

# JIK INDUSTRIES LIMITED

## Directors' Report

To the Members,

Your Directors are pleased to present herewith Twenty Fourth Annual Report together with the Audited Statements of Accounts of the Company for the year ended 31<sup>st</sup> March, 2016.

### State of the Company's Affairs:

#### FINANCIAL RESULTS

Standalone Financial Information of JIK Industries Limited is as follows:

(Rs. in lakhs)

PARTICULARS	Year Ended 31.03.2016	Period Ended 31.03.2015
Sales for the year	50.84	76.40
Other Income	0.26	2.12
<b>Total Income</b>	<b>51.10</b>	<b>78.52</b>
Profit / (Loss) before Financial Expenses, Depreciation and Tax	(1242.01)	(15818.62)
Less : Financial expenses	0.00	(0.00)
<b>Operating Profit / (Loss) before Depreciation &amp; Tax</b>	<b>(1242.01)</b>	<b>(15818.62)</b>
Less : Depreciation	11.25	8.83
<b>Profit / (Loss) before Exceptional &amp; Extraordinary items and Tax</b>	<b>(1253.26)</b>	<b>(15827.45)</b>
Less : Exceptional Items	0.00	0.00
<b>Profit / (Loss) before Extraordinary items and Tax</b>	<b>(1253.26)</b>	<b>(15827.45)</b>
Less : Extraordinary Items	0.00	478.62
<b>Profit / (Loss) before Tax</b>	<b>(1253.26)</b>	<b>(16306.07)</b>
Less : Provision for Taxation		
Current Tax	0.00	0.00
Deferred Tax	0.00	0.00
<b>Profit / (Loss) after Taxation</b>	<b>(1253.26)</b>	<b>(16306.07)</b>
Less : Charge pursuant to the adoption of revised Schedule II	0	10.57
Add : Balance brought forward	(1253.26)	(6686.77)
<b>Profit / (Loss) available for appropriation</b>	<b>(24256.67)</b>	<b>(23003.41)</b>

#### DIVIDEND

Due to loss of Rs. 1253.26 Lakhs in the year, your Directors regret their inability to recommend any dividend for financial year 2015-16.

#### DEPOSITS

The Company has not accepted any deposits, described under Chapter V of the Companies Act, 2013 from public during the period under report.

#### MANAGEMENT DISCUSSION AND ANALYSIS

Pursuant to Regulation 18 (3), sub-regulation B of Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, management discussion and analysis report of financial condition and result of operations has been reviewed by the audit committee and the same is forming part of this annual report.

#### CONSOLIDATION OF FINANCIAL STATEMENTS

The Consolidated Financial Statements have been prepared in accordance with the provisions of the Act, read with the Companies (Accounts) Rules, 2014, applicable Accounting Standards and the provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, and forms part of the Annual Report.

**REVISION IN FINANCIAL STATEMENTS**

There has been no revision in the financial statements of the Company during the financial year 2015-16.

**SUBSIDIARY AND ASSOCIATES COMPANIES**

The following may be read in conjunction with the Consolidated Financial Statements prepared in accordance with Accounting Standard 21. Shareholders desirous of obtaining the report and accounts of your Company's subsidiaries may obtain the same upon request. Consolidated Financial Statement presented by the Company includes financial information of subsidiary companies, which forms a part of the Annual Report. During the year, no company became or ceased to be your Company's subsidiary, joint venture or associate company.

The Policy for determining Material Subsidiaries, adopted by your Board, in conformity with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, can be accessed on the Company's Website, [www.jik.co.in](http://www.jik.co.in)

**DIRECTORS**

Your Company has Six (06) Directors consisting of Four (4) Independent Directors and a Chairman & Managing Director and Executive Director & Chief Financial Officer as on March 31, 2016.

The composition of the Board, meetings of the Board held during the year and the attendance of the Directors have been mentioned in the Report on Corporate Governance in the Annual Report.

**NUMBER OF MEETINGS OF THE BOARD**

Regular meetings of the Board are held to discuss and decide on various business policies, strategies and other businesses. Due to business exigencies, certain business decisions are taken by the Board through circulation from time to time.

The Board met six (6) times during the FY 2015-16 viz. on May 25, 2015, July 25, 2015, August 29, 2015, August 31, 2015, November 14, 2015 and February 13, 2016. Detailed information on the meetings of the Board is included in the report on Corporate Governance, which forms part of this Annual Report.

Additionally, several committee meetings were held including Audit Committee meeting, which met Four (4) times during the year.

**DECLARATION BY INDEPENDENT DIRECTORS**

The Company has received necessary declaration from each independent director under section 149(6) of the Companies Act, 2013 that he/she meets the criteria of Independence laid down in Section 149 (6) of the Companies Act, 2013.

Following are the Non-Executive Independent Directors:

1. Shri. Manoj P. Unadkat
2. Shri. Vijay P. Panikar
3. Shri. Arvind M. Shah
4. Smt. Rajeshri D. Patel

**MEETING OF INDEPENDENT DIRECTORS**

According to regulation 25 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, all the independent directors met on Tuesday, June 16, 2015 to review the performance of non-independent and non-executive directors.

