

## Directors' Report

Dear Members,

Your Directors are pleased to present herewith Twenty Ninth Annual Report together with the Audited Statements of Accounts of the Company for the year ended March 31, 2021.

### **STATE OF THE COMPANY'S AFFAIRS:**

#### **NATURE OF BUSINESS:**

Your Company is focusing on trading activities and exploring new opportunities to venture into new businesses with a view to augment its revenues so as to combat the threat posed by financial constraints faced by the Company.

#### **FINANCIAL RESULTS**

Standalone Financial Information of JIK Industries Limited is as follows:

PARTICULARS	Amount (Rs. In Lakhs)	
	Year Ended 31.03.2021	Year Ended 31.03.2020
Sales for the year	4.78	15.37
Other Income	40.62	64.23
<b>Total Income</b>	<b>45.40</b>	<b>79.60</b>
Profit / (Loss) before Financial Expenses, Depreciation and Tax	<b>(0.32)</b>	<b>(26.61)</b>
Less: Financial expenses	0.03	0.02
<b>Operating Profit / (Loss) before Depreciation &amp; Tax</b>	<b>(0.35)</b>	<b>(26.63)</b>
Less : Depreciation	0.69	0.78
<b>Profit / (Loss) before Tax</b>	<b>(1.04)</b>	<b>(27.41)</b>
Less : Provision for Taxation		
Current Tax	0	0
Deferred Tax	0	0
<b>Profit / (Loss) for the period from continuing operations</b>	<b>(1.04)</b>	<b>(27.41)</b>
Profit/Loss from discontinuing operations		<b>0</b>
<b>Profit/Loss from discontinuing operations after Tax</b>	<b>(1.04)</b>	<b>(27.41)</b>
Other Comprehensive Income	<b>27.26</b>	20.35
<b>Total Comprehensive Income for the year</b>	<b>(26.23)</b>	<b>(7.06)</b>
<b>Earnings Per Share (EPS)</b>		
Basic	(0.001)	(0.038)
Diluted	(0.001)	(0.038)

**Note: The above figures are extracted from the standalone financial statements as per Indian Accounting Standards (IND AS).**

#### **INDIAN ACCOUNTING STANDARDS (Ind AS)**

Pursuant to the notification dated February 16, 2015 issued by the Ministry of Corporate Affairs, the financial statements have been prepared in compliance with Ind AS as notified by the Ministry of Corporate Affairs and prescribed under Section 133 of the Companies Act, 2013 (hereinafter referred to as "the Act") read with relevant rules made thereunder and other accounting pronouncements generally accepted in India.

**DIVIDEND**

Due to continuous losses, your Board of Directors regrets their inability to recommend any dividend for the financial year ended March 31, 2021.

**DEPOSITS**

The Company has not accepted any deposits from the public falling within the ambit of Section 73 of the Companies Act, 2013 and The Companies (Acceptance of Deposits) Rules, 2014.

**MANAGEMENT DISCUSSION AND ANALYSIS**

Pursuant to Regulation 18 (3), sub-regulation B of Schedule V of SEBI (Listing Obligation 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.

**CHANGE IN THE NATURE OF BUSINESS**

During the year, your Company started general trading including crystal, glass and allied products and services due to impact of Covid.

**REVISION IN FINANCIAL STATEMENTS**

There has been no revision in the financial statements of the Company.

**BOARD OF DIRECTORS**

The Board of Directors of the Company has an optimum combination of Executive, Non-Executive and Independent Director with women Independent Director.

Your Company had six Directors consisting of Four Independent Directors (Including two Woman director) and a Chairman & Managing Director and Executive Director & Chief Financial Officer as on March 31, 2021.

The Board of Directors at their meeting held on February 15, 2021 and June 30, 2021 have recommended and approved the appointment of Mrs. Jayshree Save and Mr. Karthik Sairam respectively as an Additional Directors of the Company with effect from the said date, whose term of office is up to the date of ensuing Annual General Meeting in accordance with the applicable provisions of the Articles of Association and the Companies Act, 2013. The matter of appointing Mr. Karthik Sairam as an Independent Directors not liable to retire by rotation appears as an agenda item in the notice of the 29<sup>th</sup> Annual General Meeting.

