATION	43,655.00	83,725.08
TELEPHONE, TELEX & FAX CHARGES	266,419.68	235,276.47
TRAVELLING EXPENSES	178,942.07	886,536.80
FOREIGN TRAVEL EXPENSES	139,835.77	0.00
ADVERTISEMENT & PUBLICITY	280,846.00	109,071.00
BANK CHARGES	65,662.04	47,888.27
INSURANCE CHARGES	30,509.00	23,172.00
BUSINESS PROMOTION & ENTERTAINMENT	77,049.04	286,776.10
TRANSPORTATION, CLEARING & FORWARDING CHARGES	118,730.66	28,453.00
ELECTRICITY CHARGES	337,477.00	327,359.00
POWER & FUEL CHARGES	341,842.00	313,594.38
DONATIONS	7,500.00	0.00
DIRECTOR'S REMUNERATION / SITTING FEES	1,500,000.00	340,000.00
PACKING MATERIALS, STORES, SPARES & CONSUMABLES	49,550.56	3,814.60
SALES TAX	651,864.00	36,375.75
REPAIRS, MAINTENANCE & OPERATING EXPENSES	65,784.50	32,579.00
MISCELLANEOUS EXPENSES	281,878.65	259,291.94
ADMINISTRATIVE EXPENSES	554,523.84	0.00
SERVICE/PROCESSING CHARGES	539,397.00	1,191,941.00
AUDITOR'S REMUNERATION	240,563.50	291,377.50
COMPUTER EXPENSES/SOFTWARE CHARGES	30,764.00	70,600.00
LOSS ON SALE OF INVESTMENTS	(500.00)	37,835,739.55
SUNDRY BALANCES WRITTEN OFF/BACK	(139,695.00)	(791,558.74)
LEGAL, PROFESSIONAL & CONSULTANCY CHARGES	2,593,291.00	2,977,928.98
TOTAL	14,767,103.81	51,036,576.38
SCHEDULE-O		
MISCELLANEOUS EXPENDITURE WRITTEN OFF:		
PRELIMINARY EXPENSES	6,598.80	2,174.70
TOTAL	6,598.80	2,174.70

SCHEDULE - P

SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON ACCOUNTS

A. SIGNIFICANT ACCOUNTING POLICIES:

1. BASIS OF ACCOUNTING:

The Consolidated financial statements of JIK INDUSTRIES LIMITED and its subsidiary companies have been prepared under the historical cost convention on an accrual system based on principle of going concern and are in accordance with the generally accepted accounting principles and the accounting standards referred to in section 211(3C) of the Companies Act, 1956.

2. BASIS OF CONSOLIDATION:

The Consolidated financial statements are prepared in accordance with the principles and procedure for the preparation and presentation of consolidated financial statement as laid down under Accounting Standard (AS-21) "Consolidated Financial Statement" issued by The Institute of Chartered Accountant (ICAI).

Consolidated financial statements are prepared by using uniform accounting policies. The financial statements of the parent company and subsidiaries have been combined on a line-by-line basis by adding together books values of like items of assets, liabilities, income and expenses after eliminating intra-group balances/transactions. The difference between the cost of investment in the subsidiary over the company's portion of Equity of the subsidiary is recognized in the financial statements as Goodwill or Capital Reserves.

On consolidation the accounting difference due to translation of subsidiary transaction in Indian Rupees is shown as Translation Reserve on consolidation.

3. FIXED ASSETS:

Fixed assets are capitalized at cost inclusive of freight, duties, taxes, insurance, installation and net of cenvat credit and Vat set off.

4. DEPRECIATION:

Depreciation on fixed assets for own use has been provided based on straight line method and at the rates prescribed by Schedule XIV of the Companies Act, 1956. Depreciation on assets added/disposed off during the period is provided on pro-rata basis from the date of addition or up to the date of disposal, as applicable. Depreciation on building constructed on lease hold land is provided over the lease period. Cost of improvements to land and building taken on lease are amortized over the remaining lease period.

5. IMPAIRMENT OF ASSETS:

Impairment loss is recognized wherever the carrying amount of an asset is in excess of its recoverable amount and the same is recognized as an expense in the statement of profit and loss and carrying amount of the asset is reduced to its recoverable amount.