**APPOINTMENTS/RESIGNATIONS FROM THE BOARD OF DIRECTORS**

Shri. Rajendra G. Parikh (DIN No: 00496747), Chairman and Managing Director, retire from office by rotation and being eligible offer himself for reappointment at the forthcoming Annual General Meeting of the Company.

Pursuant to the provisions of Section 203 of the Companies Act, 2013 read with Rule 8 of the Companies (Appointment And Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed Mr. Surendra C Gurav as Executive Director & Chief Financial Officer of the Company in Board Meeting dated February 13, 2016 with effect from March 01, 2016.

**KEY MANAGERIAL PERSONNEL**

Pursuant to Sections 196, 197 and other applicable provisions of the Companies Act, 2013, your Directors have appointment Mr. Surendra C Gurav (00485016) as Executive Director & Chief Financial Officer of the Company from March 01, 2016 for five consecutive years.

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As required under Section 203 of the Companies Act, 2013, the Company has noted that Mr. Rajendra G Parikh, Chairman and Managing Director, Mr. Surendra C Gurav, Executive Director and Chief Financial Officer and Mrs. Kirti J Damle, Company Secretary are the Key Managerial Personnel of the Company.

### FAMILARIZATION PROGRAMME

The Company at its various meetings held during the Financial year 2015-16 had familiarize the Independent Directors with regard to the roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, the Business models of the Company etc. The Independent Directors have been provided with necessary documents, reports and internal policies to familiarize them with the Company's policies, procedures and practices.

### RECONSTITUTION OF COMMITTEES

Due to change in designation of Mr. Surendra C. Gurav, it was necessary to change the composition of all the three Board Committees.

#### Audit Committee

Sr. No.	Name	Nature of Directorship	Designation in Committee
1.	Mr. Arvindkumar Shah	Independent Director	Chairman
2.	Mr. Manoj Unadkat	Independent Director	Member
3.	Mr. Rajendra Parikh	Chairman and Managing Director	Member

#### Stakeholder Relationship Committee

Sr. No.	Name	Nature of Directorship	Designation in Committee
1.	Mr. Arvindkumar Shah	Independent Director	Chairman
2.	Mrs. Rajeshri Patel	Independent Director	Member
3.	Mr. Rajendra Parikh	Chairman and Managing Director	Member

#### Nomination and Remuneration Committee

Sr. No.	Name	Nature of Directorship	Designation in Committee
1.	Mrs. Rajeshri Patel	Independent Director	Chairman
2.	Mr. Manoj Unadkat	Independent Director	Member
3.	Mr. Rajendra Parikh	Chairman and Managing Director	Member

### COMMENT ON AUDITOR'S REPORT

The Directors have examined the Auditor's Report on accounts for the period ended 31st March, 2016. The Auditor's Report is self-explanatory and has no qualification.

### COMMENT ON SECRETARIAL AUDIT REPORT

Pursuant to provisions of section 204 of the companies Act, 2013, the Board of Directors of the Company has appointed M/s. Dhirendra Maurya & Associates, Company Secretaries, as the Secretarial Auditor.

The auditor has conducted the secretarial Audit for the financial year 2015-16 and has provided the Report thereon. There are no qualifications in the secretarial Audit Report.

Further, the Auditor has mentioned in his report that annual filing for the year 2013-14 of the Company is pending. It is due to non-availability of E-forms on the MCA site. As soon as the forms are available on the MCA site, the Company will complete the filing for the above mentioned financial year.

### PARTICULAR OF LOAN AND INVESTMENT

The Company has not taken any loan or guarantee and not done any investments in the F.Y. 31<sup>st</sup> March, 2016.

**RISK MANAGEMENT**

During the Financial Year under review, a detailed exercise on Business Risk Management was carried out covering the entire spectrum of business operations and the Board has been informed about the risk assessment and minimization procedures as required under section 134 (n) of the Companies Act, 2013. Business risk evaluation and management is an ongoing process with the Company.

**MATERIAL CHANGES AND COMMITMENT IF ANY AFFECTING THE FINANCIAL POSITION OF THE COMPANY**

No material changes and commitments affecting the Financial Position of the Company which have occurred between the end of the Financial year of the Company to which the Financial Statement relate and the date of this report.

**INTERNAL CONTROL SYSTEM AND THEIR ADEQUACY**

The Company has an Internal Control System, commensurate with the size, scale and complexity of its operations. Based on the report of Internal Audit function, corrective actions are undertaken in the respective areas and thereby strengthen the controls. Significant audit observations and corrective actions thereon are presented to the Audit Committee of the Board.

During the year under review, no material or serious observation has been received from the Internal Auditors of the Company for inefficiency or inadequacy of such controls.

**CORPORATE SOCIAL RESPONSIBILITY (CSR)**

The Company is not required to constitute a Corporate Social Responsibility Committee as it does not fall within the purview of Section 135(1) of the Companies Act, 2013 and hence it is not required to formulate policy on corporate social responsibility.