In the opinion of the Board, the independent director appointed during the year possesses the required qualifications, integrity expertise and experience for the position.

They also bring in the required skill, competence and expertise that allow them to make effective contributions to the Board and its committees.

Mr. Jignesh A Shah, Independent director, Mrs. Jayshree Save, Additional Director and Mr. Surendra C Gurav, Executive Director has resigned from the Board on February 13, 2021 and on October 25, 2021 and October 25, 2021 respectively due to personal reasons.

The Board of Directors placed on record its appreciation for the effective participation and valuable contributions made by Mr. Jignesh Shah, Mrs. Jayshree Save and Surendra C Gurav during their term.

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

None of the Directors or Key Managerial Personnel (KMP) of the Company are related inter-se.

**NUMBER OF MEETINGS OF THE BOARD**

During the year, Five Board Meetings were held on July 20, 2020, July 30, 2020, September 15, 2020, November 12, 2020 and February 15, 2021 in compliance with the provisions of Companies Act, 2013, the SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018 and Secretarial Standards issued by the Institute of Companies Secretaries of India (ICSI).

Detailed information on the meetings of the Board is included in the report on Corporate Governance, which forms part of this Annual Report.

**DECLARATION BY INDEPENDENT DIRECTORS**

As required under Section 149(7) of the Companies Act, 2013 read with SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018, the Company has received necessary declaration from each Independent Director stating that they meet the criteria of Independence as prescribed under Section 149(6) of the Companies Act, 2013 and Regulation 16(1) (b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

**MEETING OF INDEPENDENT DIRECTORS**

In Pursuant to the provisions of Schedule IV of the Companies Act, 2013 and the rules made thereunder and Regulation 25(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Independent Directors of the Company shall hold at least one meeting in a year, without the presence of Non- Independent Director and members of the management.

In the current financial year, the Independent Directors met on February 15, 2021.

**RE- APPOINTMENT OF DIRECTOR RETIRING BY ROTATION**

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

**KEY MANAGERIAL PERSONNEL (KMP)**

As required under Section 203 of the Companies Act, 2013, the Company has noted that Mr. Rajendra G. Parikh, Chairman & Managing Director, Mr. Surendra C. Gurav, Chief Financial Officer and Mr. Akash Jain, Company Secretary & Compliance Officer of the Company are the Key Managerial Personnel of the Company as on March 31, 2021.

During the year under review, based on the recommendation of NRC Committee, The Board has appointed Ms. Mohini Budhwani as a Company Secretary and Compliance Officer of the Company with effect from October 25, 2021 in place of Mr. Akash Jain, Company Secretary & Compliance Officer of the Company who resigned with effect from August 14, 2021.

**FAMILARIZATION PROGRAMME**

The Company at its various meetings held during the Financial year 2020-21 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 same is available on the website of the Company i.e. [www.jik.co.in](http://www.jik.co.in).

**COMPOSITION OF COMMITTEES**

The Company has several committees which have been established as a part of the Corporate Governance Practice and are in compliance with the requirements of the relevant provisions of the applicable laws and statutes.

**Audit Committee**

<b>Sr. No.</b>	<b>Name of Members</b>	<b>Nature of Directorship</b>	<b>Designation in Committee</b>
1	Mrs. Rajeshri D. Patel	Independent Director	Chairman
2	Mr. Manoj P. Unadkat	Independent Director	Member
3	Mr. Rajendra G. Parikh	Chairman & Managing Director	Member

**Stakeholder Relationship Committee**

<b>Sr. No.</b>	<b>Name of Members</b>	<b>Nature of Directorship</b>	<b>Designation in Committee</b>
1	Mr. Jignesh A. Shah (Resigned on February 13, 2021)	Independent Director	Chairman
2	Mrs. Rajeshri D. Patel	Independent Director	Member
3	Mr. Rajendra G. Parikh	Chairman & Managing Director	Member
4	Mr. Manoj P Unadkat	Independent Director	Chairman.

Due to resignation of Mr. Jignesh Shah on February 13, 2021, the Stakeholder Relationship Committee has been reconstituted as per the requirements and guidelines of the Companies Act, 2013 and LODR Regulations.