Reversal of impairment losses recognized in the prior years is recorded when there is an indication that the impairment losses recognized for the asset no longer exist or have decreased.

6. INVESTMENTS:

Long Term Investments are stated at cost except that there is permanent diminution in value of the said investment as required by AS-13.

7. INVENTORY:

- Raw materials are valued at cost or net realizable value which ever is lower as per FIFO method followed.
- Work-in-progress is valued at estimated cost (including factory overheads and depreciation)
- Manufactured finished goods are valued at lower of estimated cost (including factory overheads and depreciation) or net realizable value as per FIFO method followed.
- Traded goods are valued at lower of cost or net realizable value as per FIFO method followed.
- Re-usable waste generated on conversion of defective or damaged or obsolete stocks are valued at estimated material cost.

8. PURCHASES AND SALES:

- Purchases are recorded net of VAT set off and cenvat credit.
- Sales are recognized at the time of despatches and include excise duty, VAT and are net of returns. In case of export sales, revenue is recognized as on the date of bill of lading, being the effective date of despatch.

9. TAXATION:

Income tax expense comprises current tax, deferred tax charge or release and charge on account of fringe benefit tax. The deferred tax charge or credit is recognized using substantially enacted rates. In the case of unabsorbed depreciation or carry forward losses, deferred tax assets are recognized only to the extent there is virtual certainty or realization of such assets. Other deferred tax assets are recognized only to the extent there is reasonable certainty of realization in future. Such assets are reviewed as at each Balance Sheet date to reassess realization.

10. RETIREMENT BENEFITS:

Provisions for/contributions to retirement benefits schemes are made as follows;

- Provident fund on actual liability basis.
- Gratuity based on actuarial valuation done at the period-end.

11. PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS:

Provisions involving substantial degree of estimation in measurement are recognized when there is present obligation as a result of past event and it is probable that there will be an outflow of resources. Contingent Liabilities are not recognized but are disclosed in the notes. Contingent Assets are neither recognized nor disclosed in the financial statement except where virtual certainty is there.

12. USE OF ESTIMATES:

The preparation of financial statements in conformity with the generally accepted accounting principles requires estimates and assumptions to be made that affect the reported amounts of assets and liabilities on the date of financial statements and the reported amounts of revenues and expenses during the reported period. Difference between the actual results and estimates are recognized in the period in which the results and estimates are recognized in the period in which the results are known or materialize.

13. PROVISIONING/WRITEOFF OF DOUBTFUL DEBTS:

Unrealizable Debts and Sundry balances has been written-off to present true and fair view of the Management and as per the policy adopted by the Management of the company in the previous years.

B. NOTES ON ACCOUNTS:

1. The List of Subsidiaries included in the Consolidated Financial Statements are as under

Name of the Subsidiary Company	Country of Incorporation	% Holding
I.A. & I.C. Pvt. Ltd	India	98.07
Shah Pratap Industries Pvt. Ltd.	India	94.54
Glassworks Trading Pvt. Limited	India	100.00
IRIS Trading FZE (WOS of Glassworks Trading Pvt Ltd)	UAE	100.00

The Consolidated Financial statement for the period ended June 30, 2011 includes audited financial statements of subsidiaries viz. I.A. & I.C. Pvt. Ltd, Shah Pratap Industries Pvt. Ltd, Glassworks Trading Pvt. Ltd and IRIS Trading FZE a wholly owned subsidiary of Glassworks Trading Private Limited for the year ended March 31, 2011.

2. Goodwill represents the difference between the Group's share in the net worth of the subsidiaries, and cost of acquisition at each point of time of making the investment in the subsidiaries. For this purpose, the Group's share of net worth is determined on the basis of the latest financial statements prior to the acquisition after making necessary adjustments for material events between the date of such financial statements and the date of respective acquisition.

3. Contingent Liabilities not provided for :

	Current Period	Previous Period
a) Disputed Income Tax Demand	107,860,080	106,901,501
b) Other Matters	272,300	Nil

4. Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances) Rs. 243.55 lakhs (Previous Period Rs. 243.80 lakhs).