**CONTRACT AND ARRANGEMENT WITH RELATED PARTIES**

The particulars of related party transactions are stated in the note no.7 in Part B of Notes financial statements of this report.

All related party transactions that were entered into during the financial year were on an arm's length basis and were in the ordinary course of business of the Company. There are no materially significant related party transactions made by the Company with its Promoters, Directors, Key Managerial Personnel or other designated persons which may have a potential conflict with the interest of the Company at large, and hence, disclosure in form AOC-2 is not required.

The Related Party Transactions Policy of the Company approved by the Board of Directors of the Company (the "Board") is displayed on website of the Company at [www.jik.co.in](http://www.jik.co.in).

**COMMITTEES OF THE BOARD**

The Company has several committees which have been established as a part of the good corporate governance practices and are in compliance with the requirements of the relevant provisions of applicable laws and statutes.

**Company has following Committees of the Board**

Audit Committee  
Nomination and Remuneration Committee  
Stakeholder Relationship Committee  
Committee of Independent Directors

**BOARD EVALUATION**

In Compliance with the provisions of the Act, the Board evaluated its own performance during the year under report along with that of its various Committees and its individual Directors. The Independent Directors also reviewed the performance of the Non-Independent Directors of the Company.

**REMUNERATION POLICY**

The Board of Directors of the Company has adopted a Remuneration Policy for determining qualifications, positive attributes and independence of a Director and criteria for Director's appointment and remuneration. The same is available on the website of the Company [www.jik.co.in](http://www.jik.co.in).

**REMUNERATION FOR THE CEO AND MANAGING DIRECTOR**

Mr. Rajendra G Parikh, Chairman and Managing Director of the Company have not drawn any remuneration during the period ended March 31, 2016.

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### **CORPORATE GOVERNANCE**

As required by Schedule V(C) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a detailed report on Corporate Governance is given as a part of the Annual Report. The Company is in compliance with the requirements and disclosures that have to be made in this regard. The Auditors' Certificate of the compliance with Corporate Governance requirements by the Company is attached to the Report on Corporate Governance.

### **WHISTLEBLOWER POLICY**

The Company's Whistleblower Policy encourages Directors and employees to bring to the Company's attention, instances of unethical behavior, actual or suspected incidents of fraud or violation of the JIK Code of Conduct that could adversely impact the Company's operations, business performance and / or reputation. The Policy provides that the Company investigates such incidents, when reported, in an impartial manner and takes appropriate action to ensure that the requisite standards of professional and ethical conduct are always upheld. It is the Company's Policy to ensure that no employee is victimized or harassed for bringing such incidents to the attention of the Company. The practice of the Whistleblower Policy is overseen by the Audit Committee of the Board and no employee has been denied access to the Committee. The Whistleblower Policy is available on the Company's corporate website [www.jik.co.in](http://www.jik.co.in).

### **SEXUAL HARASSMENT POLICY**

The Company is an equal employment opportunity company and is committed to create a healthy working environment that enables employees to work without fear of prejudice, gender bias and sexual harassment. The Company also believes that all employees of the Company have the right to be treated with dignity. The Company has in place a policy on prevention of sexual harassment of its employees at the workplace. The Sexual Harassment Policy is available on the Company's website [www.jik.co.in](http://www.jik.co.in).

### **CODE OF CONDUCT**

The Board had laid down a code of conduct for all Board members and senior management of the Company. The Code of Conduct has been hosted on the website ([www.jik.co.in](http://www.jik.co.in)) of the Company. The Board members and senior management personnel have affirmed compliance with the Code of Conduct of the Company in the year under review.

### **POLICY FOR DETERMINING MATERIALITY FOR DISCLOSURES**

As per the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the policy on determination on materiality of events has been approved by the Board of Directors in its meeting held on February 13, 2016. This policy is also available on the website of the Company: [www.jik.co.in](http://www.jik.co.in).

### **POLICY ON PRESERVATION OF DOCUMENTS**

As per the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the policy on preservation of documents has been approved by the Board of Directors in its meeting held on February 13, 2016. This policy is also available on the website of the Company: [www.jik.co.in](http://www.jik.co.in).

### **AUDITORS**

The Auditors, M/s. Motilal & Associates., Chartered Accountants, were appointed with your approval at the 22<sup>nd</sup> AGM to hold such office till the conclusion of the 25<sup>th</sup> AGM. The Board, in terms of Section 139 of the Act, on the recommendation of the Audit Committee, has recommended for the ratification of the Members the appointment of M/s. Motilal & Associates., Chartered Accountants from the conclusion of the ensuing AGM till the conclusion of the 24<sup>th</sup> AGM.

M/s Motilal & Associates Chartered Accountants have confirmed to the Company that their appointment satisfies the criteria prescribed in section 141 of the Act and are not disqualified to be re-appointed.

### **SECRETARIAL AUDIT REPORT**

As a measure of good corporate governance practice, the Board of Directors of the Company appointed M/s Dharendra Maurya & Associates, Practising Company Secretary, to conduct the Secretarial Audit. The Secretarial Audit Report for the financial year ended March 31, 2016, is provided as Annexure B to the Directors' Report.