**Nomination and Remuneration Committee**

<b>Sr. No.</b>	<b>Name of Members</b>	<b>Nature of Directorship</b>	<b>Designation in Committee</b>
1	Mr. Manoj P. Unadkat	Independent Director	Chairman
2	Mr. Vijay P. Panikar (Resigned on November 11, 2020)	Independent Director	Member
3	Mr. Rajeshri D. Patel	Independent Director	Member
4	Mr. Jignesh Shah (Resigned on February 13, 2021)	Independent Director	Member
5	Mrs. Jayshree R Save (Resigned on October 25, 2021)	Additional Independent Director	Member
6	Mr. Karthik Sairam (Appointed as a Member w.e.f. October 25, 2021)	Additional Independent Director	Member

Due to resignation of Mr. Vijay Panikar on November 11, 2020 and Mr. Jignesh Shah on February 13, 2021, and Mrs. Jayshree R Save on October 25, 2021 the Nomination and Remuneration Committee has been reconstituted as per the requirements and guidelines of the Companies Act, 2013 and LODR Regulations.

**STATUTORY AUDITORS**

M/s. Dhawan & Co., Chartered Accountants, (FRN: 002864N), has been appointed as the Statutory Auditors of the Company for a consecutive term of Four years be members of the Company in their Annual General Meeting held on September 29, 2018 till the conclusion of 30<sup>th</sup> Annual General Meeting to be held in a year 2022.

**COMMENT ON AUDITOR'S REPORT**

The Directors have examined the Auditors' Report on accounts for the period ended March 31, 2021. The Auditors' Report is self-explanatory and has no qualification.

**INTERNAL AUDITOR**

Pursuant to the Provisions of Section 138 of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014, the Board on recommendation of the Audit Committee, appointed M/s. Motilal & Associates, Chartered Accountants, Mumbai as an Internal Auditor of the Company for the F.Y 2020-21 and F Y 2021-22.

**PARTICULAR OF LOAN AND INVESTMENT**

The Company has not taken any loan or guarantee and not done any investment in the F. Y. 31<sup>st</sup> March, 2021.

**INTERNAL CONTROL SYSTEM AND THEIR ADEQUACY**

The Company has a proper and adequate internal control system for all its activities including safeguarding and protecting its assets against any loss from its unauthorized use or disposition. All transactions are properly documented, authorized, recorded and reported correctly. The Systems are reviewed and its improvement and effectiveness is enhanced as and when needed. Normal foreseeable risks to the Company's assets are adequately covered by comprehensive insurance.

**RISK MANAGEMENT**

During the Financial Year under review, an exercise was carried out covering the spectrum of business operations and the same has been mentioned in the Management Discussion and Analysis section. 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**

Due to exigent circumstances, the Company is not in a position to carry on its manufacturing activities at present. In addition, due to the unprecedented effects of Covid-19 pandemic, the Company has been adversely effected. The Management is currently exploring new avenues of business to strengthen the financial position of the Company in the future.

**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.

**SUBSIDIARY, JOINT VENTURES AND ASSOCIATE COMPANIES**

I A and I C Private Limited, Shah Pratap Industries Private Limited & Durlabh Commodities Private Limited are a subsidiary company of JIK Industries Limited within the meaning of Section 2(87) of the Companies Act, 2013 as on March 31, 2021.

The Company does not have any joint venture or associate company.

Pursuant to the provisions of section 129(3) of the Act, a statement containing salient features of the Financial Statements of the Subsidiary Companies in **Form AOC-1** is furnished in "**Annexure A**" and is attached to this Report.

**CONTRACT AND ARRANGEMENT WITH RELATED PARTIES**

The particulars of related party transactions are stated in the Note No 24 of Notes to the financial statements of this report.

All contracts / arrangements / transactions entered by the Company during the financial year with related parties were in the ordinary course of business and on an arm's length basis. There have been no materially significant related party transactions between the company and the directors, the management or the relatives except for those disclosed in the financial statement.

Information on transaction with related parties pursuant to Section 134 (3) (h) of the Act read with Rule 8 (2) of the Companies (Accounts) Rules, 2014 are in "Annexure-B" in Form AOC-2 and the same forms part of this report

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).

