



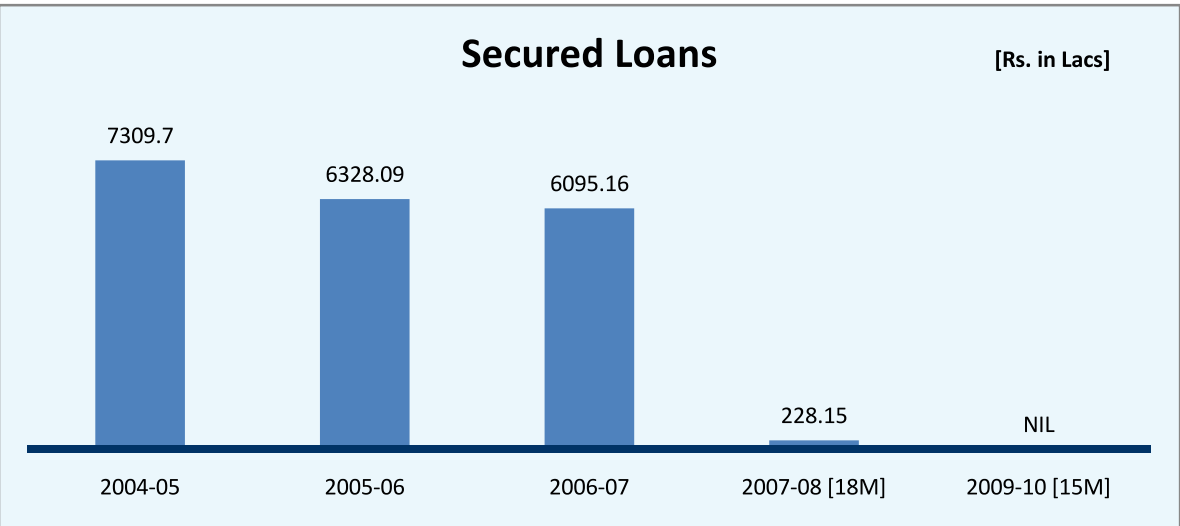
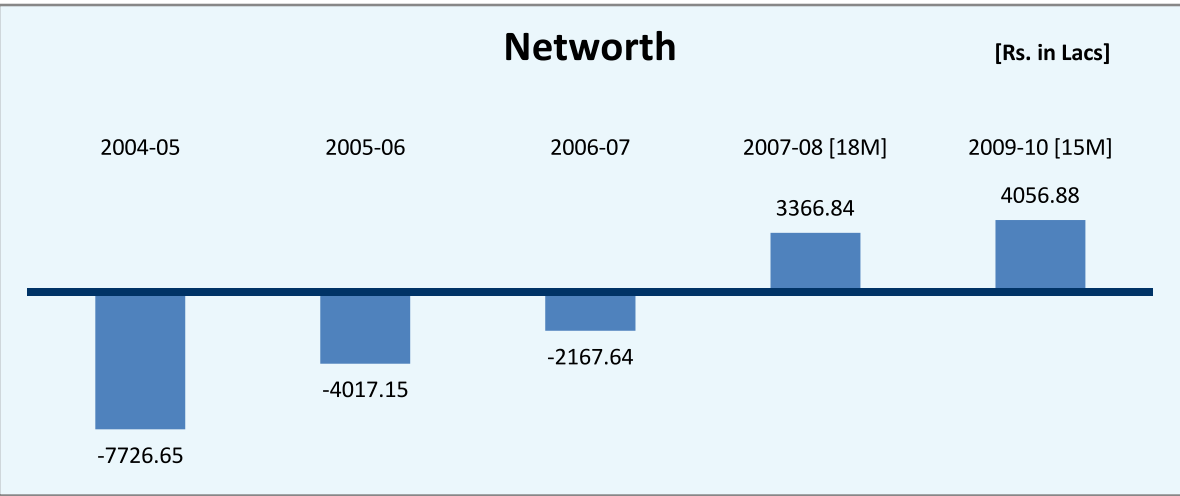
JIK Industries Limited



Lord Ganesha, Contemporary Design, Hand Cut, Cobalt Blue

"A Cut Above The Rest"

ANNUAL REPORT
2009 - 2010



CORPORATE INFORMATION

BOARD OF DIRECTORS

Rajendra G.Parikh	- Chairman & Managing Director
R.V. Iyer	- Special Director (BIFR) (upto May 12, 2009)
Niteen C. Gandhre	- Nominee Director (MA- BOI) (up to January 24, 2010)
Surendra C. Gurav	- Independent Director
Kartik K. Kotadia	- Independent Director
Ramesh H.Parihar	- Independent Director

COMPANY SECRETARY

Prakash B. Chavan

AUDITORS

M/s Motilal & Associates
Chartered Accountants,
Mumbai

REGISTERED OFFICE

Pada No. 3, Balkum, Thane - 400608
Phone: +91-22-2534 0063, 2542 6349

ADMINISTRATIVE OFFICE

1,2,3 , Gundecha Chambers,
N.M. Road, Fort,
Mumbai- 400023.
Phone: +91-22-2263 3313
Fax: +91-22-2267 6633
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
Fax: +91-22- 2851 2885
Email: sharexindia@vsnl.com

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CHAIRMAN'S COMMUNICATION

As you are aware, in 2004, two major accidents in quick succession rendered the Company in a difficult situation. Both the units, namely the chemical unit which was gutted in a major fire and had to be shut down and the crystal glassware unit whose furnaces and machinery were damaged due to wall collapse, were affected almost simultaneously. Since the Company's networth became negative, the money changing activities had to be discontinued as per RBI guidelines.

It was a continuous barrage of punches that the Company was taking from fate. But nothing develops character like handling loss. What was, is no more. Suddenly in limbo, we were lost between the past we knew and the future we didn't. Without a road map, in a strange situation, it was easy to get overwhelmed. We instead took it as a challenge not to give up but take the situation head-on, harnessing our reserves and fighting for the larger interest of our stakeholders. Suddenly we were left with only two options: either roll with the punches or get knocked out.

It reminds me of Canadian boxer George Chuvalo who, in 1966 fought Muhammad Ali in what became a marathon 15-round bout. Though Ali was awarded the victory, Chuvalo later claimed that he had really won the fight. How so? "Guess who went to the hospital after the fight with bruised kidneys," he remarked. "And guess who went dancing with his wife!"

'Resilience' is an oft misused word. So are words like team spirit, pressure handling, war footing etc. Most of these words find their place in some management journal written by people, few of whom may have had the field experience.

But I come back to 'resilience'; technical definition: the property of a material that enables it to resume its original shape after being bent, stretched or compressed; and in common parlance resilience means –the ability to recover from misfortune. I believe that meaning captures our journey in more ways than one. This word encapsulates and fleshes out all of the above management jargon. It also captures our Company's stride back upwards. The unfortunate mishaps that affected the Company have been well documented, and so have our restructuring efforts. So I won't delve on those aspects. But there is one particular aspect which can't be documented but should be - the human aspect. This aspect is best experienced, and worst understood by reading a piece of paper. But without that human aspect, without those individuals who demonstrated grit, loyalty and a 'neck-on-the-line-at-a-blink-of-an-eye' attitude, our Company would have never reached where we are today.

The reality is that 'resilience' doesn't happen automatically. For a company to recover even a little, it takes nightmarish efforts. Performing in the most trying times with our backs to the wall, it's more like hell and back. There are a lot of companies that survived a crisis and came back stronger and have been written about. Everybody documents a legal battle won, a new product line introduced, internal restructuring plans implemented etc. but where do these successes come from, who gives birth to these ideas and who walks on fire to implement them. That's the real story- the story of those people on the frontline who have put in continuous, constant and untiring efforts. Unexpected/additional contingencies/events which unfolded during the journey were faced and addressed head-on by a handful of untiring, selfless and resilient people. These are people who bounce back after a crisis. They refuse to be beaten, like George Chuvalo or like the kid who falls off his bike and climbs on again and again.

At the end of it all it's the hope and anticipation of great things to come that drives them all. Today, with buoyant sales and higher acceptability of our crystal, glass and allied products, zero secured loans on the books, positive net worth and a strong turnaround (it ceases to be a sick Company), this hope and anticipation is turning into a reality. Today these people stand vindicated.

Today I thank each of them:

All the employees - they are more family than employees now- I disagree with whoever said that blood is thicker.

All the lawyers and consultants who believed in us and fought the battle on the frontline with us shoulder to shoulder – I disagree with whoever said that lawyers are sharks.

All the stakeholders, especially those who have been with us through thick and thin. I disagree with whoever said that they are only fair weather friends.

All the government institutes, banks, forums, departments etc. who have supported us – my belief in Government of India has never been greater- I disagree with whoever said Corporate India is despite the Government.

But above all I thank God, I believe it is his mercy and his blessings that miraculously pulled us out of the darkest abyss and allowed us to see this bright day.

Rajendra G. Parikh

Chairman & Managing Director

DIRECTOR'S REPORT

Your Directors are pleased to present herewith Eighteenth Annual Report together with the Audited Statements of Accounts of the Company, for the Fifteen months period ended March 31, 2010. Your Directors have pleasure to report that your company ceases to be a sick industrial company, within the meaning of section 3(1) (o) of SICA, 1985 as per Order issued by Hon'ble BIFR during the period under review.

OPERATIONS

The performance of the Company during the reporting period has been satisfactory. The manufacturing & trading activities are showing positive signs of recovery after manifold challenges that were faced in the past. The Company operates in one segment i.e. crystal, glass and allied products. The Management foresees considerable growth opportunity in the manufacturing and marketing of high-end studio glassware which has high margin and good sales potential. Plans are afoot to explore the tapping of this segment by adopting world class technology and facilities. We are pleased to announce that during the year under report, the second showroom of the Company was opened in South Mumbai.

FINANCE

During the period under review, the last secured creditor was settled and the Company became totally debt free with respect to secured creditors. We are extremely happy to announce that the Company has returned to cash profitability due to several coordinated measures taken by the Management. The Company raised funds by allotting Equity Shares and Fully Convertible Bonds on preferential basis during the period as governed by Hon'ble BIFR orders.

PUBLIC DEPOSIT

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

DIRECTORS

Shri Kartik K. Kotadia, Director retires by rotation at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment.

Shri R. V. Iyer Special Director of Hon'ble BIFR ceased to be Special Director on the Board of the Company w.e.f. May 12, 2009.

The Monitoring Agency-BOI withdrew Nomination of Shri Niteen C. Gandhre from the Board of the Company since Hon'ble BIFR discharged BOI from the responsibility as Monitoring Agency w.e.f. January 25, 2010.

The Board of Directors place on record its appreciation for the valuable contribution and guidance of Shri R.V. Iyer and Shri Niteen C. Gandhre during their tenure.

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. M/s Motilal & Associates is holding a valid certificate issued by the "Peer Review Board" of ICAI and as such they have been recommended for re-appointment.

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.

The Notes on Accounts referred to in the Auditors' Report are self-explanatory and as such do not require any further comments.

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.

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.2009/C.R. (281/09) Ind-10 dated July 24, 2009 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, the Directors hereby confirm 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 March 31, 2010 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 March 31, 2010 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 as on March 31, 2010 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 compulsorily traded in dematerialized form.

As on March 31, 2010 a total of 1,94,01,885 equity shares of the Company, which form 67.50 % of the equity share capital, stand dematerialized.

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 March 31, 2009; June 30, 2009; September 30, 2009; December 31, 2009 and March 31, 2010 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 2010-11 has been paid to both the exchanges.

ACKNOWLEDGEMENT

Your Directors would like to express their appreciation for assistance and cooperation received from the Banks/FI, Bank of India (Monitoring Agency), Government Authorities, Hon'ble BIFR, Government of Maharashtra and Shareholders during the period under review. Your Directors also wish to place on record their appreciation for the contribution made by the employees at all levels.