### **EXTRACT OF ANNUAL RETURN**

The information required under Section 134 of the Act read with Rule 12 of the Companies (Management and Administration) Rules, 2014, is annexed as Annexure A.

### **REVIVAL AND REHABILITATION**

As the Company's net worth has been completely eroded as on March 31, 2015, the company has become a Sick Industrial Company in terms of the Sick Industrial Companies (Special Provision) Act, 1985. A reference in respect of the

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same has been filed with the Board for Industrial and Financial Reconstruction as per the provision of Section 15 of the Sick Industrial Companies (Special Provision) Act, 1985 & the same has been registered by the Board. Further, Operating Agency (OA) has been appointed by the Board.

As a part of modernizing its manufacturing operations, the Company has decided to give greater focus on better margin cold room activities and partially outsource hot room activities and is in process to carry out necessary changes to modernize and improve the manufacturing activities.

Management is under process to incur capex towards refurbishment of plant and machinery as required and to replace the machinery with improved technology. The Company is in the process of finding solutions to unlock the value.

The Company is expanding into Handicrafts, Arts, Eco-Friendly Products and hotel supply & glass jewellery business. The Company is considering demerger for certain activities which will support in rehabilitation and value addition including but not limited to restructuring of the capital.

### PARTICULARS OF EMPLOYEE

The Managing Director of the Company has not drawn remuneration in the F.Y. 2016. The Remuneration of Key Managerial Personnel is one level above the median of employees' remuneration. The information required under Section 197(12) of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are as under:

A statement showing the details of every employee of the Company who was in receipt of remuneration in excess of Rs. 60 lakhs, if employed throughout the year - N.A.

Percentage increase in remuneration of each director, KMP and of % increase in median remuneration of employees - N.A.

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

Particulars as required under Section 134 of the Companies Act, 2013 relating to Conservation of Energy and Technology Absorption are also provided in the Annexure to this Report as Annexure C.

### DIRECTORS' RESPONSIBILITY STATEMENT

As required under Section 134 of the Companies Act, 2013, your Directors confirm having:

- (a) in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- (b) the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss of the company for that period;
- (c) the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- (d) the directors had prepared the annual accounts on a going concern basis; and
- (e) the directors, in the case of a listed company, had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.
- (f) the directors, had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

### CASH FLOW STATEMENT

In conformity with the Regulation 53 (b) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Cash Flow Statement for the financial year ended 31st March, 2016 is annexed herewith.

### DEMATERIALISATION 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 31st March, 2016 a total of 71362339 equity shares of the Company, which form 98.24% of the equity share capital, stand dematerialized.

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### 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 Annual Listing Fees are paid.

### ACKNOWLEDGEMENT

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

**For and on behalf of the Board**

Place: Thane  
Dated: July 01, 2016

**Rajendra G. Parikh**  
**Chairman & Managing Director**

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### Annexure A

Form No. MGT-9

### EXTRACT OF ANNUAL RETURN

as on the financial year ended on 31.03.2016

[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

#### I. REGISTRATION AND OTHER DETAILS

- i) CIN:- L65990MH1990PLC056475
- ii) Registration Date: 10/05/1990
- iii) Name of the Company: JIK INDUSTRIES LIMITED
- iv) Category / Sub-Category of the Company: Company limited by shares
- v) Pada No.3 Balkum Village, Thane (West) – 400 608.  
Phone: +91-22-25426356 - 60  
Fax: +91-22-25426349  
E-mail: admin@jik.co.in  
Website: <http://www.jik.co.in>
- vi) Whether listed company Yes / No: **Yes**
- vii) Name, Address and Contact details of Registrar and Transfer Agent, if any:  
Sharex Dynamic (India) Pvt. Ltd.: 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

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**II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY**

All the business activities contributing 10 % or more of the total turnover of the company shall be stated:-

Sr. No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the company
1	Manufacturing Sales of Glassware & allied products	3038	96.30

**III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES**

Sr. No.	NAME AND ADDRESS OF THE COMPANY	CIN / GLN	HOLDING / SUBSIDIARY/ ASSOCIATE	% of shares held	Applicable Section
1	Shah Pratap Industries Private Limited. 16, Gundecha Chambers, Nagindas Master Road, Fort, Mumbai - 400023	U29290MH1963PTC012561	SUBSIDIARY	94.54	2(87)
2	I A And I C Private Limited. 16, Gundecha Chambers, Nagindas Master Road, Fort, Mumbai - 400023	U24139MH1962PTC012366	SUBSIDIARY	98.07	2(87)
3	Glassworks Trading Private Limited. 16, Gundecha Chambers, Nagindas Master Road, Fort, Mumbai - 400023	U52190MH2009PTC198007	SUBSIDIARY	100.00	2(87)



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### IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