### **BOARD EVALUATION**

Pursuant to the provisions of the Companies Act, 2013 and SEBI LODR 2015, the Nomination and Remuneration and Compensation Committee (NRC) has carried out Board Evaluation i.e. evaluation of the performance of: (i) the Board as a whole and its Committees, and (ii) individual directors (including independent directors).

The performance evaluation of the Independent Directors was carried out by the entire Board excluding the Directors being evaluated.

The performance evaluation of the Chairman, Non-Independent Directors and the Board as a whole was carried out by the Independent Directors at their separate meeting.

The evaluation has been done based on structured questionnaires for performance evaluation.

### **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).

### **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.

### **VIGIL MECHANISM/WHISTLEBLOWER POLICY**

The Company has updated a Whistle Blower Policy. The Revised Whistleblower Policy is available on the Company's corporate website [www.jik.co.in](http://www.jik.co.in).

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.

**DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013**

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 anchors ethical and legal behavior within the Company. The Code of Conduct has been posted on the Company's website [www.jik.co.in](http://www.jik.co.in).

The Board members and senior management personnel have affirmed compliance with the Code of Conduct of the Company in the year under review.

**CODE OF PRACTICES & PROCEDURES FOR FAIR DISCLOSURE OF UNPUBLISHED PRICE SENSITIVE INFORMATION**

The Company has amended a Code of Practices & Procedures for Fair Disclosure of Unpublished Price Sensitive Information (the Code) in compliance with SEBI (Prohibition of Insider Trading) (Amendment) Regulations, 2018. The Code of Fair Disclosure shall be effective from 1st April, 2019. The Code has been communicated to the Directors. The Code has also been posted on the Company's website at [www.jik.co.in](http://www.jik.co.in).

**POLICY FOR DETERMINING MATERIALITY FOR DISCLOSURES**

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

**EXTRACT OF ANNUAL RETURN**

As required under Section 134(3)(a) of the Act, the Annual Return i.e. MGT 7 is uploaded on the Company's website and the same can be accessed at [www.jik.co.in](http://www.jik.co.in).

**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 provided in the **Annexure C** and it is attached to this Report.

As the Company has not earned or used any foreign exchange during the financial year and it is annexed as **Annexure D** to this Report.

**ANNUAL SECRETARIAL AUDIT REPORT**

As a measure of corporate governance practice, the Board of Directors of the Company appointed M/s Dharendra Maurya & Associates, Practicing Company Secretary, to conduct the Secretarial Audit. The Secretarial Audit Report for the financial year ended March 31, 2021, is provided as "**Annexure E**" to the Directors' Report.

**COMMENT ON SECRETARIAL AUDIT REPORT**

The auditor has conducted the secretarial audit for the financial year 2020-21 and has provided Report thereon. Auditor has commented on following points:

1. The Company has not followed proper procedure of the Postal Ballot to alter the main objects clause of the Memorandum of Association. For which resolution has

been taken in the Annual General Meeting dated September 08, 2017. The Company has filed compounding application with the Registrar of Companies, Mumbai and the order of the ROC, Mumbai is still awaited.

**Management Response:** The Company does not intentionally violated the act to follow the proper procedure of postal ballot and hence the Management filed the compounding application as soon as it came to the notice of the Management.

2. The Company continues to be non-compliant towards payment of Annual Listing Fees to Bombay Stock Exchange and National Stock Exchange

**Management Response:** The Company is facing cash crunch due to continue losses over the past years and COVID-19 situation world wide has made the situation worst. The Company will pay the Listing Fees, once the funds are available with the Company.

3. The Compliance formalities related to Director KYC of following Directors are still pending. The names of the Directors are: i) Manoj Pragji Unadkat ii) Rajeshri Deepak Patel.

**Management Response:** Due to disruption of working due to Covid-19 outbreak, the formalities related to Directors KYC are still pending. The Directors confirm that the following formalities will be done.

4. The Company has delayed the filings under Regulation 31 for the Quarter ended 31<sup>st</sup> March, 2021 with Stock Exchanges.