For and on behalf of the Board

Place : Mumbai
Dated : June 18, 2010

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

	2009-2010 For 15 months	2007-2008 For 18 months
A. Power and fuel consumption		
1. Electricity :		
(a) Purchased		
Units (KWH)	24106	11950
Total Amount (Rs)	2,91,594	2,35,374
Rate per Unit (Avg)	4.60	3.68
(b) Own generation		
(i) Through diesel generator :		
Units (KWH)	2363	3684
Units per Ltr. Of Diesel oil	4.25	4.30
Cost per unit (Rs.)	9.31	9.51
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 a wide 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 not taken any Research & Development Activity.

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

C. FOREIGN EXCHANGE EARNINGS & OUTGOING:

Total Foreign Exchange used and Earned:

	2009-2010 For 15 months	(Rs. in Lakh) 2007-2008 For 18 months
i. Total foreign exchange used	0.09	0.73
ii. Total foreign exchange earned	Nil	Nil

MANAGEMENT DISCUSSIONS AND ANALYSIS

We submit herewith the Management Discussion and Analysis Report on the company's business for the Fifteen months period ended on March 31, 2010.

INDUSTRY STRUCTURE:

In the year 2009-2010 the spill over effect of the global turmoil felt in earlier year has started easing off. Still the entire global economic scenario does not inspire confidence and has made business more challenging in terms of precise forecast and planning, timely execution and driving down manufacturing costs.

COMPANY OVERVIEW:

JIK is in the business of manufacturing, outsourcing, marketing and trading of crystal, glass and allied products. Plans are on the drawing table to actively consider bringing in latest technology for the development of new designs which would differentiate the Company's product base and thereby increase margins.

OPPORTUNITIES AND THREATS:

We strongly feel that it's the right time to take advantage of the global business opportunities that are being presented. We are in a position of advantage due to the range of products and price competitiveness. Also our experience of exporting to these global markets will stand in good stead. Moreover, in the domestic market, there are not many brands to compete within this segment.

SEGMENT-WISE PRODUCT-WISE PERFORMANCE:

The Company operates in one segment i.e. crystal, glass and allied products.

OUTLOOK:

The Medium and long term Potential for the business of the Company appears optimistic. We have been vigilant to use these trying times to introspect, to focus and to strengthen our competitive advantage. We are pleased to announce that during the year under report, the second showroom of the Company was opened in South Mumbai. Your Company is exploring further plans to open such outlets and have pan - India presence. The Management is leaving no stone unturned in its efforts to take advantage of the emerging business opportunities and the outlook seems to be of cautious optimism for better performance in the current year as well as for the next year.

RISK MANAGEMENT:

Your Company operates in the domestic market and will also be in the overseas market again. It may have some exposure to foreign exchange risks. Apart from normal business associated risks, there exist major risks and concerns of volatility in global economies and increase in costs of inputs as applicable to the industry. Continuous process improvement and cost reduction through re-engineering of production process to counter these risks has been adopted across the organization. Due to procedural formalities with Government Authorities and other reasons there has been time over run for shifting the plant.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY:

The Company has adequate systems of internal controls covering all financial and operational activities. The company's internal control systems are commensurate with the nature of its business and the size and complexity of its operations. The internal controls are designed to provide reasonable assurance with regard to maintenance of proper accounting controls, protecting assets from unauthorized losses and ensuring reliability of financial and operational information and proper compliance with regulations.

HUMAN RESOURCES MANAGEMENT:

The Company has cordial and harmonious employee relations. Human resources are being recognized as one of the critical area to the success of the organization. There is close interaction between the Management and employees to facilitate smooth functioning of all the organizational activities.

CAUTION STATEMENT:

Statements in this report on Management Discussion and Analysis describing the Company's objectives, projections, estimates, expectations may be "forward-looking statements" within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed or implied depending upon economic conditions, government policies and other incidental factors and developments.

The Company assumes no responsibility in respect of the forward-looking statements herein, which may undergo changes in future on the basis of subsequent development, government policies etc.

CORPORATE GOVERNANCE REPORT

(In pursuance of Clause 49 of the Listing Agreement)

1. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

The Company has been practicing the principles of good corporate governance and is committed to corporate transparency and lays emphasis on business ethics and accountability in all its dealings. The Company's philosophy on Corporate Governance envisages an attainment of transparency, accountability and equity in all facets of its operations.

2. BOARD OF DIRECTORS

2.1 Composition

The Board of Directors comprises of One Chairman & Managing Director; One Special Director of Hon'ble BIFR (upto May12, 2009); One Nominee Director of Bank of India (Monitoring Agency) (upto January 24, 2010) and Three Non- Executive Directors-Independent.

The present strength of the Board of Directors of the Company is four which includes One Chairman & Managing Director and Three Non-Executive Independent Directors. The Company did not have any pecuniary relationship or transaction with Non- Executive Directors.

2.2.1 Board Meetings and attendance:

Sixteen Board Meetings were held during Fifteen months period ended March 31, 2010 and the gap between two Board meetings did not exceed four months. The date on which the meetings were held are as follows:

Serial No.	Date of Meeting	Board Strength	No. of Directors Present
1	January 28, 2009	6	5
2	February 24, 2009	6	5
3	March 26, 2009	6	5
4	April 29, 2009	6	4
5	May 15, 2009	5	4
6	July 31, 2009	5	4
7	August 08, 2009	5	4
8	August 22, 2009	5	3
9	October 03, 2009	5	3
10	October 09, 2009	5	3
11	October 31, 2009	5	3
12	December 30, 2009	5	5
13	January 14, 2010	5	4
14	January 30, 2010	4	3
15	February 14, 2010	4	3
16	March 26, 2010	4	3

2.2.2 Directors' attendance record at Board Meetings and their other Directorships and Committee Memberships are as follows:

Name	Category	No. of Board Meeting held during the period when the Director was on the Board	Number of Board Meeting attended	Attendance at the last AGM	No. of Other Directorship #	No. of Membership of Board Committee	No. of Board Committee for which Chairman
Shri Rajendra.G. Parikh	Promoter, CMD	16	16	Yes	3	3	1
Shri Surendra C. Gurav	NED-I	16	16	Yes	3	3	2
Shri Ramesh H. Parihar	NED-I	16	2	No	Nil	2	---
Shri Kartik K. Kotadia	NED-I	16	12	Yes	3	3	---
Shri R.V. Iyer*	SD	4	3	No	3	1	--
Shri Niteen C. Gandhre**	ND	13	12	No	Nil	-	----

NED- I : Non Executive Director - Independent

Directorships in Private Companies are not included.

* Shri R.V. Iyer ceased to be Special Director (SD) w.e.f. May 12, 2009 vide BIFR Notice dated May 12, 2009.

**Shri Niteen C. Gandhre's appointment as Nominee Director (ND) was withdrawn by Monitoring Agency, Bank of India w.e.f. January 25, 2010.

3. AUDIT COMMITTEES:

• 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.

• Composition of the Audit Committee and attendance of members

During the period under report, Shri R.V. Iyer ceased to be Special Director and a member of Audit Committee w.e.f. May 12, 2009 vide BIFR Notice dated May 12, 2009. Hence the Audit Committee was re-constituted on July 31, 2009.

With effect from July 31, 2009, the re-constituted Audit Committee consisted of Shri Surendra C. Gurav NED-I as Chairman of the Audit Committee, Shri Kartik K. Kotadia NED-I and Shri Rajendra G. Parikh Chairman & Managing Director as Members.

The Chairman of the Audit Committee was present at the last Annual General Meeting.

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

The Audit Committee met five times during the Fifteen months period ended March 31, 2010 and the gap between two meetings did not exceed Four months.

Sr. No.	Date of Meeting	Committee Strength	No. of Members Present
1	March 26, 2009	4	4
2	April 29, 2009	4	2
3	July 31, 2009	3	2
4	October 31, 2009	3	2
5	January 30, 2010	3	3

The attendance of the Members is as under:-

Sr. No.	Name of Members	Position	No. of Meeting held during 15 months period	No. of Meeting attended
1	Shri Surendra C. Gurav	Chairman	5	5
2	Shri Ramesh H. Parihar Up to July 31, 2009	Member	3	2
3	Shri Kartik Kotadia	Member	5	3
4	Shri R.V. Iyer *	Member	2	1
5	Shri Rajendra G. Parikh w.e.f October 31, 2009	Member	2	2

* Shri R.V. Iyer ceased to be Special Director w.e.f. May 12, 2009 vide BIFR Notice dated May 12, 2009.

4. SUBSIDIARY COMPANIES:

The majority of the Directors of holding company are on the Board of All Three Subsidiaries.

The Audit Committee of the holding company also reviews the financial statements of the subsidiary companies.

All significant and material transactions and arrangements entered into by the subsidiary are periodically brought to the attention of Board of Directors of the listed holding Company.

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/11 of

Schedule N - Notes to Accounts of the Annual Report for the Fifteen months period ended March 31, 2010.

During the period, there were no transactions of material nature of the Company with the promoter, 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

Your Company follows strict procedure for assessment of and its risk minimization which is periodically reviewed by the Board of Directors.

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

Preferential Issues during the period are governed by orders of Hon'ble BIFR.

E. Remuneration of Directors:

Shri Rajendra G. Parikh (CMD) has voluntarily waived remuneration payable to him as Managing Director vide letter dated June 15, 2006. The Board of Directors at its meeting held on December 30, 2009 considered the letter dated December 16, 2009 received from Shri Rajendra G. Parikh for withdrawal of his letter dated June 15, 2006. w.e.f. January 01, 2010. Shri Rajendra G. Parikh (CMD) has agreed to draw Rs.1,00,000/- as consolidated salary per month up to March 31, 2010 and thereafter as per the Agreement dated January 30, 2006 for the Balance period of his appointment.

Name of Director	Amount [Rs.]		
	Sitting Fees	Remuneration	Total
Shri Rajendra G. Parikh Chairman & MD	--	3,00,000	3,00,000
Shri R.V. Iyer Special Director	40,000	--	40,000

The Non- Executive Directors - Independent 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 Director's 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 in to 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 all the details of the Director seeking reappointment in the AGM Notice attached with the Annual Report.
- Quarterly results are put on the website and also sent in the prescribed format as to enable BSE / NSE to display it on their websites.

H. Shareholders'/Investors' Grievance Committee:

• Brief description of terms of reference

This Committee has been formed with a view to undertake the following, Looking into redressal of shareholder's and investor's complaints.

To approve transfer, transmission, sub-division and issue of duplicate/re-materialization, split/consolidation/ replacement of shares certificates & bonds.

Shri Prakash B. Chavan is the Compliance Officer nominated for this purpose under Clause 47(a) of the Listing Agreement.

• **Composition of Shareholders'/Investors' Grievance Committee and attendance of members**

The Chairman of the Committee is a Non-Executive Director - Independent. The committee was re-constituted on July 31, 2009. The composition of the Committee and their attendance at the Committee meetings held during the Fifteen months period ended March 31, 2010 are as under

Sr. No.	Name of Members	Position	No. of Meeting held during relevant period	No. of Meeting attended
1	Shri Surendra C. Gurav	Chairman	28	28
2	Shri Rajendra G. Parikh	Member	16	16
3	Shri Ramesh H. Parihar	Member	12	5
	Upto July 30, 2009			
4	Shri Kartik Kotadia	Member	28	28

I. Asset Sale Committee

• **Brief description of terms of reference**

The Board of Directors of the Company has constituted the Asset Sale Committee. The terms of reference of the Asset Sale Committee inter alia consist of dealing with matter relating to sale of assets which is no more useful to the Company.