5. The closing stock is as per the inventory taken, valued and certified by the management.

6. In the opinion of the management, the current assets, loans and advances have the values on realization in the ordinary course of business at least equal to the amounts at which they are stated in the balance sheet except the receivables and loans and advances which falls under management's policy for bad and doubtful debts as taken in the previous years.

7. Balances of loans and advances, debtors and creditors are subject to confirmation and reconciliation.

8. (a) In compliance with the Accounting Standard AS 22 relating to "Accounting for taxes on income" issued by The Institute of Chartered Accountants of India, the Deferred Tax Assets/(Liability) (Net) accruing during the current period Rs.10,472,873/-, (Previous Period Rs. 542,132/-) has been shown in the Profit and Loss Account.

(b) Major components of deferred tax liabilities and assets arising on account of timing differences are:

Sr. No.	Deferred Tax Assets/ Liabilities	As at March 31, 2010	Current Period Charges	As at June 30, 2011
A	Deferred Tax Assets:			
1.	Unabsorbed Losses/depreciation as per Income Tax Act	63,940,419	9,836,734	73,777,153
2.	Disallowance under Sec.43B & 40A(7) of Income Tax Act 1961	984,552	28,870	1,013,422
	Total (A)	64,924,971	9,865,604	74,790,575
B	Deferred Tax Liabilities:			
1.	Related to Fixed Asset	8,019,953	(607,269)	7,412,684
	Total (B)	8,019,953	(607,269)	7,412,684
C	Net Deferred Tax Asset / (Liability)	56,905,018	10,472,873	67,377,891

9. Related Parties Disclosures

i) Relationships:

(a) Key Management Personnel: (KMP)

Shri. Rajendra G. Parikh (RGP)

(b) Relatives of Key Management Personnel and entities in which Key Management Personnel are interested, where transactions have taken place:

M/s. Share Bazar House. (SBH)

M/s. Korpus Financial Services Pvt. Limited (KFSPL)

Note: Related party relationship is identified by the Company and relied upon by the auditors.

ii) Details of Transactions with Related Parties :

Sr. No	Nature of transaction	KMP	Relatives of KMP
		RGP	SBH
1.	Rent Paid	1,74,000/-	1,65,000/-
2.	Loans & Advances Receivable / (Payable) by Company	(51,00,000/-)	Nil

10. Earning per Share:

(A) Basic

	June 30, 2011
a. Net Profit/(Loss) After Tax before Extraordinary item	53,428,669
b. Weighted average Number of Equity Shares	37,777,609
c. Weighted average Number of 'A' Ordinary Equity Shares	5,106
d. Share of Profit/(Loss) for Equity Shares	53,423,326
e. Share of Profit/(Loss) for 'A' Ordinary Equity Shares	5,343
f. Basic Earning Per Equity Share in Rupees (F.V Rs.10/-) (d/b)	1.41
g. Basic Earning Per 'A' Ordinary Equity Share in Rupees (F.V Rs.10/-) (e/c)	1.05

(B) Diluted

	June 30, 2011
a. Net Profit/(Loss) After Tax before Extraordinary item	53,428,669
b. Weighted average Number of Dilutive Potential Equity Shares	21,295,000
c. Weighted average Number of Dilutive 'A' Ordinary Equity Shares	5,106
d. Agreegate of A (b) & B (b)	59,072,609
e. Share of Profit/(Loss) for Potential Equity Shares	53,423,326
f. Share of Profit/(Loss) for 'A' Ordinary Equity Shares	5,343
g. Diluted Earning Per Equity Share in Rupees (FV Rs.10/-) (e/d)	0.90
h. Diluted Earning Per 'A' Ordinary Equity Share in Rupees (FV Rs.10/-) (f/c)	1.05

11. The Company operates in one segment i.e. crystal, glass and allied products hence no separate disclosure of segment - wise information has been made as per Accounting Standards (AS-17) Segment Reporting issued by the Institute of Chartered Accountants of India.

12. Information as required pursuant to paragraphs 3 & 4 of Schedule VI of the Companies Act, 1956:

- a. Licensed and Installed Capacity (As certified by the management) (Relied upon by the Auditors – being a technical matter)
Licensed capacity: Not Applicable

Installed capacity	Unit	Current Period	Previous Period
Crystal glass products manufacturing		**	**

** Installed capacity can not be given due to the nature of manufacturing process and the nature of products/articles manufactured.