**Management Response:** Filing of Regulation 31 for the Quarter ended 31<sup>st</sup> March, 2021 with Stock Exchanges was due to disruption of working due to the Covid-19 outbreak. Management does not intentionally neglect to file the said regulation with Stock Exchange.

#### **ANNUAL SECRETARIAL COMPLIANCE REPORT**

Pursuant to Regulation 24A of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with SEBI Circular No. CIR/CFD/CMD1/27/2019 dated February 08, 2019, M/s. Dhirendra Maurya & Associates, Practicing Company Secretary, has issued an Annual Secretarial Compliance Report for the Financial Year Ended on 31<sup>st</sup> March, 2021 on 29<sup>th</sup> June, 2021.

#### **REVIVAL AND REHABILITATION**

The Company has been making continuous losses years after year and it is practically difficult to continue the manufacturing operations at Thane in the present market scenario. During the year the Company started Trading including crystals, glass and allied products with other products and also started services.

The Company is also exploring other business opportunities that will have revenue generation potential in the present situation.

The Company has received the order from Register of Companies (ROC), Mumbai granting exemption for payment of ROC fees as per Hon'ble BIFR order. However, the Revenue Department, Government of Maharashtra has informed its inability to grant relief/exemption from payment of stamp duty. The Company is taking necessary advice/follow up in this matter.



**PARTICULARS OF EMPLOYEE**

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. 1.02 Crores, if employed throughout the year – N.A.
- Percentage increase in remuneration of each director, KMP and of % increase in median of remuneration of employees – N.A.

Annual Report and Accounts are being sent to the Members, excluding The the information on employees' particulars which is available for inspection by the Members at the Registered Office of the Company during the business hours on working days of the Company. Any member interested in obtaining such particulars may write to the Company Secretary at the Registered Office of the Company.

**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 31<sup>st</sup> March, 2021 is annexed herewith.

**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, 2021 a total of equity shares of the Company, which form 76.41% of the equity share capital, stand dematerialized.

**LISTING OF SECURITIES OF COMPANY**

The equity shares of your Company continue to be listed on Bombay Stock Exchange (BSE) and National Stock Exchange (NSE).

**ACKNOWLEDGEMENT**

Your Directors wish to acknowledge all their stakeholders and are grateful for the support received from the Shareholders, esteemed clients, customers and other business associates.

Your Directors recognize 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**

sd/-

**Rajendra G. Parikh**

**Chairman**

**Din: 00496747**

**ANNEXURE A**

**Form AOC - 1**

**(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)**

**Part "A": Subsidiaries**

**Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures**

Sr. NO.	PARTICULARS	DETAILS		
1.	Name of the subsidiary	I.A. And I.C Private Limited	Shah Pratap Industries Private Limited	Durlabh Commodities Private Limited
2.	The date since when subsidiary was acquired	30 <sup>th</sup> June, 2005	30 <sup>th</sup> June, 2005	11 <sup>th</sup> November, 2016
3.	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	31 <sup>st</sup> March, 2021	31 <sup>st</sup> March, 2021	31 <sup>st</sup> March, 2021
4.	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries.	NA	NA	NA
5.	Share capital	87,18,000.00	10,80,000.00	5,00,000.00
6.	Reserves & surplus	386,099,316	161,913,244	(13,36,322)
7.	Total assets	555,777,593	233,250,642	18,129
8.	Total Liabilities	160,960,277	70,257,398	8,54,451
9.	Investments	71,21,994.00	-	-
10.	Turnover	-	-	-
11.	Profit before taxation	(2,870,073)	(16,955)	(21,369)
12.	Provision for taxation	-	-	-
13.	Profit after taxation	(2,870,073)	(16,955)	(21,369)
14.	Proposed Dividend	-	-	-
15.	% of shareholding	98.07%	94.54%	100%

**Part "B": Associates and Joint Ventures**

**Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Venture**

	Name of Associates/Joint Ventures	Name 1	Name 2	Name 3
1.	Latest audited Balance Sheet Date	NA		
2.	Shares of Associate/Joint Ventures held by the company on the year end			
	- No.			
	- Amount of Investment in Associates/ JV			
	- Extend of Holding %			
3.	Description of how there is significant influence			
4.	Reason why the associate/joint venture is not consolidated			
5.	Networth attributable to Shareholding as per latest audited Balance Sheet			
6.	Profit / Loss for the year			
	- Considered in Consolidation			
	- Not Considered in Consolidation			

**ANNEXURE -B**

**Form No.AOC-2**

**(Pursuant to clause (h) of subsection (3) of section 134 of the Act and Rules 8(2) of the Companies (Accounts) Rules, 2014)**

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act 2013 including certain arm's length transactions under third proviso thereto.