• **Composition of Asset Sale Committee**

The Chairman of the Committee was Special Director of Hon'ble BIFR, and the other members were a Nominee Director of MA (Monitoring Agency-BOI) and Chairman & Managing Director of the Company. Shri R.V. Iyer Special Director ceased to be Special Director and member of the Committee w.e.f May 12, 2009. The Monitoring Agency-BOI has withdrawn Nomination from the Board of the Company since Hon'ble BIFR discharged BOI from the responsibility as Monitoring Agency w.e.f. January 25, 2010. As such the only remaining member is Chairman and Managing Director of the Company and hence the Asset Sale Committee stands dissolved.

The Board of Directors completed the sale of unutilized spares assets of Chemical Waste Recycling plant destroyed in the major fire located at Village - Vijaygad, (Dongaste) Taluka -Wada as per the terms and conditions of sale decided by the Assets Sale Committee at its meeting.

J. 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. Shri Surendra C. Gurav and Shri Kartik K. Kotadia and Chairman of the Committee is Shri R.G. Parikh, Chairman and Managing Director of the Company. The Committee did not meet during the 15 months period ended March 31, 2010.

6. CEO/CFO CERTIFICATION:

The CEO has certified to the Board with regard to the financial statements 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 to the Directors' Report.

- 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.
- 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.
- 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.
- 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 Assets Sale Committee and the Management Committee. The Assets Sale Committee was dissolved during the period under reference but the Management Committee continues.

8. INFORMATION ON GENERAL MEETINGS

8.1 Annual General Meeting

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

Financial Year	Venue	Date	Time	Special Resolution Passed
2007-08 (July 01, 2007 to December 31, 2008)	Pada No. 3, Balkum, Thane (west) - 400 608	June 23, 2009	9.30 a.m.	Yes
2006-07	Pada No. 3, Balkum, Thane (west) - 400 608	November 10, 2007	9.30 a.m.	None
2005-06	Pada No. 3, Balkum, Thane (west) - 400 608	December 11, 2006	9.30 a.m.	Yes

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 Three Extra Ordinary General Meeting of the Company were held as under:

Date / Time	Venue	Whether any special resolution passed
June 10, 2006 9.30 a.m.	Pada No. 3, Balkum, Thane (West), Pin code - 400 608	Yes
November 18, 2004 9.30 a.m.	"Conference Hall", Oriten Service Apartment, Chandivail Studio Road, D.P. Road No. 2, Andheri (East), Mumbai - 400 072	Yes
June 10, 2004 9.30 a.m.	" Cultural Hall", Y.B. Chavan Centre, General J. Bhosale Marg, Sachivalaya Gymkhana, Nariman Point, Mumbai - 400 021	Yes

8.3 Postal ballot

During the Fifteen months period ended March 31, 2010, no resolution was put through postal ballot nor any resolution is 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 fifteen months period ended March 31, 2010. The Code of Conduct of the Company has been posted on the website at <http://www.jik.co.in> for general viewing.

10. MEANS OF COMMUNICATION:

- Quarterly /half yearly/yearly results are normally published in Free Press Journal [Mumbai edition - English] and Navshakti [Mumbai edition - Marathi]. The audited annual accounts are posted to every member 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.
- 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, August 06, 2010, at 9.30 a.m.
Venue: Pada No. 3, Balkum, Thane - 400 608

11.2 Financial calendar

Financial Year: April 01, 2010 to March 31, 2011
Results: Quarter 01 Results - on or before August 15, 2010
Quarter 02 Results - on or before November 15, 2010
Quarter 03 Results - on or before February 15, 2011
Audited Annual Results - on or before May 30, 2011

11.3 Book closure date

The Book Closure is from Monday, August 02, 2010 to Friday, August 06, 2010 (Both days inclusive).

11.4 Listing on stock exchange

Name & address of the Stock Exchanges:

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 2010-11 to the above Stock Exchanges.

11.5 Stock code

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

11.6 Market price data

High/Low during each month of the Fifteen months period ended March 31, 2010, on BSE and NSE.

Month	JIK share price data [BSE]		BSE Sensex		JIK share price data [NSE]		NSE Nifty	
	High (Rs.)	Low (Rs.)	High	Low	High (Rs.)	Low (Rs.)	High	Low
2009 Jan	13.15	8.20	10469.72	8631.60	13.70	9.00	3147.20	2661.65
Feb	11.94	8.51	9724.87	8619.22	10.85	7.65	2969.75	2677.55
Mar	11.35	6.41	10127.09	8047.17	9.95	6.65	3123.35	2539.45
Apr	10.68	8.83	11492.10	9546.29	10.20	8.65	3517.25	2965.70
May	10.85	8.75	14930.54	11621.30	10.85	8.80	4509.40	3478.70
Jun	12.50	9.41	15600.30	14016.95	11.90	9.40	4693.20	4143.25
Jul	10.23	7.87	15732.81	13219.99	10.80	8.05	4669.75	3918.75
Aug	10.55	8.72	16002.46	14684.45	11.30	8.70	4743.75	4353.45
Sep	26.30	9.45	17142.52	15356.72	27.30	9.85	5087.60	4576.60
Oct	25.85	18.45	17493.17	15805.20	25.75	18.85	5181.95	4687.50
Nov	22.10	17.50	17290.48	15330.56	22.00	17.30	5138.00	4538.50
Dec	19.60	17.50	17530.94	16577.78	20.10	17.55	5221.85	4943.95
2010 Jan	21.65	17.50	17790.33	15982.08	22.50	18.15	5310.85	4766.00
Feb	22.40	15.60	16669.25	15651.99	21.90	15.50	4992.00	4675.40
Mar	18.35	13.95	17793.01	16438.45	17.75	14.00	5329.55	4935.35

* BSE closing Market Price as at March 31, 2010 Rs. 15.20

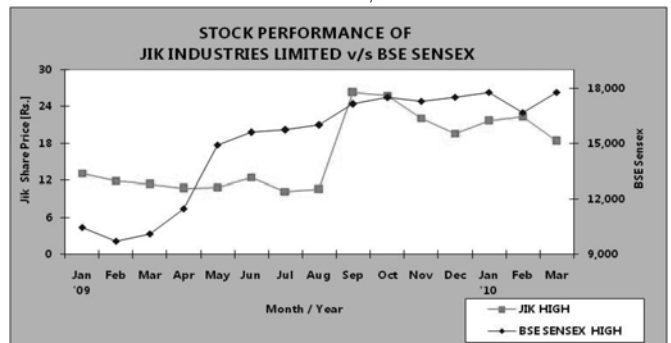
* NSE closing Market Price as at March 31, 2010 Rs. 14.45

11.7 Share Price History

Volume of Share Traded

Year	Source: BSE		2009-10		
	High	Low	Month	BSE	NSE
1995	63.00	30.00	2009 Jan	55,694	28,514
1996	107.75	45.00	Feb	43,477	14,522
1997	180.00	101.25	Mar	1,15,705	21,956
1998	230.00	150.00	Apr	24,521	4,890
1999	320.00	223.00	May	77,819	13,046
2000 November (F. V. Rs. 10/-)	412.00	-	Jun	1,31,931	26,302
2000 December (F. V. Rs. 1/-)	-	35.00	Jul	85,258	33,518
2001 (Face Value Re. 1/-)	41.80	29.70	Aug	66,561	32,209
2002	44.95	21.30	Sep	5,24,307	4,02,446
2003	37.60	12.34	Oct	1,25,155	52,828
2004	14.99	1.80	Nov	70,584	10,521
2005	5.16	1.98	Dec	88,142	22,816
2006	3.06	0.90	2010 Jan	2,81,357	1,62,643
2007 January (F. V. Rs. 1/-)	-	1.22	Feb	1,37,634	94,426
2007 March (F. V. Rs. 10/-)	20.95	-	Mar	1,82,708	1,47,226
2008	19.60	2.79			
2009	26.30	6.41			

- Note: i. Face value of the Equity Share of the company was Rs. 10/- up to November 28, 2000. As on Record Date November 29, 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 February 14, 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 Order Equity paid up share capital of the Company Reduced in the ratio 10:1 as on Record Date October 10, 2008.



11.8 Distribution of shareholding as on March 31, 2010

No. of Shares	No. of Shareholders	% of Shareholders	Total No. of Shares Held	% of Shareholding
Up to 100	11928	80.30	389655	1.35
101 to 200	1325	8.92	201644	0.70
201 to 500	870	5.86	297234	1.03
501 to 1000	320	2.15	245758	0.85
1,001 to 5,000	312	2.10	678311	2.37
5,001 to 10,000	38	0.25	276537	0.96
10001 to 1,00,000	44	0.30	1207607	4.21
1,00,001 & above	19	0.12	25443302	88.53
Total	14856	100.00	28740051	100.00

11.9 Categories of shareholders as on March 31, 2010

Sr. No	Holding Pattern	No. of Shares	Percentage
1	Promoters & Associates	9259797	32.22
2	Financial Institutions / Banks / Insurance / Mutual Funds	858479	2.99
3	FII	49241	0.17
4	NRI/OCB	129889	0.45
5	Private Corporate Bodies	15535663	54.06
6	Indian Public	3723982	10.11
	Total	28740051	100.00

11.10 Pledge of Shares of Promoters & Promoter Group as on March 31, 2010

Sr. No	Holding Pattern	No. of Shares	Percentage
1	Promoters & Promoter Group	32,385	0.11

12. Details of complaints / queries received and redressed during January 01, 2009 to March 31, 2010

Number of shareholders complaints / queries received	--	21
Number of shareholders complaints / queries redressed	--	21
Number of shareholders complaints / queries pending	--	NIL

12.1 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

12.2 Share Transfer System

ALL VALID SHARE TRANSFER ARE REGISTERED AND DULY TRANSFERRED SHARE CERTIFICATES ARE DESPATCHED WITHIN THE PERIOD PRESCRIBED UNDER THE LISTING AGREEMENT.

12.3 Dematerialization of Shares

The Shares of the Company have been admitted in electronic 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 compulsorily traded in dematerialized form.

As on March 31, 2010 a total of 1,94,01,885 equity shares forming 67.50 % of the total paid up equity share capital of the Company is in dematerialized form.

12.4 Outstanding GDR/ADR or any Convertible Instrument:

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 any time within a period of eighteen months from the date of allotment

12.5 Location of manufacturing plant

Pada No. 3, Balkum, Thane - 400 608

12.6 Address for Investors' correspondence:

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:

Shri Prakash B. Chavan
Compliance Officer
JIK Industries Limited
1, 2 & 3, Gundecha Chambers,
Nagindas Master Road,
Fort, Mumbai-400023.

For and on behalf of the Board

Place : Mumbai
Dated : June 18, 2010

Rajendra G. Parikh
Chairman & Managing Director

Declaration of CEO

I, Rajendra G. Parikh, Chairman & Managing Director of JIK Industries Limited, hereby declare that all Board Members and Senior Management have affirmed for fifteen months period ended March 31, 2010 compliance with the Code conduct of the Company laid down for them.

Place : Mumbai
Dated : June 18, 2010

Rajendra 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 fifteen months period ended March 31, 2010 and that to the best of my 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 fifteen months period ended March 31, 2010 are fraudulent, illegal or violative of 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 period 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
Dated : June 18, 2010

Rajendra 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 of India, for the period ended March 31, 2010.

The compliance of conditions and 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 Agreement.

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

Place : Mumbai
Dated : June 18, 2010

M.L.JAIN
Proprietor
Membership No 36811

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 March 31, 2010, 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, 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. 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 March 31, 2010;
 - 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.
 - f. On the basis of written representations received from the directors, as on March 31, 2010 and taken on record by the Board of Directors, we report that none of the directors are disqualified as on March 31, 2010, from being appointed as a director in terms of section 274 (1) (g) of the Companies Act, 1956.