- b. Actual Production:
Crystal glass products Pcs. 11,332 11,037

c. Quantitative Information in respect of opening stock, Closing Stock, Purchases, Sales and consumption (As Certified by the Directors) :

	Unit	Current Period Qty.	Current Period Value (Rupees)	Previous Period Qty.	Previous Period Value (Rupees)
1. Opening Stock:					
Crystal /Glass products	Various	19,440	28,34,027	8,381	6,80,859
Other traded goods	Various	9,308	48,93,128	7,600	11,10,450
2. Closing Stock:					
Crystal /Glass products	Various.	33,310	98,41,208	19,440	28,34,027
Other traded goods	Various	9,427	49,38,765	9,308	48,93,128
3. Purchases:					
Crystal /Glass products	Various	3,57,856	5,00,12,907	13,16,941	18,93,87,468
Other Traded Goods	Various	7,81,314	39,18,43,916	47,668	1,13,18,718
4. Sales:					
Crystal /Glass products	Various	3,55,318	4,66,52,874	13,16,919	19,36,59,472
Other traded goods	Various	7,81,195	45,19,04,052	45,960	1,06,45,317
5. Consumption:					
Premix for crystal glass products	Kgs.	8300	6,78,525	7895	6,45,459

Note: The quantitative information for production is recorded in pieces, sale/purchase of crystal/glass products and also stock records are maintained as various units.

	Current Period (Rupees)	Previous Period (Rupees)
d. Value of Imports on CIF basis:		
Raw materials for crystal glass	Nil	Nil
e. Expenditure in foreign currency: (on payment basis) (net of tax, where applicable)		
Travelling	110,187	Nil
f. Auditors Remuneration		
Audit fees	221,813	221,813
Certification & tax matters, etc.	18,751	69,565

13. Board for Industrial and Financial Reconstruction (BIFR) has sanctioned the Rehabilitation Scheme of the company in terms of Section 19(3) read with Section 18(4) of SICA having scheme period 2008-2017.

14. The Company has received order from Government of Maharashtra dated September 7, 2010 by which the Company has been declared "Relief Undertaking" for one year from that date.

15. The figures pertaining to the subsidiary companies have been regrouped, rearranged and reclassified wherever necessary to bring them in line with the company's financial statements.

SIGNATURES TO SCHEDULES A TO P

AS PER OUR REPORT OF
EVEN DATE

FOR MOTILAL & ASSOCIATES
CHARTERED ACCOUNTANTS
Registration No.:106584W

FOR AND ON BEHALF OF THE BOARD

(M.L. JAIN)
PROPRIETOR
MEMBERSHIP NO. 36811

R. G. PARIKH **S. C. GURAV** **R.A. KESARIYA**
CHAIRMAN & DIRECTOR COMPANY
MANAGING DIRECTOR SECRETARY

Place: Mumbai
Dated: August 29, 2011

CONSOLIDATED CASH FLOW STATEMENT FOR THE PERIOD ENDED JUNE 30, 2011		
	PERIOD ENDED 30/06/2011	PERIOD ENDED 31/03/2010
A.CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit/(Loss) Before Tax and Extra-ordinary Items	42,948,527	(46,787,384)
Adjustment for :		
Interest & Finance Charges (Net)	(60,735)	3,415,304
Depreciation	6,143,847	5,969,058
Miscellaneous Expenditure written off	6,599	2,175
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES	49,038,238	(37,400,847)
Adjustments for:		
Trade Receivables,Loans & Advances	(105,460,563)	(342,082,078)
Inventories	(6,577,246)	(5,319,686)
Trade Payables & Other Liabilities	(523,361)	178,991,869
CASH USED FOR OPERATING ACTIVITIES	(63,522,933)	(205,810,742)
Prior Period and Extra-ordinary Item	(334,478)	35,402,790
NET CASH FROM/(USED) OPERATING ACTIVITIES	(63,857,411)	(170,407,952)
B.CASH FLOW FROM INVESTING ACTIVITIES		
Capital W.I.P./Advance for Capital items & Pre-operative Expenses	20,974,816	(59,002,795)
Purchase of Fixed Assets (Net)	(187,530)	1,152,968
Purchase of Investments	(438,493,330)	0.00
NET CASH FROM /(USED) IN INVESTING ACTIVITIES	(417,706,044)	(57,849,827)
C.CASH FLOW FROM FINANCING ACTIVITIES		
Issue of Equity share capital/Share Application Money	337,022,830	41,191,232
Addition to Shares Premium	135,000,000	26,158,468
Secured/Unsecured Loans	10,501,579	154,773,053
Interest & Financing Charges (Net)	60,735	(3,415,304)
NET CASH FROM/(USED) IN FINANCING ACTIVITIES	482,585,144	218,707,449
NET INCREASE/(DECREASE) IN CASH OR CASH EQUIVALENTS	1,021,689	821,670
CASH AND CASH EQUIVALENTS AT BEGINING OF THE YEAR	1,312,926	491,256
CASH AND CASH EQUIVALENTS AT END OF THE PERIOD	2,334,615	1,312,926