**1. Details of contracts or arrangements or transactions not at arm's length basis:**

Sr. No	Particulars	Details
(a)	Name(s) of the related party and nature of relationship	Nil
(b)	Nature of contracts/arrangements/transactions	Nil
(c)	Duration of the contracts / arrangements/transactions	Nil
(d)	Salient terms of the contracts or arrangements or transactions including the value, if any	Nil
(e)	Justification for entering into such contracts or arrangements or transactions	Nil
(f)	Date(s) of approval by the Board	Nil
(g)	Amount paid as advances, if any:	Nil
(h)	Date on which the special resolution was passed in general meeting as required under first proviso to section 188	Nil

**2. Details of material contracts or arrangement or transactions at arm's length Basis:**

NAME OF THE RELATED PARTY	NATURE OF RELATIONS HIP	NATURE OF TRANSACTIONS	DURATION OF TRANSACTIONS		
			OPENING BALANCE (01.04.2020)	DURING THE YEAR (NET)	CLOSING BALANCE (31.03.2021)
Shri Rajendra G. Parikh	KMP	Unsecured Loans Taken/ Payable	65,061,741	1939,054	6,70,00,795
Shri Rajendra G. Parikh	KMP	Directors Remuneration	N.A.	5,25,000	N.A.
Shri Surendra C. Gurav	KMP	Directors Remuneration	N.A.	32,250	N.A.

Shri Akash Jain	KMP	Salary	N.A.	54,150	N.A.
Shah Pratap Industries Limited	Subsidiary	Unsecured Loans Given/ Recoverable	1,22,947	NIL	1,22,947
I. A. & I. C. Private Limited (IAICPL)	Subsidiary	Unsecured Loans Given/ Recoverable	3,85,381	(39,147)	3,46,234
Durlabh Commodities Private Limited	Subsidiary	Unsecured Loans Given/ Recoverable	2,08,086	NIL	2,08,086

## ANNEXURE C

## STATEMENT PURSUANT TO THE PROVISIONS OF SECTION 134 (3) (m) OF THE COMPANIES ACT, 2013 READ WITH COMPANIES (ACCOUNTS) RULES, 2014

## A) PARTICULARS OF CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS &amp; OUTGO

	Period ended 31st March, 2021	Period ended 31st March, 2020
<b>A. Power And Fuel Consumption</b>		
1. Electricity:		
(a) Purchased		
Units (KWH)	40353	32591
Total Amount (Rs.)	462849	382292
Rate per Unit (Avg.)	11.47	11.73
(b) Own generation	N.A	N.A
(i) Through diesel generator:	N.A	N.A
Units (KWH)	N.A	N.A
Units per Ltr. of Diesel oil	N.A	N.A
Cost per unit (Rs.)	N.A	N.A
2. Coal (specify quality and where used)	N.A	N.A
3. Furnace Oil/Gas	N.A	N.A
4. Others/Internal Generation	N.A	N.A

**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 fully absorbed the technology in the year 1996-97 & 1997-98 and has discontinued these manufacturing activities.

## ANNEXURE D

## B) PARTICULARS OF CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS &amp; OUTGO

The foreign exchange earned in terms of actual inflows during the year and the foreign exchange outgo during the year in terms of actual outflows:

	Period ended 31st March, 2021	Period ended 31st March, 2020
i. Total foreign exchange used	Nil	Nil
ii. Total foreign exchange earned	Nil	Nil

**Dhirendra Maurya and Associates**  
**Practicing Company Secretary**

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**Form No. MR-3**

**SECRETARIAL AUDIT REPORT**

*for the Financial Year ended 31<sup>st</sup> March, 2021*

*[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, Maharashtra – 400608,

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **JIK Industries Limited** (hereinafter called the “Company”) for the audit period. 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. I have conducted online verification and examination of records as facilitated by the Company due to Covid-19 and subsequent lockdown situation for the purpose of issuing this Report.