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

Place : Mumbai
Dated : June 18, 2010

M.L.JAIN
Proprietor
Membership No. 36811

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) The Company has not given any loans, secured or unsecured, to companies, firms and other parties covered in the register maintained u/s. 301 of the Companies Act, 1956. Accordingly, Clause iii (b), (c), & (d) of the said order were not applicable.
- The Company has not taken any loans, secured or unsecured, from companies, firms and other parties covered in the register maintained u/s. 301 of the Companies Act, 1956. Accordingly, Clause iii (f), & (g) of the said order were not applicable.
- iv) In our opinion and according to the information and explanations given to us, there are adequate internal control procedures 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 Companies Act, 1956.
- 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 March 31, 2010, for the period of more than six months;

Name of the statute	Nature of the dues	Period to which Amount relates	Amount (In Rs.)
Income Tax Act.	Interest u/s 201(1A)	2000-01	3,178
Sales Tax Act.	Sales Tax	2000-01	10,460
Sales Tax Act.	Sales Tax	2001-02	17,291
Sales Tax Act.	Sales Tax	2002-03	259,286
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
Income Tax Act.	T.D.S. dues	2002-03	46,757
Income Tax Act.	T.D.S. dues	2003-04	60,714

(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.

- The Company does not have accumulated losses as on March 31, 2010 and the Company has not incurred cash losses during the financial period but it had incurred cash losses in the immediately preceding financial year.
- 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) of the Companies (Audit Report) order, 2003 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 provision of clause 4(xiv) of the Companies (Audit Report) order, 2003 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 we have no comments to offer in respect of clause 4(xix) of the Companies (Audit Report) order, 2003.
- 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
Dated : June 18, 2010

M.L.JAIN
Proprietor
Membership No. 36811

BALANCE SHEET AS AT MARCH 31, 2010

SCHEDULE	AS AT MARCH 31,2010 (RUPEES)	AS AT DECEMBER 31,2008 (RUPEES)
SOURCES OF FUNDS		
A.SHAREHOLDERS' FUNDS:		
SHARE CAPITAL	A 287,400,510.00	242,844,950.00
SHARE APPLICATION MONEY	0.00	4,639,528.00
RESERVES & SURPLUS	B 118,287,229.86	765,996,916.18
	405,687,739.86	1,013,481,394.18
B.LOAN FUNDS:		
SECURED	C 0.00	22,815,000.00
UNSECURED	D 193,223,582.00	8,160,582.00
	193,223,582.00	30,975,582.00
TOTAL	598,911,321.86	1,044,456,976.18
APPLICATION OF FUNDS:		
A.FIXED ASSETS:		
GROSS BLOCK	E 258,989,544.97	197,901,683.99
LESS:DEPRECIATION	133,282,346.67	127,413,050.67
NET BLOCK	125,707,198.30	70,488,633.32
B.INVESTMENTS		
	F 240,324,000.00	194,349,000.00
C.CURRENT ASSETS,LOANS & ADVANCES:		
INVENTORIES	G 10,210,243.87	4,890,557.57
RECEIVABLES	H 112,838,951.70	222,761.86
LOANS & ADVANCES	I 57,313,489.00	54,974,493.55
CASH & BANK BALANCES	J 1,054,797.05	400,380.62
	181,417,481.62	60,488,193.60
LESS:CURRENT LIABILITIES & PROVISIONS	K 5,442,376.06	15,113,295.03
NET CURRENT ASSETS	175,975,105.56	45,374,898.57
D.DEFERRED TAX ASSETS		
(REFER NOTE 5.a & b OF SCHEDULE "N" OF NOTES TO ACCOUNTS)	56,905,018.00	57,447,150.00
PROFIT & LOSS ACCOUNT	0.00	676,797,294.29
TOTAL	598,911,321.86	1,044,456,976.18
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
DIRECTOR

P.B.CHAVAN
COMPANY SECRETARY

Place: Mumbai
Dated: June 18, 2010

Place: Mumbai
Dated: June 18, 2010

PROFIT & LOSS ACCOUNT FOR THE PERIOD ENDED ON MARCH 31, 2010

	SCHEDULE	CURRENT PERIOD (RUPEES)	PREVIOUS PERIOD (RUPEES)
INCOME:			
SALES		204,304,788.78	5,474,236.50
OTHER INCOME		4,687,461.50	0.00
	TOTAL INCOME	<u>208,992,250.28</u>	<u>5,474,236.50</u>
EXPENDITURE:			
RAW MATERIAL CONSUMED/PURCHASES		201,351,644.81	5,439,763.38
(INCREASE)/DECREASE IN STOCK-IN-TRADE	L	(5,955,280.49)	(864,172.57)
MANUFACTURING, OPERATING AND OTHER EXPENSES	M	12,810,930.99	18,276,461.82
INTEREST AND FINANCE CHARGES (NET)		592,641.68	3,895,733.46
DEPRECIATION		5,869,296.00	8,958,784.00
	TOTAL EXPENSES	<u>214,669,232.99</u>	<u>35,706,570.09</u>
PROFIT/(LOSS) BEFORE TAX AND EXTRA ORDINARY ITEMS		(5,676,982.71)	(30,232,333.59)
PROVISION FOR TAXATION - CURRENT TAX		0.00	0.00
- DEFERRED TAX		542,132.00	21,063,901.00
- FRINGE BENEFIT TAX		7,765.00	42,244.00
PROFIT/(LOSS) BEFORE EXTRA ORDINARY ITEMS		(6,226,879.71)	(51,338,478.59)
EXTRA ORDINARY ITEMS		35,245,547.68	313,542,582.65
PROFIT/(LOSS) FOR THE PERIOD		29,018,667.97	262,204,104.06
ADD:- BALANCE B/F FROM LAST YEAR		(676,797,294.29)	(1,212,994,758.35)
- REDUCTION IN EQUITY CAPITAL		0.00	273,993,360.00
- DEDUCTED FROM RESERVES & SURPLUS		647,778,626.32	0.00
DEFICIT CARRIED TO BALANCE SHEET		<u>0.00</u>	<u>676,797,294.29</u>
EARNING PER SHARE (BASIC) - EQUITY		(0.23)	(13.59)
EARNING PER SHARE (BASIC) - 'A' EQUITY SHARES (REFER NOTE 12 OF SCHEDULE "N" OF NOTES TO ACCOUNTS) (FACE VALUE RS.10/-)		(0.31)	0.00
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

PB.CHAVAN
COMPANY SECRETARY

Place: Mumbai
Dated: June 18, 2010

Place: Mumbai
Dated: June 18, 2010

SCHEDULES A TO N ANNEXED TO AND FORMING PART OF BALANCE SHEET AND PROFIT & LOSS ACCOUNT FOR THE PERIOD ENDED MARCH 31, 2010.

	CURRENT PERIOD (RUPEES)	PREVIOUS PERIOD (RUPEES)
SCHEDULE-A		
SHARE CAPITAL:		
AUTHORISED:		
147,000,000 EQUITY SHARES OF RS.10/- EACH (PREVIOUS PERIOD 150,000,000 EQUITY SHARES OF RS.10/- EACH)	1,470,000,000.00	1,500,000,000.00
10,000,000 'A' ORDINARY EQUITY SHARES OF RS. 10/- EACH FULLY PAID UP (PREVIOUS PERIOD NIL)	100,000,000.00	0.00
700,000 PREFERENCE SHARES OF RS.100/- EACH (PREVIOUS PERIOD 700,000 PREFERENCE SHARES OF RS. 100/- EACH) (REFER NOTE 4.a OF SCHEDULE "N" OF NOTES TO ACCOUNTS)	0.00	70,000,000.00
	1,570,000,000.00	1,570,000,000.00
ISSUED, SUBSCRIBED & PAID-UP:		
28,734,945 EQUITY SHARES OF RS.10/- EACH FULLY PAID UP (PREVIOUS PERIOD 24,284,495 EQUITY SHARES OF RS.10/- EACH) (REFER NOTE 4.b & c OF SCHEDULE "N" OF NOTES TO ACCOUNTS)	287,349,450.00	242,844,950.00
5106 'A' ORDINARY EQUITY SHARES OF RS 10/- EACH FULLY PAID UP	51,060.00	0.00
	287,400,510.00	242,844,950.00

SCHEDULE-B
RESERVES & SURPLUS:

	BALANCE AS AT 31-12-2008	ADDITIONS	DEDUCTIONS	BALANCE AS AT 31-03-2010
1.CAPITAL RESERVE	4,980,910.00	0.00	4,980,910.00	0.00
2.CAPITAL REDEMPTION RESERVE	128,456,000.00	0.00	128,456,000.00	0.00
3.SHARES/SECURITIES PREMIUM	620,616,147.18	68,940.00	513,903,716.32	106,781,370.86
4.SHARE FORFEITURE	438,000.00	0.00	438,000.00	0.00
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
TOTAL	765,996,916.18	68,940.00	647,778,626.32	118,287,229.86

SCHEDULE-C
SECURED LOANS:

RUPEE TERM LOANS FROM INSTITUTIONS	0.00	22,815,000.00
TOTAL	0.00	22,815,000.00

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. Nil)	2,048,300.00	2,048,300.00
2)SALES TAX DEFERMENT LOAN (REPAYABLE WITHIN A YEAR RS. 4,00,000/-) (PREVIOUS PERIOD RS. Nil)	3,175,282.00	3,175,282.00
OTHERS	188,000,000.00	2,937,000.00
TOTAL	193,223,582.00	8,160,582.00

SCHEDULE - E
FIXED ASSETS

PARTICULARS	GROSS BLOCK				DEPRECIATION			NET BLOCK	
	BAL ON 31-12-2008 (RUPEES)	ADDITIONS/ ADJUSTMENTS (RUPEES)	DEDUCTION ADJUSTMENTS (RUPEES)	TOTAL ON 31-03-2010 (RUPEES)	UPTO 31-12-2008 (RUPEES)	FOR THE PERIOD (RUPEES)	UPTO 31-03-2010 (RUPEES)	AS AT 31-03-2010 (RUPEES)	AS AT 31-12-2008 (RUPEES)
LAND & SITE DEVELOPMENT	7,239,321.13	0.00	1,034,455.32	6,204,865.81	5,576,615.81	0.00	5,576,615.81	628,250.00	1,662,705.32
FACTORY BUILDING	16,079,088.46	0.00	0.00	16,079,088.46	16,079,088.46	0.00	16,079,088.46	0.00	0.00
PLANT & MACHINERY	116,114,577.28	2,443,440.00	0.00	118,558,017.28	74,100,730.28	3,934,891.00	78,035,621.28	40,522,396.00	42,013,847.00
LABORATORY EQUIPMENT	381,847.10	0.00	0.00	381,847.10	204,819.10	21,178.00	225,997.10	155,850.00	177,028.00
MOULDS	8,383,621.32	0.00	0.00	8,383,621.32	8,310,534.32	47,038.00	8,357,572.32	26,049.00	73,087.00
ELECTRICAL INSTALLATIONS	11,546,886.11	50,905.17	0.00	11,597,791.28	5,687,435.11	684,277.00	6,371,712.11	5,226,079.17	5,859,451.00
AIR CONDITIONER	635,911.86	0.00	0.00	635,911.86	303,252.86	37,656.00	340,908.86	295,003.00	332,659.00
COMPUTER	7,360,666.76	60,520.00	0.00	7,421,186.76	7,265,757.76	25,393.00	7,291,150.76	130,036.00	94,909.00
OFFICE EQUIPMENT	1,291,101.47	49,587.00	0.00	1,340,688.47	626,157.47	75,874.00	702,031.47	638,657.00	664,944.00
VEHICLE	2,049,843.07	0.00	0.00	2,049,843.07	2,049,843.07	0.00	2,049,843.07	0.00	0.00
FURNITURE & FIXTURES	13,168,819.43	547,801.66	0.00	13,716,621.09	7,208,816.43	1,042,989.00	8,251,805.43	5,464,815.66	5,960,003.00
CAPITAL WORK IN PROGRESS	13,650,000.00	58,970,062.47	0.00	72,620,062.47	0.00	0.00	0.00	72,620,062.47	13,650,000.00
TOTAL	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
PREVIOUS YEAR	197,775,488.99	126,195.00	0.00	197,901,683.99	118,454,266.67	8,958,784.00	127,413,050.67	70,488,633.32	79,321,222.32