#### i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year 01/04/2015				No. of Shares held at the end of the year 31/03/2016				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. PROMOTER'S									
(1) INDIAN									
(a) individual*	18135697	0	18135697	24.97	2,06,35,697	0	20635697	28.44	0
(b) Central Govt.									
(c) State Govt(s)	0	0	0		0	0	0		0
(d) Bodies Corpp.	15000000	0	15000000	20.65	12500000	0	12500000	17.21	0
(e) FIINS/BANKS	0	0	0		0	0	0		0
(f) Any Other		0				0			0
<b>Sub-total (A) (1):-</b>	<b>33135697</b>	<b>0</b>	<b>33135697</b>	<b>45.616</b>	<b>33135697</b>	<b>0</b>	<b>33135697</b>	<b>45.616</b>	<b>0</b>
(2). FOREIGN									
(a) Individual NRI / For Ind	0	0	0		0	0	0		0
(b) Other Individual									
© Bodies Corporates	0	0	0		0	0	0		0
(d) Banks / FI	0	0	0		0	0	0		0
(e) Qualified Foreign Investor	0	0	0		0	0	0		0
(f) Any Other Specify	0	0	0		0	0	0		0
<b>Sub-total (A) (2):-</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Total shareholding of Promoter (A) = (A)(1)+(A)(2)</b>	<b>33135697</b>	<b>0</b>	<b>33135697</b>	<b>45.616</b>	<b>33135697</b>	<b>0</b>	<b>33135697</b>	<b>45.616</b>	<b>0</b>

\* Inter se promoter transfer has been done on 23.03.2016. This details are as per the Disclosure given to the stock exchanges under Regulation 29(2) of SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 and under Regulation 7(2) read with Regulation 6(2) of SEBI (Prohibition of Insider Trading) Regulations, 2015.

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<b>(B) (1). PUBLIC SHARE HOLDING</b>	<b>Demat</b>	<b>Physical</b>	<b>Total</b>	<b>% of Total Shares</b>	<b>Demat</b>	<b>Physical</b>	<b>Total</b>	<b>% of Total Shares</b>	<b>% Change during the year</b>
(a) Mutual Funds	0	0	0		0	0	0		0
(b) Banks / FI	554965	1402	556367	0.766	554965	1402	556367	0.766	0
© Central Govt.	312621	0	312621	0.43	312621	0	312621	0.43	0
(d) State Govt.	0	0	0	0	0	0	0	0	0
(e) Venture Capital Funds	0	0	0		0	0	0		0
(f) Insurance Companies	14470	0	14470	0.02	14470	0	14470	0.02	0
(g) FIs	0	0	0		0	0	0		0
(h) Foreign Venture Capital Funds	0	0	0		0	0	0		0
(l) Others (specify)	0	0	0		0	0	0		0
<b>Sub-total (B)(1):-</b>	<b>882056</b>	<b>1402</b>	<b>883458</b>	<b>1.216</b>	<b>882056</b>	<b>1402</b>	<b>883458</b>	<b>1.216</b>	<b>0</b>

<b>B(2) Non- Institutions</b>	<b>Demat</b>	<b>Physical</b>	<b>Total</b>	<b>% of Total Shares</b>	<b>Demat</b>	<b>Physical</b>	<b>Total</b>	<b>% of Total Shares</b>	<b>% Change during the year</b>
<b>(a) BODIES CORP.</b>									
(l) Indian	12048650	44999	12093649	16.649	11698940	4999	11743939	16.167	0.48
(ii) Overseas									
<b>(b) Individuals</b>									
(l) Individual shareholders holding nominal share capital upto Rs.1 lakh	5926676	322865	6249541	8.603	5921310	322865	6244175	8.595	-0.007
(ii) Individual shareholders holding nominal share capital in excess of Rs.1 lakh	18815247	880846	19696093	27.114	19342536	880846	20223382	27.840	0.726

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(c) Other(specify)									
Non Resident Indians	386927	28500	415427	0.572	366092	28500	394592	0.543	-0.029
Overseas Corporate Bodies	0	0	0		0	0	0		0
Foreign Nationals	0	0	0	0	0	0	0	0	0
Clearing Members	167086	0	167086	0.230	15708	0	15708	0.022	-0.208
Trusts	0	0	0	0	0	0	0	0	0
Foreign Bodies - D R	0	0	0	0	0	0	0	0	0
<b>Sub-total (B)(2):-</b>	<b>37344586</b>	<b>1277210</b>	<b>38621796</b>	<b>53.168</b>	<b>37344586</b>	<b>1277210</b>	<b>38621796</b>	<b>53.16</b>	<b>0.00</b>
<b>Total Public Shareholding (B)=(B)(1)+ (B)(2)</b>	<b>38226642</b>	<b>1278612</b>	<b>39505254</b>	<b>54.384</b>	<b>38226642</b>	<b>1278612</b>	<b>39505254</b>	<b>54.384</b>	<b>1.215</b>
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Grand Total (A+B+C)</b>	<b>71362339</b>	<b>1278612</b>	<b>72640951</b>	<b>100.00</b>	<b>71362339</b>	<b>1278612</b>	<b>72640951</b>	<b>100.00</b>	<b>0</b>