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 **March 31, 2021** (“audit period”) 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 **JIK Industries Limited** (hereinafter called the “Company”), for the financial year ended on **31<sup>st</sup> March 2021** according to the provisions of:

- (i) The Companies Act, 2013 (‘the Act’) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 (‘SCRA’) and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (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; [**Not applicable**]
- (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, 2015;
- (vi) Provisions of the following regulations and guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (‘SEBI Act’) were not applicable to the Company during the financial year under review:
  - a. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;

## Dhirendra Maurya and Associates Practicing Company Secretary

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- b. The Securities and Exchange Board of India (Employees Stock Option Scheme and Employees Stock Purchase Scheme) Guidelines, 1999 and The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 notified on October 28, 2014;
  - c. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
  - d. 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;
  - e. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
  - f. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998.
- (vii) According to explanation and information given by the Company, its officers and authorised representatives, other than aforesaid, below mentioned Acts/ Guidelines are also applicable to the Company:
- a) Factories Act, 1948;
  - b) Employees Provident Funds & Miscellaneous Provisions Act, 1952;

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

- i) Secretarial Standards issued by the Institute of Company Secretaries of India;
- ii) Securities Exchange Board of India (Listing Obligations & Disclosure Requirements) Regulations, 2015 (to the extent applicable);
- iii) The Company has not followed proper procedure of the postal ballot to alter the main object clause of the Memorandum of Association. For which resolution has been taken in the Annual General Meeting dated September 08, 2017. The Company has filed compounding application with Registrar of Companies, Mumbai and the order of ROC, Mumbai is still awaited.
- iv) The Company continues to be non-compliant towards payment of Annual Listing Fees to National Stock Exchange of India Limited (NSE) & Bombay Stock Exchange (BSE)
- v) The compliance formalities related to Director KYC of following Directors are still pending. The names of the Directors are: i) Manoj Pragji Unadkat & ii) Rajeshri Deepak Patel.
- vi) The Company has delayed the filings under Reg. 31 for the quarter ended 31/03/2021 with National Stock Exchange of India Limited (NSE) & Bombay Stock Exchange (BSE).

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

### **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 the 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 at least 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



## **Dhirendra Maurya and Associates** **Practicing Company Secretary**

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- I rely on statutory auditor's report in relation to the financial statements and accuracy of financial figures for Sales Tax, Goods & Service Tax, Related Party Transactions, Provident Fund, etc. for the Financial Year 2020-21 as disclosed under financial statements, IND AS 24 & note on foreign currency transactions during audit period. I rely on observation & qualification, if any, made by statutory auditor's of the company in his report.
- All decisions at Board Meetings and Committee Meetings were carried out unanimously as recorded in the minutes of meetings of the Board of Directors or Committees of the Board, as the case may be.

**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 Practicing 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.

- 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 and Associates**  
**Practicing Company Secretary**

sd/-

**Dhirendra Maurya**  
**Proprietor**  
**Mem. No: 22005; C.P. No.: 9594**

**UDIN: A022005C001359550**

**Place: Mumbai**  
**Date: November 02, 2021**

**Note:** This report is to be read with our letter of even date which is annexed as 'Annexure I' and forms an integral part of this report.

**Dhirendra Maurya and Associates**  
**Practicing Company Secretary**

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**Annexure-I'**

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

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

1. Maintenance of Secretarial records is the responsibility of the management of the Company. My responsibility is to express an opinion on these Secretarial records based on our audit.
2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in the Secretarial records. I believe that the processes and practices I followed provide a reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, I have obtained Management representation about the compliance of laws, rules and regulations and happening of events, etc.
5. 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 procedures on test basis.
6. 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* **Dhirendra Maurya and Associates**  
**Practicing Company Secretary**

sd/-

**Dhirendra Maurya**  
**Proprietor**  
**Mem. No:** 22005; **C.P. No.:** 9594

**UDIN:** A022005C001359550

**Place:** Mumbai  
**Date:** November 02, 2021