FOR AND ON BEHALF OF THE BOARD

Place : Mumbai
Dated : August 29, 2011

R.G.PARIKH **S. C. GURAV** **R. A. KESARIYA**
CHAIRMAN & MANAGING DIRECTOR DIRECTOR COMPANY SECRETARY

AUDITORS CERTIFICATE

We have examined the attached cash flow statement of JIK Industries Limited for the period ended June 30, 2011. The statement has been prepared by the Company in accordance with the requirements of clause 32 of the Listing agreement with The Stock Exchanges and is based on and in agreement with the corresponding profit & loss account and balance sheet of the Company covered by our report of even date to the members of the Company.

FOR MOTILAL & ASSOCIATES
CHARTERED ACCOUNTANTS
Registration No.:106584W

Place : Mumbai
Dated : August 29, 2011

M.L. JAIN
Proprietor
MEMBERSHIP NO.36811

Green Initiative of Ministry of Corporate Affairs- Registration of E-mail address.

The Ministry of Corporate Affairs has taken a "Green Initiative in Corporate Governance" by allowing paperless compliances by Companies through electronic mode. In accordance with the recent circular No. 17/2011 dated April 21, 2011 and circular No. 18/2011 dated April 29, 2011 issued by the Ministry, Companies can now send various notices and documents, including Annual Report, to its members through electronic mode to the registered e-mail addresses of members.

This move by the Ministry is welcome since it will benefit the society at large through reduction in paper consumption and contribution towards a Greener Environment. It will also ensure prompt receipt of communication and avoid loss in postal transit.

In view of the same, we propose to send future communication, including but not limited to Notice of Annual General Meeting and Annual Report of the Company, in electronic mode to the e-mail address available in the Register of Members of the Company and/or with your Depository Participant.

For supporting the above 'Green Initiative' of MCA –

• **If you are holding shares in Electronic Form:**

Please intimate your e-mail address to your Depository Participant (DP). Your email ID in the records of your DP will be deemed to be your registered e-mail address for serving notices/documents.

• **If you are holding shares in Physical Form:**

Please send a request letter mentioning your e-mail address and Folio Number, mentioning name or the company duly signed by the sole/first holder as per the specimen signature recorded with us, to our Registrar and Transfer Agent at:

Sharex Dynamic (India) Pvt. Ltd.
Unit No. 1, Luthra Industrial Premises,
Andheri – Kurla Road, Safed Pool,
Andheri (East), Mumbai- 400072.
Tel. Nos. 022-2851 5606/5644
Fax No. 022- 2851 2885

If you desire to get a physical copy of all the documents, you may intimate the Company accordingly.

We would appreciate the "Green Initiative" taken by MCA and as a responsible citizen will whole heartedly support this initiative.

Thanking you,

For JIK Industries Limited

Rajendra G. Parikh
Chairman & Managing Director

NOTICE

NOTICE is hereby given that Nineteenth Annual General Meeting of the members of the Company will be held on Friday, 4th November, 2011 at 9.30 a.m. at Golden Swan Country Club, Off Pokhran Road No. 1, Yeoor Hills, Thane (West) 400 602 to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the audited Financial Statements of the Company comprising of the Balance Sheet as at 30th June, 2011 (15 months), the Profit and Loss Account and the Cash Flow Statement for the year ended on that date along with the Schedules forming part of the accounts and annexure thereto, Report of the Directors and the Auditors thereon.
2. To appoint a director in place of Mr. Surendra C. Gurav who retires by rotation and being eligible, offer himself for re-appointment.
3. To re-appoint M/s. Motilal & Associates, Chartered Accountants, as statutory auditors of the Company, who retire at this Annual General Meeting, and being eligible, offer themselves for re-appointment and to fix their remuneration.

