

JIK Industries Limited

**Annual Report
2012 - 2013**

CORPORATE INFORMATION

BOARD OF DIRECTORS

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

COMPANY SECRETARY

Shreya G. Sanyashi

AUDITORS

M/s Motilal & Associates
Chartered Accountants, Mumbai

REGD. OFFICE

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

ADMINISTRATIVE OFFICE

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

REGISTRAR & TRANSFER AGENT

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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Directors' Report

The Members of JIK Industries Limited,

Your Directors are pleased to present herewith Twenty First Annual Report together with the Audited Statements of Accounts of the Company for the Twelve months year ended 30th June, 2013.

OPERATIONS

The performance of the Company during the reporting period has been affected due to slow down in the economy.

FINANCIAL HIGHLIGHTS

Company continues to be totally debt free with respect to secured creditors in the current year. Standalone Financial Information of JIK Industries Limited is as follows:

(Amount in Rupees)

Particulars	Year ended 30 th June, 2013	Year ended 30 th June, 2012
Sales & Other Income	8,43,21,341	28,05,31,006
Total Expenses	8,70,98,324	26,16,83,927
Gross Profit/ (Loss)	(27,76,983)	1,88,47,079
Interest and Finance Charges	—	—
Depreciation and Amortization	48,31,411	48,47,538
Profit / (Loss) before Taxes and Extra Ordinary Items	(76,08,394)	1,39,99,541
Provision for Taxes	—	(6,22,957)
Profit / (Loss) Before Extra Ordinary Items	(76,08,394)	1,46,22,498
Extra Ordinary Items	4,62,01,434	—
Net Profit after Tax	(5,38,09,828)	1,46,22,498

PUBLIC DEPOSIT

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

DIRECTORS

Mr. Vijay P. Panikar retires from office by rotation and being eligible, offer himself for re-appointment at the forthcoming Annual General Meeting of the Company.

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

AUDITORS

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

SUBSIDIARY COMPANIES

Pursuant to the Rehabilitation Scheme the Company has been exempted to attach documents in respect of subsidiary companies. Accordingly, the Balance Sheet, Profit & Loss Account, and other documents of the subsidiary companies are not being attached with the Balance Sheet of the Company. Financial information of the subsidiary companies, as required, is disclosed in the Annual

Report. The Company will make available the Annual Accounts of the subsidiary companies to any member of the Company who may be interested in obtaining the same. The annual accounts of the subsidiary companies will also be kept open for inspection at the Registered Office of the Company from (11.00 am to 5.30 p.m.) The Consolidated Financial Statements presented by the Company includes financial results of its subsidiary companies.

CONSOLIDATED FINANCIAL STATEMENTS

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

BRU (Bombay Relief Undertaking)

The renewal application is made by the Company and the order is awaited.

CORPORATE GOVERNANCE

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

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

PARTICULARS OF EMPLOYEE

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

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

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

DIRECTORS RESPONSIBILITY STATEMENT

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

- i. in the preparation of the financial statements, the applicable accounting standards had been followed and there is no material departure;
- ii. appropriate accounting policies have been selected and applied consistently and have made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 30th June, 2013 and of the loss of the Company for the year ended on that date;
- iii. proper and sufficient care has been taken for maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956, for safeguarding of the assets of the Company and for preventing and detecting fraud and other irregularities;
- iv. the financial statements for the year ended 30th June, 2013 have been prepared on a going concern basis.

CASH FLOW STATEMENT:

In conformity with the provisions of Clause 32 of the Listing Agreement with the Stock Exchanges, the Cash Flow Statement for the financial period ended 30th June, 2013 is annexed herewith.

INFORMATION UNDER LISTING AGREEMENT WITH STOCK EXCHANGES

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 30th June, 2013 a total of 71366322 equity shares of the Company, which form 98.24 % of the equity share capital, stand dematerialized.

In accordance with Circular No. D&CC/FITTC/CIR-16-2002 dated December 31, 2002 of Securities and Exchange Board of India, Secretarial Audit Report for the quarters ended September 30, 2012; December 31, 2012; March 31, 2013 and June 30, 2013 have been obtained from Company Secretary in whole time practice.

LISTING OF SECURITIES OF COMPANY

The equity shares of your Company continue to be listed on The Bombay Stock Exchange Limited and The National Stock Exchange of India Limited. The listing fee for the year 2013-14 has been paid to both the exchanges.

ACKNOWLEDGEMENT

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

For and on behalf of the Board

Place: Thane
Dated: 29th August, 2013

Rajendra G. Parikh
Chairman & Managing Director

ANNEXURE I – TO DIRECTORS' REPORT

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

FORM – A (see Rule 2)

Form of Disclosure of particulars with respect to Conservation of Energy

	Year ended 30 th June, 2013	Year ended 30 th June, 2012
A. Power and fuel consumption		
1. Electricity:		
(a) Purchased		
Units (KWH)	22033	17167
Total Amount (Rs)	458210	343431
Rate per Unit (Avg.)	9.43	7.45
(b) Own generation		
(i) Through diesel generator:		
Units (KWH)	Nil	Nil
Units per Ltr. of Diesel oil	Nil	Nil
Cost per unit (Rs.)	Nil	Nil
2. Coal (specify quality and where used)	Nil	Nil
3. Furnace Oil/Gas	Nil	Nil
4. Others/Internal Generation	Nil	Nil

B. Consumption per unit of production:

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

FORM - B

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

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

Technology Imported:

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

C. FOREIGN EXCHANGE EARNINGS & OUTGOING:

Total Foreign Exchange used and Earned:

(Rs. in Lakhs)

	Year ended 30 th June, 2013	Year ended 30 th June, 2012
i. Total foreign exchange used	0.72	Nil
ii. Total foreign exchange earned	3.43	Nil

MANAGEMENT DISCUSSIONS AND ANALYSIS

The Company is in business of crystal, glass and allied products. This forms the basis for review of operational performance by the management for the twelve months year ended 30th June, 2013.