(ii) Shareholding of Promoters								
Sr. No.	Shareholder's Name	Shareholding at the beginning of the year 01/04/2015			Share holding at the end of the Year 31/03/2016			
		No. of Shares	% of total Shares of the company	% of Shares Pledged/ encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged/ encumbered to total shares	% change in share holding during the year
1	JAGRUTI SECURITIES LTD	13500000	18.585		11000000	15.14	0	-3.44
2	KORPUS FINANCIAL PVT LTD.	1500000	2.065		1500000	2.065	0	0

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3	RAJENDRA G PARIKH	8900900	12.25		8900900	12.25	0	0
4	JAGRUTI R PARIKH	9258785	12.75	0.03	*11758785	*16.19	0.03	3.44
5	ADITYA R PARIKH	1012	0.001	0.0011	1012	0.001	0.0011	0

**(iii) Change in Promoters' Shareholding (please specify, if there is no change)**

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year 01/04/2015			Share holding at the end of the Year 31/03/2016			
		No. of Shares	% of total Shares of the company	Date	No. of Shares Increase/ Decrease	Reason	No. of Shares	% change in share holding during the year
1	Jagruti Securities Limited	13500000	18.585	01/04/2015	-2500000	Inter se promoter transfer	11000000	15.14
2	Jagruti R Parikh*	9258785	12.712	01/04/2015	+2500000	Inter se promoter transfer	11758785	16.19

\* Inter se promoter transfer has been done on 23.03.2016. This details are as per the Disclosure given to the stock exchanges under Regulation 29(2) of SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 and under Regulation 7(2) read with Regulation 6(2) of SEBI (Prohibition of Insider Trading) Regulations, 2015.

**(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):**

Sr. No.	For each of Top Shareholders	Shareholding at the beginning of the Year		Shareholding at the end of the Year	
		No. of Shares	% of total Shares of the Company	No. of Shares	% of total shares of the Company
1.	Padma Impex Private Limited	2500000	3.44%	2500000	3.44%
2.	Comfort Securities Ltd*	2500000	3.44%	2500000	3.44%
3.	Jaihanuman Multi Agencies Pvt Ltd	2750000	3.79%	2750000	3.79%
4.	Ans Pvt Limited	744093	1.02%	716638	0.99%
5.	Atul Finance And Investment Service	1521315	2.09%	1521315	2.09%
6.	Kamlesh Jayantilal Shah	550000	0.76%	550000	0.76%
7.	Bhamribai Bhavarlal Jain	917567	1.26%	3422901	4.71%
8.	Patel Sunil Sumanbhai	2120758	2.92%	9725	0.013%
9.	Hiren Arvind Parmar	1600000	2.20%	1600000	2.20%
10.	Dilip Jayantilal Shah	550000	0.76%	550000	0.76%
11.	Rashmi Kamlesh Shah	1050000	1.45%	1050000	1.45%

## JIK INDUSTRIES LIMITED

\* Inter se promoter transfer has been done on 23.03.2016. This details are as per the Disclosure given to the stock exchanges under Regulation 29(2) of SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 and under Regulation 7(2) read with Regulation 6(2) of SEBI (Prohibition of Insider Trading) Regulations, 2015 For Inter se promoter transfer, comfirt Securities Limited was the Broker.

<b>(v) Shareholding of Directors and Key Managerial Personnel:</b>					
Sr. No.	For Each of the Directors and KMP	Shareholding at the beginning of the Year		Shareholding at the end of the Year	
		No. of Shares	% of total Shares of the Company	No. of Shares	% of total shares of the Company
1	Rajendra G. Parikh	8900900	12.253	8900900	12.253
2	Manoj P. Unadkat	66	0.00	66	0.00
3	Surendra C. Gurav	-	-	-	-
4	Vijay P. Panikar	15230	0.020	15230	0.020
5	Arvind M. Shah	-	-	-	-
6	Rajeshri D. Patel	-	-	-	-
7	Kirti J Damle	-	-	-	-

### V. INDEBTEDNESS

**Indebtedness of the Company including interest outstanding/accrued but not due for payment**

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>				
I) Principal Amount		24572762.90	-	24572762.90
ii) Interest due but not paid				
iii) Interest accrued but not due				
<b>Total (i+ii+iii)</b>		24572762.90		24572762.90
<b>Change in Indebtedness during the financial year</b>				
· Addition		3759680.22		3759680.22
· Reduction		58324.30		58324.30
<b>Net Change</b>		3701355.92		3701355.92
<b>Indebtedness at the end of the financial year</b>				
I) Principal Amount		28274118.82		28274118.82
ii) Interest due but not paid				
iii) Interest accrued but not due				
<b>Total (i+ii+iii)</b>		28274118.82		28274118.82

## VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

## A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

Sl. no.	Particulars of Remuneration	Name of MD/WTD/ Manager Mr. S. C. Gurav* Executive Director & CFO				Total Amount
1.	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961  (b) Value of perquisites u/s 17(2) Income-tax Act, 1961  (c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	20,000	-	-	-	20,000
2.	Stock Option	-	-	-	-	-
3.	Sweat Equity	-	-	-	-	-
4.	Commission - as % of profit - others, specify...	-	-	-	-	-
5.	Others, please specify	-	-	-	-	-
	Total (A)	20,000	-	-	-	20,000
	Ceiling as per the Act	-	-	-	-	-
		-	-	-	-	-