SCHEDULE-F

INVESTMENTS:	FACE VALUE	NOS. 31-03-2010	VALUE 31-03-2010	NOS. 31-12-2008	VALUE 31-12-2008
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	2400	6,000,000.00
GLASSWORKS TRADING PVT LTD	10	100000	1,000,000.00	0	0.00
I.A. & I.C.PVT.LTD.	10	855000	213,750,000.00	753200	188,300,000.00
TOTAL			240,324,000.00		194,349,000.00

CURRENT PERIOD **PREVIOUS PERIOD**
(RUPEES) **(RUPEES)**

SCHEDULE-G
INVENTORIES:

(AS TAKEN, VALUED AND CERTIFIED BY THE MANAGEMENT)

1. RAW MATERIALS		2,020,815.25	2,666,274.00
2. WORK-IN-PROCESS		144,792.00	125,357.00
3. FINISHED GOODS		7,727,154.06	1,791,308.57
4. STORES, SPARES & CONSUMABLES		317,482.56	307,618.00
TOTAL		10,210,243.87	4,890,557.57

SCHEDULE-H
RECEIVABLES:

(UNSECURED)

OUTSTANDING FOR MORE THAN SIX MONTHS		0.00	0.00
OTHERS		112,655,846.70	39,656.86
(UNSECURED, CONSIDERED DOUBTFUL)			
OUTSTANDING FOR MORE THAN SIX MONTHS		183,105.00	183,105.00
OTHERS		0.00	0.00
TOTAL		112,838,951.70	222,761.86

SCHEDULE-I
LOANS & ADVANCES:

(UNSECURED, UNLESS OTHERWISE STATED)

1. ADVANCES RECOVERABLE IN CASH OR IN KIND OR FOR VALUE TO BE RECEIVED		57,172,436.00	54,364,790.55
2. DEPOSITS		141,053.00	609,703.00
TOTAL		57,313,489.00	54,974,493.55

	CURRENT PERIOD (RUPEES)	PREVIOUS PERIOD (RUPEES)
SCHEDULE-J		
CASH & BANK BALANCES:		
CASH IN HAND (CERTIFIED BY MANAGEMENT)	319,813.31	121,710.43
BALANCE WITH SCHEDULED BANKS:		
IN CURRENT ACCOUNTS	734,983.74	278,670.19
IN FIXED DEPOSITS	0.00	0.00
BALANCE WITH OTHER BANKS:		
IN CURRENT ACCOUNTS	0.00	0.00
TOTAL	<u>1,054,797.05</u>	<u>400,380.62</u>
SCHEDULE-K		
CURRENT LIABILITIES & PROVISIONS:		
CURRENT LIABILITIES:		
ACCEPTANCES	0.00	659,340.00
ADVANCE FROM CUSTOMERS	22,951.53	0.00
CREDITORS FOR GOODS	1,151,990.53	444,335.74
CREDITORS FOR EXPENSES	1,060,238.00	9,652,379.04
OTHER CURRENT LIABILITIES	3,080,630.00	3,744,048.25
PROVISIONS:		
FOR GRATUITY	126,566.00	613,192.00
TOTAL	<u>5,442,376.06</u>	<u>15,113,295.03</u>
SCHEDULE-L		
(INCREASE)/DECREASE IN STOCK-IN-TRADE:		
OPENING STOCKS:		
WORK-IN-PROCESS	125,357.00	107,112.00
FINISHED GOODS	1,791,308.57	945,381.00
	<u>1,916,665.57</u>	<u>1,052,493.00</u>
CLOSING STOCKS:		
WORK-IN-PROCESS	144,792.00	125,357.00
FINISHED GOODS	7,727,154.06	1,791,308.57
	<u>7,871,946.06</u>	<u>1,916,665.57</u>
(INCREASE)/DECREASE IN STOCK-IN-TRADE	<u>(5,955,280.49)</u>	<u>(864,172.57)</u>
SCHEDULE-M		
MANUFACTURING, OPERATING & OTHER EXPENSES:		
STAFF COST	5,367,905.00	8,111,907.00
RENT, RATES & TAXES	357,806.00	342,000.00
CONVEYANCE	43,106.00	53,579.00
PRINTING & STATIONERY	416,344.70	729,040.80
POSTAGE & COURIER SERVICE CHARGES	206,478.00	365,071.00
MEMBERSHIP, SUBSCRIPTION, PERIODICALS & REGISTRATION	83,725.08	100,300.08
TELEPHONE, TELEX & FAX CHARGES	235,276.47	429,237.97
TRAVELLING EXPENSES	886,536.80	1,015,352.23
FOREIGN TRAVEL EXPENSES	0.00	133,196.45
DIRECTORS REMUNERATION/SITTING FEES	340,000.00	185,000.00
ADVERTISMENT & PUBLICITY	109,071.00	123,187.00
BANK CHARGES	27,216.41	66,708.53
INSURANCE CHARGES	23,172.00	50,955.00
BUSINESS PROMOTION & ENTERTAINMENT	286,776.10	274,646.83
TRANSPORTATION, CLEARING & FORWARDING CHARGES	28,453.00	26,668.00
ELECTRICITY CHARGES	327,359.00	614,542.20
POWER & FUEL CHARGES	313,594.38	270,373.93
PACKING MATERIAL & EXPENSES	3,814.60	1,250.00
SALES TAX	36,375.75	67,312.00
REPAIRS, MAINTENANCE & OPERATING EXPENSES	32,579.00	121,247.00
MISCELLANEOUS EXPENSES	236,922.94	491,294.77
DONATIONS	0.00	11,501.00
SERVICE/PROCESSING CHARGES	1,007,151.00	1,039,209.80
AUDITOR'S REMUNERATION	276,377.50	394,055.00
COMPUTER EXPENSES/SOFTWARE CHARGES	70,600.00	40,694.00
SUNDRY BALANCES WRITTEN OFF/BACK	(791,558.74)	2,300.73
LEGAL, PROFESSIONAL & CONSULTANCY CHARGES	2,885,849.00	3,215,831.50
TOTAL	<u>12,810,930.99</u>	<u>18,276,461.82</u>

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 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.

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. AMORTIZATION OF MISCELLANEOUS EXPENDITURE:

Preliminary expenses, expenses of increasing the authorised capital of the Company and share issue expenses are amortized equally over a period of ten years.

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 as at the reporting date.

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/WRITE-OFF 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 :
In respect of demands under Income Tax proceedings disputed in appeals Rs. 106,901,501/- (Previous Period Rs. 106,901,501/-).
- Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances) Rs.243.80 lakhs (Previous Period Rs. 163.50 lakhs).
- The company has completed One-Time Settlement (OTS) with ARCIL during the period & "No Dues Certificate" has been received by the Company. The company has paid off its last secured creditor and is totally debt free with respect to secured creditors.
- The Authorised Share Capital of the company has been re-classified into 14,70,00,000 Equity Shares of Rs.10/- each and 1,00,00,000 '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. Mumbai High Court 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, Mumbai on September 16, 2005.
- 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.542,132/-, (Previous Period Rs. 21,063,901/-) 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	Deferred Tax Assets/ (Liabilities) as at December 31, 2008	Credited/ (Charged) during the period	Deferred Tax Assets/(Liabilities) as at March 31, 2010
A	Deferred Tax Liabilities:			
1.	Tax impact of difference between carrying amount of fixed assets in the financial statement and under the Income Tax	8,461,910	(441,957)	8,019,953
2.	Others	---	---	---
	Total (A)	8,461,910	(441,957)	8,019,953
B	Deferred Tax Assets:			
1.	Gratuity	206,400	(79,834)	126,566
2.	Others	65,702,660	(904,255)	64,798,405
	Total (B)	65,909,060	(984,089)	64,924,971
C	Net Deferred Tax Asset / (Liability)	57,447,150	(542,132)	56,905,018

- 6) Interest and finance charges of Rs.592,642/- (Previous Period Rs. 3,895,733/-) shown in Profit & Loss Account is after adjustment of interest income of Rs.16,908/- (Previous Period Rs. 50,909/-). The Tax deducted at source from interest income is Rs. 1,171/- (Previous Period Rs. 11,349/-).
- 7) The closing stock is as per the inventory taken, valued and certified by the management.
- 8) 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.
- 9) Balances of loans and advances, debtors and creditors are subject to confirmation and reconciliation.
- 10) In absence of information with the Company, the details of amounts payable to Small Scale Industrial Undertaking in excess of Rs.1 lakh and outstanding for a period of more than 30 days have not been given.

11) 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)

(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:

Sr.No	Nature of transaction	Subsidiaries		KMP	Relatives of KMP
		IAIC	SPIL	RGP	SBH
1.	Rent Paid	Nil (Nil)	Nil (Nil)	1,50,000 (1,80,000)	1,35,000 (1,62,000)
2.	Loans & Advances Receivable / (Payable) by Company	Nil 1,05,13,548	Nil 27,89,558	Nil (32,82,579)	Nil Nil

12) Earning per Share:

	March 31, 2010	December 31, 2008
a. Net Profit/(Loss) After Tax before Extraordinary item	(6,226,880)	(51,338,479)
b. Weighted average Number of Equity Shares	27,475,755	3,777,999
c. Weighted average Number of 'A' Ordinary Equity Shares	2,020	---
d. Share of Profit/(Loss) for Equity Shares	(6,226,257)	(51,338,479)
e. Share of Profit/(Loss) for 'A' Ordinary Equity Shares	(623)	---
f. Basic Earning Per Equity Share in Rupees (FV Rs.10/-) (d/b)	(0.23)	(13.59)
g. Basic Earning Per 'A' Ordinary Equity Share in Rupees (FV Rs.10/-) (e/c)	(0.31)	---

- 13) 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 March 31, 2010	Maximum Amount Due
a) I. A. & I. C. Pvt. Ltd.	Nil (10,513,548/-)	35,048,178/- (18,295,197/-)
b) Shah Pratap Industries Pvt. Ltd.	Nil (2,789,558/-)	19,646,358/- (2,789,558/-)
c) Glassworks Trading Pvt. Ltd.	45,013/- (Nil)	942,994/- (Nil)

- 14) 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.