“RESOLVED THAT M/s. Motilal & Associates, Chartered Accountants, Mumbai having ICAI Registration no. 106584W be and are hereby re-appointed as Auditors of the Company, to hold office from the conclusion of this Annual General meeting until the conclusion of the next Annual General Meeting of the Company at remuneration to be agreed between Auditors and Board of Directors (including any committee thereof) of the company.”

SPECIAL BUSINESS:

4. To consider and, if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution**:

Appointment of Mr. Manoj P. Thakkar as a Director of the company, liable to retire by rotation

“RESOLVED THAT Mr. Manoj P. Thakkar, who was appointed as an Additional Director of the Company w.e.f. January 31, 2011 and who holds office up to the date of this Nineteenth Annual General Meeting of the Company in terms of Section 260 of the Companies Act, 1956 and in respect of whom the Company has received a notice in writing from a member under section 257 of the Act proposing his candidature for the office of Director, be and is hereby appointed as a Director, liable to retire by rotation.”

5. To consider and, if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution**:

Appointment of Mr. Vijay P. Panikar as a Director of the company, liable to retire by rotation

“RESOLVED THAT Mr. Vijay P. Panikar, who was appointed as an Additional Director of the Company w.e.f. 18th August, 2011 and who holds office up to the date of this Nineteenth Annual General Meeting of the Company in terms of Section 260 of the Companies Act, 1956 and in respect of whom the Company has received a notice in writing from a member under section 257 of the Act proposing his candidature for the office of Director, be and is hereby appointed as a Director, liable to retire by rotation.”

6. To consider and, if thought fit, to pass with or without modification(s), the following resolution as **Special Resolution**:

Reappointment of Mr. Rajendra G. Parikh as Managing Director

“RESOLVED THAT pursuant to the provisions of Sections 198, 269, 309 of the Companies Act, 1956 (the Act), read with Schedule XIII to the Act (including any amendment or re-enactment thereof), and the laws prevailing for the time being and subject to the approval of the Central Government, if necessary, and such alterations and modifications, if any, that may be effected pursuant to any change in policies, Acts or Laws, guidelines, rules and regulations relating to Remuneration, consent of the Company be and is hereby accorded towards reappointment and terms of remuneration of Mr. Rajendra G. Parikh as a Managing Director of the Company for a period of five years with effect from April 1, 2011 upon the terms and conditions set out in the Explanatory Statement annexed to the Notice convening this Annual General Meeting (including the remuneration to be paid in the event of loss or inadequacy of profits in any financial year during the tenure of his appointment) with liberty to the Board of Directors of the Company (the Board) to alter and vary the terms and conditions of the said appointment in such manner as may be agreed between the Board and Mr. Rajendra G. Parikh.

RESOLVED FURTHER THAT the Board of Directors or a Committee of the Company thereof be and is hereby authorised to take all such steps as may be necessary, proper and expedient to give effect to this resolution.”

By Order of the Board

Place: Mumbai
Date: 29th August, 2011

Rajit Kesariya
Company Secretary

NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING IS ENTITLED TO APPOINT A PROXY(S) TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. IN ORDER TO BE EFFECTIVE, THE PROXY FORMS DULY COMPLETED SHOULD BE LODGED WITH THE COMPANY AT ITS REGISTERED OFFICE AT LEAST 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.
2. The information as required to be provided under the Listing Agreement entered into with stock exchanges, regarding the Directors who are proposed to be appointed/reappointed is given.
3. The Register of Members and Share transfer Books of the company will remain closed from 31st October, 2011 to 4th November, 2011 (both days inclusive).
4. In compliance of SEBI requirements, Sharex Dynamic (India) Pvt. Ltd., has been appointed as Registrar and Share Transfer Agent of the Company who handle share transfer work in Physical as well as in Electronic Form and other related activities at the following address:

M/s Sharex Dynamic (India) Private Limited [Unit: JIK Industries Limited], Unit No. 1, Luthra Industrial Premises, Andheri –Kurla Road, Safed Pool, Andheri (East), Mumbai- 400072. Tel. Nos. 022-2851 5606/5644 Fax No. 022- 2851 2885
5. Members are requested to notify changes, if any in their address to the M/s Sharex Dynamic (India) Private Limited, quoting their folio numbers/ DPID/Client ID etc.
6. Members/Proxies should bring the attendance slip duly filled in for attending the meeting.