\* w.e.f - 1st March, 2016

## B. Remuneration to other directors:

Sl. no.	Particulars of Remuneration	Name of Directors				Total Amount
1.	Independent Directors · Fee for attending board committee meetings · Commission · Others, please specify	-	-	-	-	-
	Total (1)	-	-	-	-	-
2.	Other Non-Executive Directors · Fee for attending board committee meetings · Commission · Others, please specify	-	-	-	-	-
	Total (2)	-	-	-	-	-
	Total (B)=(1+2)	-	-	-	-	-
	Total Managerial Remuneration	-	-	-	-	-
	Overall Ceiling as per the Act	-	-	-	-	-
		-	-	-	-	-

## JIK INDUSTRIES LIMITED

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### C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD

Sr. no.	Particulars of Remuneration	Key Managerial Personnel			
		CEO	CS	CFO	Total
1.	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 © Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	357885	-	357885
2.	Stock Option	-	-	-	-
3.	Sweat Equity	-	-	-	-
4.	Commission - as % of profit - others, specify...	-	-	-	-
5.	Others, please specify	-	-	-	-
	Total	-	357885	-	357885

**Annexure B - Secretarial Audit report**

**Form No. MR-3**

**SECRETARIAL AUDIT REPORT**

**For the financial year ended 31st March, 2016**

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

**To,**  
**The Members,**  
**JIK Industries Limited**  
**CIN: L65990MH1990PLC056475**  
**Regd. Off:** Pada No.3 Balkum Village,  
Thane West, Thane - 400608, Maharashtra,  
India

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by M/s. **JIK Industries Limited** (hereinafter called the "Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended 31st March 2016 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company, as given in "**Annexure-I**" for the financial year ended on 31st March 2016 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder and the applicable provisions of the Companies Act, 1956;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
  - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 (Upto 14th May 2015) and Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 (effective 15th May 2015);
  - c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 [**Not applicable to the Company during the Audit period as the company has not made any further issue of the shares**];
  - d. The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 [**Not applicable to the Company during the Audit period as the company has not introduced any such scheme**];
  - e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 [**Not applicable to the Company during the Audit period as the company has not issued and listed any Debt Securities**];
  - f. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client [**Not applicable as the Company is not registered as Registrar to Issue and Share Transfer Agent during the period under review**];



## JIK INDUSTRIES LIMITED

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- g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 (**Not applicable to the Company during the Audit period as the company has not delisted / proposed to delist its Equity Shares from the Stock Exchange**); and
  - h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 (**Not applicable to the Company during the Audit period as the company has not brought back / nor proposed to buy-back any of its Securities**);
- (vi) I have relied on the Representation made by the company and its officers for systems and mechanism formed by the company for compliance under other applicable Acts, Laws & Regulations to the Company. The Compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of the management. My examination was limited to the verification of procedure on test basis. The list of major head/ groups of Acts, Laws and Regulations as generally applicable to the company is given in "**Annexure-II**".

I have also examined compliance with the applicable clauses of the following:

- (i) Secretarial Standards with regard to meeting of Board of Directors (SS-1) and General Meetings (SS-2) issued by The Institute of Company Secretaries of India and made effective from 1st July, 2015.
- (ii) The Listing Agreement entered into by the Company with BSE Limited & SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 made effective 1st December, 2015.
- (iii) Board for Industrial and Financial Reconstruction (BIFR) has sanctioned the Rehabilitation Scheme of the Company in terms of Section 19(3) read with Section 18 (4) of SICA having scheme period 2008-2017. As the Company's net-worth has been completely eroded as on 31st March, 2015, the Company has become a sick industrial undertaking in terms of The Sick Industrial Companies (Special Provision) Act, 1985. A reference in respect of the same has been made and filed with the Board for Industrial and Financial Reconstruction as per the provisions of Section 15 of the Sick Industrial Companies (Special Provisions) Act, 1985 & has been registered by the Board.

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above except to the extent as mentioned below:

- i. Annual filing for the financial year 2013-14 and also Return of AGM under section 121 of the Companies Act, 2013 for the said FY is pending.
- ii. Respective e-forms with ROC are pending for increase of Authorised Share Capital due to litigation of non-implementation of Hon'ble BIFR orders by Ministry of Corporate Affairs & others for which Hon'ble Bombay High Court has directed MCA & others to consider the matter and inform accordingly to which their reply is awaited since long period.

**I further report that:**

- The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non Executive Directors and Independent Directors.
- The changes in the composition of Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.
- Adequate notice was given to all Directors to schedule the Board meetings, agenda and detailed notes on agenda were sent generally seven days in advance, and a system exists for seeking and obtaining further information and clarification on the agenda items before the meeting and for meaningful participation at the meeting.
- Majority decision is carried through while the dissenting members view's, if any, are captured and recorded as part of the minutes.