- 15) 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:		Current Period	Previous Period
Crystal glass products	Pcs.	11,037	1,395

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	8,381	6,80,859	8,277	6,95,962
Other traded goods	Various	7,600	11,10,450	6,779	2,49,419
2. Closing 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
3. Purchases:					
Crystal /Glass products	Various	13,16,941	18,93,87,468	5,875	3,41,506
Other Traded Goods	Various	47,668	1,13,18,718	33,113	50,82,257
4. Sales:					
Crystal /Glass products	Various	13,16,919	19,36,59,472	7,166	7,62,404
Other traded goods	Various	45,960	1,06,45,317	32,292	47,11,832
5. Consumption:					
Premix for crystal glass products	Kgs.	7895	6,45,459	195	16,000

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	---	---
e. Expenditure in foreign currency: (on payment basis) (net of tax, where applicable)		
Travelling	---	73,103
f. Earnings in foreign currency: F.O.B. Value of Exports	---	---
g. Consumption of Materials:	%	%
Raw Materials:		
Indigenous	---	---
Imported	6,45,459	16,000
	6,45,459	16,000
h. Remuneration to Directors:		
Remuneration	300,000	---
Contribution to provident & pension funds	---	---
Others	40,000	185,000
i. Auditors Remunerations (including Service tax, where applicable)		
Audit fees	2,06,813	3,09,785
Tax audit fees	---	---
Certification & tax matters, etc.	69,565	84,270

- 16) During the period the Company has floated M/s. Glassworks Trading Private Limited as wholly owned subsidiary of the Company
- 17) The Company's petition u/s 264 of the Income Tax Act, 1961 for the Assessment Year 2001-02 and 2002-03 are pending adjudication.
- 18) 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 High Court, Mumbai against the insurance company.

- 19) The claim money receivable from certain parties have been charged to the statement of profit and loss account and the same shall be reversed as and when the said claims are settled or money received by the Company and will be taxed accordingly.
- 20) The Company has made provision for gratuity for the period under review as certified by M/s. VHV Finance & Consultancy Services. Meanwhile the amount stands payable to unwilling employees under dispute.
- 21) The promoters and associates had pledged their shares to the various lenders / creditors as collateral security for the company's borrowings. Due to the financial difficulties, certain lenders / creditors have invoked the collateral security. Effect for the same is given in the books only for the details received by the company and remaining effect will be given as and when details are received.
- 22) The Company has received order from Board for Industrial and Financial Reconstruction (BIFR) during the period under review by which the company ceases to be a sick industrial company, within the meaning of Section 3(1)(o) of the SICA. Further, the Rehabilitation Scheme having scheme period 2008-2017 has been sanctioned in terms of Section 19(3) read with Section 18(4) of SICA.
- 23) The Company has during the period wiped out the accumulated losses after adjusting Reserves & Surplus to the tune of Rs 647,778,626/- as per the order of Hon'ble BIFR.
- 24) The Company has during the period allotted 5,106 'A' Ordinary Equity Shares of Rs 10/- each with differential voting rights (DVR) (viz. 1 vote for every 10 shares held excluding fractions, if any) on preferential basis to willing creditors/investors as per Hon'ble BIFR Orders.
- 25) The Company has during the period issued Shares/Fully Convertible Bonds on preferential basis to Promoters/ Associates/ Other than Promoters as per Hon'ble BIFR orders and as decided by the board.
- 26) 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.
- 27) The Company has completed sale of unutilised spare assets of Chemical Waste Recycling plant destroyed in the major fire owned by the Company during the current period for which advance was received from party of Rs 4,15,000/- during the earlier period.
- 28) The Company has received order from Government of Maharashtra dated July 24, 2009 by which the Company has been declared "Relief Undertaking" for a period of one year from that date.
- 29) 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.
- 30) The Company has extended its accounting year ending by a period of three months upto March 31, 2010 accordingly figures for the current period are for fifteen months as against eighteen months during the previous period.
- 31) The figures for the previous period are regrouped or rearranged wherever considered necessary.

SIGNATURES TO SCHEDULES A TO N

As per our report of even date

For and on behalf of 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

P. B. CHAVAN
Company
Secretary

Place: Mumbai
Dated: June 18, 2010

Place: Mumbai
Dated: June 18, 2010

Cash Flow statement for the period ended March 31, 2010 pursuant to clause 32 of the listing agreement.

	PERIOD ENDED 31/03/2010	PERIOD ENDED 31/12/2008
<u>A.CASH FLOW FROM OPERATING ACTIVITIES</u>		
Net Profit/(Loss) Before Tax and Extra-ordinary Items	(5,676,983)	(30,232,334)
Adjustment for :		
Interest & Finance Charges (Net)	592,642	3,895,733
Depreciation	5,869,296	8,958,784
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES	784,955	(17,377,817)
Adjustments for:		
Trade Receivables,Loans & Advances	(114,955,186)	380,405,763
Inventories	(5,319,686)	(835,828)
Trade Payables & Other Liabilities	(9,678,684)	(380,320,067)
CASH USED FOR OPERATING ACTIVITIES	(129,168,601)	(18,127,949)
Prior Period and Extra-ordinary Item	35,245,548	313,542,583
NET CASH FROM/(USED) OPERATING ACTIVITIES	(93,923,053)	295,414,634
<u>B.CASH FLOW FROM INVESTING ACTIVITIES</u>		
Capital W.I.P/Advance for Capital Items & Pre-operative Expenses	(58,970,062)	-
Purchase of Fixed Assets (Net)	(2,117,799)	(126,195)
Purchase of Investments	(45,975,000)	-
NET CASH FROM /(USED) IN INVESTING ACTIVITIES	(107,062,861)	(126,195)
<u>C.CASH FLOW FROM FINANCING ACTIVITIES</u>		
Issue of Equity share capital/Share Application Money	39,984,972	243,143,715
Secured/Unsecured Loans	162,248,000	(539,497,687)
Interest & Financing Charges (Net)	(592,642)	(3,895,733)
NET CASH FROM/(USED) IN FINANCING ACTIVITIES	201,640,330	(300,249,705)
NET INCREASE/(DECREASE) IN CASH OR CASH EQUIVALENTS	654,416	(4,961,266)
CASH AND CASH EQUIVALENTS AT BEGINING OF THE YEAR	400,381	5,361,647
CASH AND CASH EQUIVALENTS AT END OF THE PERIOD	1,054,797	400,381

Notes : Figures for the previous period are regrouped wherever considered necessary.

FOR AND ON BEHALF OF THE BOARD

Place : Mumbai
Dated : June 18, 2010

R.G.PARIKH **S. C. GURAV** **PB.CHAVAN**
CHAIRMAN & MANAGING DIRECTOR DIRECTOR COMPANY SECRETARY

AUDITORS CERTIFICATE

We have examined the attached cash flow statement of JIK Industries Limited for the period ended March 31,2010. 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 : June 18, 2010

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	1	0	3	2	0	1	0
	Date		Month		Year			

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

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

Public Issue

			N	I	L
--	--	--	---	---	---

Bonus Issue

			N	I	L
--	--	--	---	---	---

Right Issue

					N	I	L
--	--	--	--	--	---	---	---

Private Placement

			4	4	6	2	5
--	--	--	---	---	---	---	---

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

Total Liabilities

		5	9	8	9	1	1
--	--	---	---	---	---	---	---

Paid up Capital

		2	8	7	4	0	0
--	--	---	---	---	---	---	---

Share Application Money

					N	I	L
--	--	--	--	--	---	---	---

Secured Loans

					N	I	L
--	--	--	--	--	---	---	---

Net Fixed Assets*

		1	2	5	7	0	7
--	--	---	---	---	---	---	---

Net Current Assets

		1	7	5	9	7	5
--	--	---	---	---	---	---	---

Accumulated Losses

					N	I	L
--	--	--	--	--	---	---	---

Total Assets

		5	9	8	9	1	1
--	--	---	---	---	---	---	---

Reserves & Surplus

		1	1	8	2	8	7
--	--	---	---	---	---	---	---

Unsecured Loans

		1	9	3	2	2	4
--	--	---	---	---	---	---	---

Investments

		2	4	0	3	2	4
--	--	---	---	---	---	---	---

Misc. Expenditure

					N	I	L
--	--	--	--	--	---	---	---

Deferred Tax

			5	6	9	0	5
--	--	--	---	---	---	---	---

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

Turnover

		2	0	4	3	0	5
--	--	---	---	---	---	---	---

Profit/(Loss) Before Tax

				(5	6	7	7)
--	--	--	--	----	---	---	----

Earning per share in Rs.***

				(0	.	2	3)
--	--	--	--	----	---	---	----

Total Expenditure

		2	1	4	6	6	9
--	--	---	---	---	---	---	---

Profit/(Loss) After Tax**

			2	9	0	1	9
--	--	--	---	---	---	---	---

Dividend Rate %

					N	I	L
--	--	--	--	--	---	---	---

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	31.03.2010	31.03.2010	31.03.2010
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	(401.16)	(0.51)	0.04
	(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	(955.37)	(2.79)	-
4	Changes in the interest of JIK Industries Limited between the end of the subsidiaries financial year and March 31, 2010.			
	No. of Shares acquired	-	-	-
5	Material changes between the end of the subsidiaries financial period. and March 31, 2010.			
	- Fixed Assets (net additions)	-	-	-
	- Investments	-	-	-
	- Moneys lend by the subsidiary	-	-	-
	- Moneys borrowed by the subsidiary company other than for meeting current liabilities	-	-	-

For and on behalf of Board

Place: Mumbai
Dated: June 18, 2010

R. G. PARIKH Chairman & Managing Director
S. C. GURAV Director
P. B. CHAVAN Company Secretary

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 March 31, 2010, 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, 2010.
- 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 March 31, 2010;
 - In the case of the Consolidated Profit & Loss Account, of the Loss 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 : June 18, 2010

M. L. JAIN
Proprietor
Membership No. 36811

CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2010

SCHEDULE	AS AT MARCH 31, 2010 (RUPEES)	AS AT DECEMBER 31, 2008 (RUPEES)
SOURCES OF FUNDS		
A.SHAREHOLDERS' FUNDS:		
SHARE CAPITAL	A 287,400,510.00	241,569,750.00
SHARE APPLICATION MONEY	0.00	4,639,528.00
RESERVES & SURPLUS	B 145,327,504.26	766,947,662.18
	432,728,014.26	1,013,156,940.18
MINORITY INTEREST	1,042,706.02	1,413,872.00
B.LOAN FUNDS:		
SECURED	C 0.00	30,289,947.00
UNSECURED	D 193,223,582.00	8,160,582.00
	193,223,582.00	38,450,529.00
TOTAL	626,994,302.28	1,053,021,341.18
APPLICATION OF FUNDS:		
A.FIXED ASSETS:		
GROSS BLOCK	E 262,744,519.80	204,325,978.82
LESS:DEPRECIATION	135,980,105.67	129,955,529.52
NET BLOCK	126,764,414.13	74,370,449.30
GOODWILL ON CONSOLIDATION	96,762,580.15	107,680,509.00
B.INVESTMENTS		
	F 173,500.00	173,500.00
C.CURRENT ASSETS,LOANS & ADVANCES:		
INVENTORIES	G 10,210,243.87	4,890,557.57
RECEIVABLES	H 112,838,951.70	222,761.86
LOANS & ADVANCES	I 346,008,592.75	116,542,704.80
CASH & BANK BALANCES	J 1,312,925.73	491,255.96
	470,370,714.05	122,147,280.19
LESS:CURRENT LIABILITIES & PROVISIONS	K 235,570,846.06	56,988,132.60
NET CURRENT ASSETS	234,799,867.99	65,159,147.59
D.DEFERRED TAX ASSETS		
(REFER NOTE 7 OF SCHEDULE "P" OF NOTES TO ACCOUNTS)	56,905,018.00	57,447,150.00
E.MISCELLANEOUS EXPENDITURE:		
(TO THE EXTENT NOT WRITTEN OFF)	L 31,344.30	786.00
PROFIT & LOSS ACCOUNT	111,557,577.71	748,189,799.29
TOTAL	626,994,302.28	1,053,021,341.18
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 **P.B.CHAVAN**
DIRECTOR COMPANY SECRETARY