EXPLANATORY STATEMENT PURSUANT TO THE PROVISIONS OF SECTION 173(2) OF THE COMPANIES ACT, 1956.**Item No. 4**

Mr. Manoj P. Thakkar was appointed as an Additional Director of the Company w.e.f. January 31, 2011 pursuant to Section 260 of the Companies Act, 1956. Mr. Thakkar holds office of Director up to the date of this Annual General Meeting. The Company has received notice in writing along with requisite deposit from a member proposing his candidature for the office of Director under the provision of Section 257 of the Companies Act, 1956.

Details of Mr. Thakkar in terms of the Listing Agreement are attached as an annexure to this notice. The Company has received the requisite form DD-A from Mr. Thakkar.

None of the Directors of the Company other than Mr. Thakkar himself are interested or concerned in the resolution.

The Board recommends the resolution set forth in item No. 4 for the approval of the members.

Item No. 5

Mr. Vijay P. Panikar was appointed as an Additional Director of the Company w.e.f. 18th August, 2011 pursuant to Section 260 of the Companies Act, 1956. Mr. Panikar holds office of Director up to the date of this Annual General Meeting. The Company has received notice in writing along with requisite deposit from a member proposing his candidature for the office of Director under the provision of Section 257 of the Companies Act, 1956.

Details of Mr. Panikar in terms of the Listing Agreement are attached as an annexure to this notice. The Company has received the requisite form DD-A from Mr. Panikar

None of the Directors of the Company other than Mr. Panikar himself are interested or concerned in the resolution.

The Board recommends the resolution set forth in item No. 5 for the approval of the members.

Item No. 6

At the Extra Ordinary General Meeting of the Company held on June 10, 2006, members had approved the appointment and terms of remuneration of Mr. Rajendra G. Parikh as the Managing Director of the Company for a period of five years from April 1, 2006.

On the recommendation of the Remuneration Committee, the Board of Director of the Company (the Board), at its meeting held on August 29, 2011, has reappointed Mr. Rajendra G. Parikh as a Managing Director (MD) of the Company for a period of five years from April 1, 2011, subject to the approval of the Members and Central Government, if necessary.

As the Promoter Director of the Company, he is responsible for advising and counseling management on corporate decisions, providing strategic guidance and oversight and supervises actively the day to day management and administration of the Company.

Mr. Rajendra G. Parikh is BA Hons., Diploma in Administrative and Management. He has eight years of experience in business before starting the Company as promoter and has over 21 years of experience in the industry and business operations of the Company. He holds 1,59,17,203 equity shares of the Company. Above shares includes 64,40,000 equity shares allotted on June 30, 2011. He is not a Director of other public Company.

The main terms and conditions of appointment of Mr. Rajendra G. Parikh are given below:

A. Tenure of Appointment:

The appointment of the Managing Director (MD) is for a period of 5 years with effect from April 1, 2011.

B. Nature of Duties:

The MD shall devote his time and attention to the business of the Company and carry out such duties as may be entrusted to him by the Board, and exercise such powers as may be assigned to him, control and directions of the Board in connection with the business of the Company and the business of any one or more of its associated companies and/or subsidiaries, including performing duties as assigned by the Board from time to time, by serving on Boards or in such capacity on associate companies/subsidiaries or any other executive body or a committee of such a company.