**I further report that** based on review of compliance mechanism established by the Company and on the basis of the Compliance Certificate(s) issued by the Company Secretary and taken on record by the Board of Directors at their meeting(s), we are of the opinion that there are adequate systems and processes in the Company which is commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

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- As informed, the Company has responded appropriately to notices received from various statutory / regulatory authorities including initiating actions for corrective measures, wherever found necessary.

I further report that during the audit period, the company has not undertaken event / action having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc, referred to above.

**For Dhirendra Maurya & Associates**  
**Company Secretaries**

**Dhirendra R. Maurya**  
**Proprietor**

**Mem. No: A22005**  
**C.P. No.: 9594**

Place : Mumbai  
Date : 1st July 2016

**Annexure-I**

In my opinion and to the best of my information and according to the examinations carried out by me and explanations furnished and representations made to me by the company, its officer and agents, I report that the Company has, during the financial year under review, complied with the provisions of the Acts, the Rules made thereunder the Memorandum of Association & Articles of Association of the Company with regard to:-

1. Minutes of the Meetings of the Board of Directors, Committee meetings held during the financial year under review;
2. Minutes of the General body meeting held during the financial year under review;
3. Maintenance of various statutory Registers and documents and making necessary entries therein;
4. Notice and Agenda papers submitted to all the directors for the Board meetings;
5. E-forms filed by the Company from time-to-time, under applicable provisions of the companies Act, 2013 and attachments thereof during the financial year under review;
6. Intimations / documents / reports / returns filed with the stock Exchanges pursuant to the provisions of Listing Agreement during the financial year under review;
7. Declarations received from the Directors of the Company pursuant to the provisions of section 184 of the companies Act, 2013 and attachments thereto during the financial year under review;
8. Appointment and remuneration of Internal & Statutory Auditor;
9. Closure of Register of members. However, the company has not declared any dividend.

**For Dhirendra Maurya & Associates**  
**Company Secretaries**

**Dhirendra R. Maurya**  
**Proprietor**

**Mem. No: A22005**  
**C.P. No.: 9594**

Place : Mumbai  
Date : 1st July 2016

## **JIK INDUSTRIES LIMITED**

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### **Annexure-II**

List of Applicable laws to the Company:

1. Factories Act, 1948;
2. Employees Provident Funds & Miscellaneous Provisions Act, 1952;

**For Dharendra Maurya & Associates  
Company Secretaries**

**Dhirendra R. Maurya  
Proprietor**

**Mem. No: A22005  
C.P. No.: 9594**

Place : Mumbai  
Date : 1st July 2016

**To,  
The Members,  
JIK Industries Limited  
(CIN: L65990MH1990PLC056475)  
Regd. Off: Pada No.3 Balkum Village,  
Thane West, Thane - 400608, Maharashtra,  
India**

**Our Secretarial Audit Report of even date is to be read along with this letter:**

#### **Management's Responsibility:**

1. It is the responsibility of the management of the Company to maintain secretarial records, devise proper systems to ensure compliance with the provisions of all applicable laws and regulation and to ensure that the systems are adequate and operate effectively.

#### **Auditor's Responsibility**

2. Our responsibility is to express an opinion on these secretarial records, standards and procedures followed by the Company with respect to secretarial compliance.
3. We believe that audit evidence and information obtained from the Company's management is adequate and appropriate for us to provide a basis for our opinion.
4. Wherever required, we have obtained the management representation about the compliance of laws, rules and regulations and happening of events etc.

#### **Disclaimer**

5. The secretarial audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

**For Dharendra Maurya & Associates  
Company Secretaries**

**Dhirendra R. Maurya  
Proprietor  
Mem. No: A22005  
C.P. No.: 9594**

Place : Mumbai  
Date : 1st July 2016

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**ANNEXURE C - TO DIRECTORS' REPORT**

Statement pursuant to Section 134 of the Companies Act, 2013

**Form of Disclosure of particulars with respect to Conservation of Energy**

	Period ended 31st March, 2016	Period ended 31st March, 2015
A. Power and fuel consumption		
1. Electricity:		
(a) Purchased		
Units (KWH)	30,482	14,280
Total Amount (Rs)	31,8538	1,40,372
Rate per Unit (Avg.)	10.49	9.83
(b) Own generation		
(i) Through diesel generator:		
Units (KWH)	2417	2912
Units per Ltr. of Diesel oil	4.50	4.50
Cost per unit (Rs.)	12.56	13.75
2. Coal (specify quality and where used)	Nil	Nil
3. Furnace Oil/Gas	Nil	Nil
4. Others / Internal Generation	Nil	Nil

**Consumption per unit of production:**

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

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

The Company has done Development Activity in designs and developments of products.

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

**Annexure D.**

**FOREIGN EXCHANGE EARNINGS & OUTGOING:**

**Total Foreign Exchange used and Earned:**

(Rs. in Lakhs)

	Period ended 31st March, 2016	Period ended 31st March, 2015
i. Total foreign exchange used	Nil	Nil
ii. Total foreign exchange earned	Nil	0.96