Place: Mumbai
Dated: June 18, 2010

Place: Mumbai
Dated: June 18, 2010

CONSOLIDATED PROFIT & LOSS ACCOUNT FOR THE PERIOD ENDED ON MARCH 31, 2010

	SCHEDULE	CURRENT PERIOD (RUPEES)	PREVIOUS YEAR (RUPEES)
INCOME:			
SALES		204,304,788.78	5,474,236.50
OTHER INCOME		4,727,304.50	12,000.00
TOTAL INCOME		<u>209,032,093.28</u>	<u>5,486,236.50</u>
EXPENDITURE:			
RAW MATERIAL CONSUMED/PURCHASES (INCREASE)/DECREASE IN		201,351,644.81	5,439,763.38
STOCK-IN-TRADE	M	(5,955,280.49)	(864,172.57)
MANUFACTURING, OPERATING AND OTHER EXPENSES	N	51,036,576.38	39,594,767.00
INTEREST AND FINANCE CHARGES (NET)		3,415,304.30	5,304,642.46
DEPRECIATION		5,969,058.00	9,138,008.90
MISC. EXPENSES WRITTEN OFF	O	2,174.70	783.00
TOTAL EXPENSES		<u>255,819,477.70</u>	<u>58,613,792.17</u>
PROFIT/(LOSS) BEFORE TAX AND EXTRA ORDINARY ITEMS		(46,787,384.42)	(53,127,555.67)
PROVISION FOR TAXATION - CURRENT TAX		1,992.00	0.00
- DEFERRED TAX		542,132.00	21,063,901.00
- FRINGE BENEFIT TAX		7,765.00	42,244.00
PROFIT/(LOSS) AFTER TAX BEFORE EXTRA ORDINARY ITEMS		(47,339,273.42)	(74,233,700.67)
EXTRA ORDINARY ITEMS		35,403,089.68	278,448,330.21
PROFIT/(LOSS) AFTER TAX AND EXTRA ORDINARY ITEMS		(11,936,183.74)	204,214,629.54
LESS : MINORITY INTEREST IN INCOME/(LOSS)		(790,079.00)	(1,271,244.00)
PROFIT/ (LOSS) AVAILABLE FOR APPROPRIATION		(11,146,104.74)	205,485,873.54
ADD: - BALANCE B/F FROM LAST YEAR		(748,189,799.29)	(1,227,472,458.83)
- DEDUCTED FROM RESERVES & SURPLUS		647,778,626.32	0.00
- REDUCTION IN EQUITY CAPITAL		0.00	273,993,360.00
- PRIOR PERIOD ADJUSTMENTS		(300.00)	(196,574.00)
DEFICIT CARRIED TO BALANCE SHEET		<u>111,557,577.71</u>	<u>748,189,799.29</u>
EARNING PER SHARE (BASIC) - EQUITY		(1.75)	(20.05)
EARNING PER SHARE (BASIC) - 'A' EQUITY SHARES		(2.38)	0.00
(REFER NOTE 9 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

P.B.CHAVAN
COMPANY SECRETARY

Place: Mumbai
Dated: June 18, 2010

Place: Mumbai
Dated: June 18, 2010

SCHEDULES FORMING PART OF CONSOLIDATED ACCOUNTS

SCHEDULE-A

SHARE CAPITAL:

AUTHORISED:

	<u>CURRENT PERIOD (RUPEES)</u>	<u>PREVIOUS PERIOD (RUPEES)</u>
147,000,000 EQUITY SHARES OF RS.10/- EACH (PREVIOUS PERIOD 150,000,000 EQUITY SHARES OF RS.10/- EACH)	1,470,000,000.00	1,500,000,000.00
10,000,000 'A' ORDINARY EQUITY SHARES OF RS. 10/- EACH FULLY PAID UP (PREVIOUS PERIOD NIL)	100,000,000.00	0.00
700,000 PREFERENCE SHARES OF RS.100/- EACH	0.00	70,000,000.00

1,570,000,000.00	1,570,000,000.00
-------------------------	-------------------------

ISSUED, SUBSCRIBED & PAID-UP:

28,734,945 EQUITY SHARES OF RS.10/- EACH FULLY PAID UP (PREVIOUS YEAR 24,156,975 EQUITY SHARES OF RS.10/- EACH)	287,349,450.00	241,569,750.00
5106 'A' ORDINARY EQUITY SHARES OF RS 10/- EACH FULLY PAID UP	51,060.00	0.00
	287,400,510.00	241,569,750.00

SCHEDULE-B

RESERVES & SURPLUS:

	<u>BALANCE AS AT 31-12-2008</u>	<u>ADDITION</u>	<u>DEDUCTION</u>	<u>BALANCE AS AT 31-03-2010</u>
1.CAPITAL RESERVE	4,980,910.00	0.00	4,980,910.00	0.00
2.CAPITAL REDEMPTION RESERVE	128,456,000.00	0.00	128,456,000.00	0.00
3.SHARES/SECURITIES PREMIUM	621,566,893.18	26,158,468.40	513,903,716.32	133,821,645.26
4.SHARE FORFEITURE	438,000.00	0.00	438,000.00	0.00
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
TOTAL	766,947,662.18	26,158,468.40	647,778,626.32	145,327,504.26

SCHEDULE-C

SECURED LOANS:

A. RUPEE TERM LOANS FROM INSTITUTIONS	0.00	21,173,000.00
B. RUPEE TERM LOANS FROM BANKS	0.00	7,474,947.00
C. FUNDED INTEREST TERM LOAN FROM BANKS / INSTITUTIONS	0.00	1,642,000.00
TOTAL	0.00	30,289,947.00

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. Nil)	2,048,300.00	2,048,300.00
2)SALES TAX DEFERMENT LOAN (REPAYABLE WITHIN A YEAR RS. 4,00,000/-) (PREVIOUS PERIOD RS. Nil)	3,175,282.00	3,175,282.00
OTHERS	188,000,000.00	2,937,000.00
TOTAL	193,223,582.00	8,160,582.00

SCHEDULE - E

CONSOLIDATED SCHEDULE OF FIXED ASSETS

PARTICULARS	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	BAL ON 31-12-2008 (RUPEES)	ADDITIONS/ ADJUSTMENTS (RUPEES)	DEDUCTION ADJUSTMENTS (RUPEES)	TOTAL ON 31-03-2010 (RUPEES)	UPTO 31-12-2008 (RUPEES)	ADJUSTMENTS DEDUCTION (RUPEES)	FOR THE PERIOD (RUPEES)	UPTO 31-03-2010 (RUPEES)	AS AT 31-03-2010 (RUPEES)	AS AT 31-12-2008 (RUPEES)
LAND & SITE DEVELOPMENT	7,395,280.96	0.00	1,034,455.32	6,360,825.64	5,576,615.81	0.00	0.00	5,576,615.81	784,209.83	1,818,665.15
FACTORY BUILDING	19,625,603.46	0.00	0.00	19,625,603.46	18,625,596.46	0.00	99,358.00	18,724,954.46	900,649.00	1,000,007.00
PREMISES	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
SHOPS	2,669,320.00	0.00	2,669,320.00	0.00	0.00	0.00	0.00	0.00	0.00	2,669,320.00
PLANT & MACHINERY	116,114,577.28	2,443,440.00	0.00	118,558,017.28	74,100,730.28	0.00	3,934,891.00	78,035,621.28	40,522,396.00	42,013,847.00
LABORATORY EQUIPMENT	381,847.10	0.00	0.00	381,847.10	204,819.10	0.00	21,178.00	225,997.10	155,850.00	177,028.00
MOULDS	8,383,621.32	0.00	0.00	8,383,621.32	8,310,534.32	0.00	47,038.00	8,357,572.32	26,049.00	73,087.00
ELECTRICAL INSTALLATIONS	11,546,886.11	50,905.17	0.00	11,597,791.28	5,687,435.11	0.00	684,277.00	6,371,712.11	5,226,079.17	5,859,451.00
AIR CONDITIONER	635,911.86	0.00	0.00	635,911.86	303,252.86	0.00	37,656.00	340,908.86	295,003.00	332,659.00
COMPUTER	7,413,166.76	60,520.00	0.00	7,473,686.76	7,317,246.76	0.00	25,797.00	7,343,043.76	130,643.00	95,920.00
OFFICE EQUIPMENT	1,291,101.47	49,587.00	0.00	1,340,688.47	626,157.47	0.00	75,874.00	702,031.47	638,657.00	664,944.00
VEHICLE	2,049,843.07	0.00	0.00	2,049,843.07	2,049,843.07	0.00	0.00	2,049,843.07	0.00	0.00
FURNITURE & FIXTURES	13,168,819.43	547,801.66	0.00	13,716,621.09	7,208,816.43	0.00	1,042,989.00	8,251,805.43	5,464,815.66	5,960,003.00
CAPITAL WORK IN PROGRESS	13,650,000.00	58,970,062.47	0.00	72,620,062.47	0.00	0.00	0.00	0.00	72,620,062.47	13,650,000.00
TOTAL	204,325,978.82	62,122,316.30	3,703,775.32	262,744,519.80	130,011,047.67	0.00	5,969,058.00	135,980,105.67	126,764,414.13	74,314,931.15
PREVIOUS PERIOD	211,418,883.82	0.00	1,436,580.00	209,982,303.82	110,527,747.67	0.00	10,289,772.95	120,817,520.62	100,891,136.15	100,891,136.15

SCHEDULE-F

INVESTMENTS:	FACE VALUE	NOS. 31-03-2010	VALUE 31-03-2010	NOS. 31-12-2008	VALUE 31-12-2008
UNQUOTED (VALUED AT COST):					
THE MALAD SAHAKARI BANK LTD.	10	4900	49,000.00	4900	49,000.00
MARATHA SAHAKARI BANK LTD.	10	9950	99,500.00	9950	99,500.00
THE SARASWAT CO-OP BANK LTD.	10	2500	25,000.00	2500	25,000.00
TOTAL			173,500.00		173,500.00
				CURRENT PERIOD (RUPEES)	PREVIOUS PERIOD (RUPEES)

SCHEDULE-G

INVENTORIES:

(AS TAKEN, VALUED AND CERTIFIED BY THE MANAGEMENT)

1. RAW MATERIALS		2,020,815.25	2,666,274.00
2. WORK-IN-PROCESS		144,792.00	125,357.00
3. FINISHED GOODS		7,727,154.06	1,791,308.57
4. STORES, SPARES & CONSUMABLES		317,482.56	307,618.00
TOTAL		10,210,243.87	4,890,557.57

SCHEDULE-H

RECEIVABLES:

(UNSECURED)

OUTSTANDING FOR MORE THAN SIX MONTHS		0.00	0.00
OTHERS		112,655,846.70	39,656.86
(UNSECURED, CONSIDERED DOUBTFUL)			
OUTSTANDING FOR MORE THAN SIX MONTHS		183,105.00	183,105.00
OTHERS		0.00	0.00
TOTAL		112,838,951.70	222,761.86

SCHEDULE-I

LOANS & ADVANCES:

(UNSECURED, UNLESS OTHERWISE STATED)

1. ADVANCES RECOVERABLE IN CASH OR IN KIND OR FOR VALUE TO BE RECEIVED		345,618,489.75	115,494,201.80
2. INTEREST INCOME ACCRUED		10,250.00	0.00
3. DEPOSITS		379,853.00	1,048,503.00
TOTAL		346,008,592.75	116,542,704.80