C. Remuneration:

- (a) Basic salary Rs. 5,00,000/- (Rupees Five Lakh Only) per month,
- (b) Commission based on performance criteria to be laid down by the Board;
- (c) Benefits, perquisites and allowances:

Perquisites:

- (i) Housing: Furnished accommodation if required. Reimbursement of expenses of accommodation and for the upkeep and maintenance thereof, if required.
- (ii) Medical Expenses: Reimbursement of expenses incurred in India for self and family at actual (including domiciliary medical and insurance premium for hospitalization policy, as applicable). However, any expenses incurred for medical needs outside India will require prior approval from the Board.
- (iii) Leave Travel Expenses: Leave Travel Expenses for self and family, subject to a ceiling of two month's basic salary for a year as per the Rules of the Company.
- (iv) Club Fees: Fees of two Clubs in India (including admission and membership fee) and any expenses actually incurred.
- (v) Life, Medical and Personal Accident Insurance Premium for self and family as per the Rules of the Company and any other payment of premium will be decided by the Board.
- (vi) Other Allowances/benefits/ perquisites: Any other allowances, benefits and perquisites as per the Rules applicable to the MD of the Company and/or which may become applicable in the future and/or any other allowance, perquisites as the Board may from time to time decide.
- (e) Minimum Remuneration:

In any financial year during the tenure of the MD, the Company has no profits or its profits are inadequate, the Company will pay remuneration by way of basic salary, benefits, perquisites and allowances, as specified above.

Registered Office:

Pada No. 3, Balkum,
Thane (West), Thane – 400608

Place: Mumbai

Date: 29th August, 2011

By order of the Board

Rajit Kesariya
Company Secretary

INFORMATION REGARDING DIRECTORS SEEKING APPOINTMENT/RE-APPOINTMENT IN THE NINETEENTH ANNUAL GENERAL MEETING

As required under Clause 49 of the Listing Agreement, the particulars of Director who is proposed to be appointed/re-appointed are given below:

Name of the Director	Surendra C. Gurav	Manoj P. Thakkar	Vijay P. Panikar
Date of Appointment/reappointment	31/01/2004	31/01/2011	18/08/2011
Qualification	Diploma - Instrumentation	B. A., LLB	BSc
Experience	20 years of experience in Business	Around 31 years of experience as an Advocate	30 years of experience in Hindustan Petroleum Corporation Ltd.
Directorships held in other public Companies	NIL	NIL	NIL
Chairmanship/Memberships of the committees of the Board of other public Companies	NIL	NIL	NIL
No. of shares held in the Company	NIL	66	15230

JIK INDUSTRIES LIMITED

Regd. Office: 3, Balkum, Thane (West)- 400608

Nineteenth Annual General Meeting – Friday, 4th November, 2011.

ADMISSION SLIP

(To be handed over at the entrance of the Meeting Hall)

I certify that I am Registered Shareholder / Proxy for the Registered Shareholder Folio No. _____ of the Company and hold _____ shares.

I hereby record my presence at the NINETEENTH ANNUAL GENERAL MEETING being held at Golden Swan Country Club, Off Pokhran Road No. 1, Yoor Hills, Thane (W) - 400 602 on Friday, 4th November, 2011 at 9.30 a.m.

Name of the Member/Proxy in Block Letters

Member's / Proxy's Signature

- Notes:
1. A member/ proxy wishing to attend the meeting must complete this Admission Slip and hand it over at the entrance.
 2. If you intend to appoint a proxy, please complete the proxy form below and deposit it at the Company's Registered Office at least 48 hours before the meeting.

JIK INDUSTRIES LIMITED

Regd. Office: 3, Balkum, Thane (West)- 400608

PROXY FORM

Nineteenth Annual General Meeting – Friday, 4th November, 2011.

I/We _____
Of _____ in the district
hereby appoint _____ of _____
in the district of _____ or failing him / her _____
of _____ in the district of _____
or failing him / her of _____ in the district of _____
as proxy to attend and vote for me on my behalf at the NINETEENTH ANNUAL GENERAL MEETING being held at Golden Swan Country Club, Off Pokhran Road No. 1, Yoor Hills, Thane (W) - 400 602 on Friday, 4th November, 2011 and at any adjournment thereof.

Affix
Revenue
Stamp
Rs. 1/-

Place: _____

Date: _____

Signature _____

This proxy form duly completed must be deposited at the Company's Registered Office at least 48 hours before the meeting.

Book-Post

If undelivered please return to :

JIK INDUSTRIES LIMITED

Administration Office :

1,2,3 Gundecha Chambers,

N. M. Road, Fort, Mumbai - 400 023.