	<u>CURRENT PERIOD (RUPEES)</u>	<u>PREVIOUS PERIOD (RUPEES)</u>
SCHEDULE-J		
CASH & BANK BALANCES:		
CASH IN HAND (CERTIFIED BY MANAGEMENT)	522,547.51	180,178.78
BALANCE WITH SCHEDULED BANKS:		
IN CURRENT ACCOUNTS	790,378.22	311,077.18
IN FIXED DEPOSITS	0.00	0.00
BALANCE WITH OTHER BANKS:		
IN CURRENT ACCOUNTS	0.00	0.00
TOTAL	<u>1,312,925.73</u>	<u>491,255.96</u>
SCHEDULE-K		
CURRENT LIABILITIES & PROVISIONS:		
CURRENT LIABILITIES:		
ACCEPTANCES	0.00	659,340.00
CREDITORS FOR CAPITAL ITEMS	0.00	1,216,000.00
CREDITORS FOR GOODS	1,151,990.53	444,335.74
ADVANCE FROM CUSTOMERS	22,951.53	0.00
CREDITORS FOR EXPENSES	1,164,733.00	9,733,964.04
OTHER CURRENT LIABILITIES	233,080,630.00	44,299,317.82
INCOME TAX PAYABLE	21,983.00	21,983.00
PROVISIONS:		
FOR TAXATION	1,992.00	0.00
FOR GRATUITY	126,566.00	613,192.00
TOTAL	<u>235,570,846.06</u>	<u>56,988,132.60</u>
SCHEDULE-L		
MISCELLANEOUS EXPENDITURE:		
(TO THE EXTENT NOT WRITTEN OFF OR ADJUSTED)		
PRELIMINARY EXPENSES	31,344.30	786.00
TOTAL	<u>31,344.30</u>	<u>786.00</u>
SCHEDULE-M		
(INCREASE)/DECREASE IN STOCK-IN-TRADE:		
OPENING STOCKS:		
WORK-IN-PROCESS	125,357.00	107,112.00
FINISHED GOODS	1,791,308.57	945,381.00
	<u>1,916,665.57</u>	<u>1,052,493.00</u>
CLOSING STOCKS:		
WORK-IN-PROCESS	144,792.00	125,357.00
FINISHED GOODS	7,727,154.06	1,791,308.57
	<u>7,871,946.06</u>	<u>1,916,665.57</u>
(INCREASE)/DECREASE IN STOCK-IN-TRADE	<u>(5,955,280.49)</u>	<u>(864,172.57)</u>

	CURRENT PERIOD (RUPEES)	PREVIOUS PERIOD (RUPEES)
SCHEDULE-N		
MANUFACTURING, OPERATING & OTHER EXPENSES:		
STAFF COST	5,367,905.00	8,158,276.00
RENT, RATES & TAXES	411,806.00	451,035.00
CONVEYANCE	43,106.00	53,923.00
PRINTING & STATIONERY	417,212.70	731,528.80
POSTAGE & COURIER SERVICE CHARGES	206,605.00	365,395.00
MEMBERSHIP, SUBSCRIPTION, PERIODICALS & REGISTRATION	83,725.08	100,300.08
TELEPHONE, TELEX & FAX CHARGES	235,276.47	434,831.97
TRAVELLING EXPENSES	886,536.80	1,015,352.23
FOREIGN TRAVEL EXPENSES	0.00	133,196.45
ADVERTISEMENT & PUBLICITY	109,071.00	123,187.00
BANK CHARGES	47,888.27	80,503.71
INSURANCE CHARGES	23,172.00	50,955.00
BUSINESS PROMOTION & ENTERTAINMENT	286,776.10	274,646.83
TRANSPORTATION, CLEARING & FORWARDING CHARGES	28,453.00	26,668.00
ELECTRICITY CHARGES	327,359.00	614,542.20
POWER & FUEL CHARGES	313,594.38	270,373.93
DONATIONS	0.00	11,501.00
DIRECTOR'S REMUNERATION / SITTING FEES	340,000.00	185,000.00
PACKING MATERIAL & EXPENSES	3,814.60	1,250.00
SALES TAX	36,375.75	67,312.00
REPAIRS, MAINTENANCE & OPERATING EXPENSES	32,579.00	121,247.00
MISCELLANEOUS EXPENSES	259,291.94	627,086.77
SERVICE/PROCESSING CHARGES	1,191,941.00	1,039,209.80
AUDITOR'S REMUNERATION	291,377.50	412,805.00
COMPUTER EXPENSES/SOFTWARE CHARGES	70,600.00	40,694.00
LOSS ON SALE OF INVESTMENTS	37,835,739.55	20,920,650.00
SUNDRY BALANCES WRITTEN OFF/BACK	(791,558.74)	27,713.73
LEGAL, PROFESSIONAL & CONSULTANCY CHARGES	2,977,928.98	3,255,582.50
TOTAL	51,036,576.38	39,594,767.00
SCHEDULE-O		
MISCELLANEOUS EXPENDITURE WRITTEN OFF:		
PRELIMINARY EXPENSES	2,174.70	783.00
TOTAL	2,174.70	783.00

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.

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. AMORTIZATION OF MISCELLANEOUS EXPENDITURE:

Preliminary expenses, expenses of increasing the authorized capital of the Company and share issue expenses are amortized equally over a period of ten years.

11. 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.

12. 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.

13. 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.

14. PROVISIONING/WRITE-OFF 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:

- 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

The Consolidated Financial statement for the period ended March 31, 2010 includes audited financial statements of subsidiaries viz. I.A. & I.C. Pvt. Ltd, Shah Pratap Industries Pvt. Ltd and Glassworks Trading Pvt. Ltd for twelve months ended March 31, 2010.

- 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.
- Contingent Liabilities not provided for :
In respect of demands under Income Tax proceedings disputed in appeals Rs.106,901,501 (Previous Period Rs. 107,279,364).
- Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances) Rs.243.80 lakhs (Previous Period Rs.163.50 lakhs).
- 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.
- Balances of loans and advances, debtors and creditors are subject to confirmation and reconciliation.
- (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.542,132/-,(Previous Period Rs. 21,063,901/-) 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	Deferred Tax Assets/ (Liabilities) as at December 31, 2008	Credited/ (Charged) during the period	Deferred Tax Assets/ (Liabilities) as at March 31, 2010
A	Deferred Tax Liabilities:			
1.	Tax impact of difference between carrying amount of fixed assets in the financial statement and under the Income Tax	8,461,910	(441,957)	8,019,953
2.	Others	---	---	---
	Total (A)	8,461,910	(441,957)	8,019,953
B	Deferred Tax Assets:			
1.	Gratuity	206,400	(79,834)	126,566
2.	Others	65,702,660	(904,255)	64,798,405
	Total (B)	65,909,060	(984,089)	64,924,971
C	Net Deferred Tax Asset / (Liability)	57,447,150	(542,132)	56,905,018

8. 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	
		RGP	SBH
1.	Rent Paid	1,74,000	1,65,000
2.	Loans & Advances Receivable / (Payable) by Company	Nil	Nil

9. Earning per Share:

	March 31, 2010
a. Net Profit/(Loss) After Tax before Extraordinary item	(48,129,352)
b. Weighted average Number of Equity Shares	27,475,755
c. Weighted average Number of 'A' Ordinary Equity Shares	2,020
d. Share of Profit/(Loss) for Equity Shares	(48,124,539)
e. Share of Profit/(Loss) for 'A' Ordinary Equity Shares	(4813)
f. Basic Earning Per Equity Share in Rupees (F.V Rs.10/-) (d/b)	(1.75)
g. Basic Earning Per 'A' Ordinary Equity Share in Rupees (F.V Rs.10/-) (e/c)	(2.38)

10. 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.

11. 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:

	Current Period	Previous Period
Crystal glass products	Pcs. 11,037	1,395

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 (Rs.)	Qty.	Value (Rs.)
1. Opening Stock:					
Crystal/Glass products	Various	8,381	6,80,859	8,277	6,95,962
Other traded goods	Various	7,600	11,10,450	6,779	2,49,419
2. Closing 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
3. Purchases:					
Crystal/Glass products	Various	13,16,941	18,93,87,468	5,875	3,41,506
Other Traded Goods	Various	47,668	1,13,18,718	33,113	50,82,257
4. Sales:					
Crystal/Glass products	Various	13,16,919	19,36,59,472	7,166	7,62,404
Other traded goods	Various	45,960	1,06,45,317	32,292	47,11,832
5. Consumption:					
Premix for crystal glass products	Kgs.	7895	6,45,459	195	16,000

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	Nil	73,103
f. Auditors Remuneration		
Audit fees	221,813	328,535
Tax audit fees	Nil	Nil
Certification & tax matters, etc.	69,565	84,270

12. The Company has received order from Board for Industrial and Financial Reconstruction (BIFR) during the period under review by which the company ceases to be a sick industrial company, within the meaning of Section 3(1)(o) of the SICA. The Rehabilitation Scheme having scheme period 2008-2017 has been sanctioned in terms of Section 19(3) read with Section 18(4) of SICA.

13. The Company has received order from Government of Maharashtra dated July 24, 2009 by which the Company has been declared "Relief Undertaking" for a period of one year from that date.

14. 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 Board

M.L. JAIN
Proprietor
Membership No. 36811

R. G. PARIKH
Chairman &
Managing Director

S. C. GURAV
Director

P. B. CHAVAN
Company
Secretary

Place: Mumbai
Dated: June 18, 2010

Place: Mumbai
Dated: June 18, 2010

Consolidated Cash Flow Statement for the period ended March 31, 2010

	PERIOD ENDED 31/03/2010	PERIOD ENDED 31/12/2008
A.CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit/(Loss) Before Tax and Extra-ordinary Items	(46,787,384)	(53,127,556)
Adjustment for :		
Interest & Finance Charges (Net)	3,415,304	5,304,642
Depreciation	5,969,058	9,138,009
Miscellaneous Expenditure written off	2,175	783
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES	(37,400,847)	(38,684,122)
Adjustments for:		
Trade Receivables,Loans & Advances	(342,082,078)	403,579,331
Inventories	(5,319,686)	(835,828)
Trade Payables & Other Liabilities	178,991,869	(385,692,289)
CASH USED FOR OPERATING ACTIVITIES	(205,810,743)	(21,632,908)
Prior Period and Extra-ordinary Item	35,402,790	278,251,757
NET CASH FROM/(USED) OPERATING ACTIVITIES	(170,407,953)	256,618,849
B.CASH FLOW FROM INVESTING ACTIVITIES		
Capital W.I.P./Advance for Capital items & Pre-operative Expenses	(59,002,795)	-
Purchase of Fixed Assets (Net)	11,524,968	5,656,325
Purchase of Investments	-	31,238,410
NET CASH FROM /(USED) IN INVESTING ACTIVITIES	(47,477,827)	36,894,735
C.CASH FLOW FROM FINANCING ACTIVITIES		
Issue of Equity share capital/Share Application Money	67,349,700	243,143,714
Secured/Unsecured Loans	154,773,053	(539,462,158)
Interest & Financing Charges (Net)	(3,415,304)	(5,304,642)
NET CASH FROM/(USED) IN FINANCING ACTIVITIES	218,707,449	(301,623,086)
NET INCREASE/(DECREASE) IN CASH OR CASH EQUIVALENTS	821,670	(8,109,502)
CASH AND CASH EQUIVALENTS AT BEGINING OF THE PERIOD	491,256	8,600,758
CASH AND CASH EQUIVALENTS AT END OF THE PERIOD	1,312,926	491,256

FOR AND ON BEHALF OF THE BOARD

Place : Mumbai
Dated : June 18, 2010

R.G.PARIKH
CHAIRMAN & MANAGING DIRECTOR

S. C. GURAV
DIRECTOR

P.B.CHAVAN
COMPANY SECRETARY

AUDITORS CERTIFICATE

We have examined the attached cash flow statement of JIK Industries Limited for the period ended March 31, 2010. 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 : June 18, 2010

M.L. JAIN
Proprietor
MEMBERSHIP NO.36811

Notes



Company Showroom at South Mumbai



Factory at Thane

Book-Post

If undelivered please return to :

JK INDUSTRIES LIMITED

Administration Office :

1,2,3 & 16 Gundecha Chambers,
N. M. Road, Fort, Mumbai - 400 023.