INDUSTRY STRUCTURE:

There have been challenges for growth in India and worldwide this year. Therefore needless to say, the financial year 2012 - 13 has been challenging for most of businesses and too for the Company.

COMPANY OVERVIEW:

The company is in the business of manufacturing, outsourcing, marketing and trading of crystal, glass and allied products.

OPPORTUNITIES AND THREATS:

There are opportunities in the current business environment, as customers are looking for better price competitiveness and flexible product range. The company is well suited to take advantage of this and is working toward the same.

OUTLOOK:

It will be a cautiously optimistic outlook for the current year with every effort being made to tap existing opportunities.

RISK MANAGEMENT:

Like any other enterprise having national as well global business interests, is exposed to business risks which may be systematic as well as unsystematic to company.

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

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY:

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

HUMAN RESOURCES MANAGEMENT:

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

CAUTION STATEMENT:

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

CORPORATE GOVERNANCE REPORT

As required by Clause 49 of the Listing Agreements with Stock Exchanges.

1. COMPANY'S PHILOSOPHY:

JIK strives to monitor and ensure compliance with all applicable Laws and Regulations. It has always been JIK's philosophy on the code of Corporate Governance, to ensure that adequate control systems are devised and implemented and are put in the place.

The Company believes that sound corporate governance policy is important to retain investor's trust. JIK has always held itself to high standard of accountability, disclosures and reporting. It has been the endeavour of your Company to give fair and equitable treatment to all its stakeholders, including employees, customers and shareholders.

2. BOARD OF DIRECTORS

2.1 Composition of the Board:

The current strength of the Board of Directors of the Company is four. The Board has an optimum blend of executive and non-executive directors. The Chairman and Managing Director is executive director while other directors are non executive directors. This combination helps the Company take benefit of the experience and expertise of the directors, in their core area of competence. The Board has a Managing Director who is also a Chairman and the number of independent Directors is more than half of the total strength of the Board.

The above composition is consistent with the relevant provisions of Clause 49 of the Listing agreement entered into with Stock Exchanges.

2.2 Board Meetings:

During the year four Board Meetings were held on August 29, 2012, November 12, 2012, February 09, 2013 and May 14, 2013. The Board was presented with the relevant and necessary information. The attendance at the Board Meetings during the year and at the last Annual General Meeting as also number of other directorship is given below:

Name of Director	Category	Attendance Particulars		No. of Membership /chairmanship in other Board Committees	No. of Membership /chairmanship in other Board Committees	No. of Shares held in the Company as at 30-06-2013
		Board Meetings	Last AGM			
Shri. Rajendra G. Parikh	CMD	4	Yes	-	-	8900900
Shri. Surendra C. Gurav	NEID	4	Yes	-	-	-
Shri. Manoj P. Unadkat	NEID	4	Yes	-	-	66
Shri. Vijay P. Panikar	NEID	3	No	-	-	15230

CMD: Chairman and Managing Director, **NEID:** Non Executive Independent Director

3. AUDIT COMMITTEE:

The Companies Act, 1956 and Listing Agreement with Exchanges provide for constitution of Audit Committee. The terms of reference of this Committee are wide enough to cover the matters specified for audit committees in Clause 49 of the Listing Agreement as well as under the provisions of the Companies Act, 1956. During the year four Audit Committee Meetings were held on August 29, 2012, November 12, 2012, February 09, 2013 and May 14, 2013. The Company Secretary acts as the Secretary of the Committee. The Minutes of the Audit Committee Meetings are noted at the Board Meeting

The attendance of each member of the Committee is given below:

Sr. No.	Name of Members	Category	Designation	No. of Meetings Attended
1	Shri. Surendra C. Gurav	NEID	Chairman	4
2	Shri. Manoj P. Unadkat	NEID	Member	4
3	Shri. Rajendra G. Parikh	CMD	Member	4

4. REMUNERATION COMMITTEE:

The Company has constituted remuneration committee to recommend/review remuneration of executive director(s) based on performance and assessment criteria. The Non-Executive Independent Directors do not draw remuneration from the Company. Also no sitting fee is being paid for attending meetings of the Board /Committee.

The composition of the Remuneration Committee is given below:

Sr. No.	Name of the Members	Category	Designation
1	Shri. Surendra C. Gurav	NEID	Chairman
2	Shri. Manoj P. Unadkat	NEID	Member
3	Shri. Rajendra G. Parikh	CMD	Member

Details of remuneration paid to Shri. R. G. Parikh during the period ended 30th June, 2013 is as follows:

(Amount in Rs.)

Name of Director	Sitting Fees	Category	Remuneration	Total
Shri. R. G. Parikh	--	Chairman & MD	900000	900000

5. SHAREHOLDER'S/INVESTORS' GRIEVANCE COMMITTEE

The Company has constituted the Shareholder's/Investors' Grievance Committee. The Committee comprises of Shri. Surendra C. Gurav Chairman, Shri. Rajendra G. Parikh and Shri. Manoj P. Unadkat as Members. Company Secretary is the Compliance Officer to the Committee. The Committee met four times during the year ended 30th June, 2013 on August 29, 2012, November 12, 2012, February 09, 2013 and May 14, 2013 which was attended by all the members.

The functions of Committee to approve transfer, transmission, sub-division and issue of duplicate/re-materialization of shares and for redressal of investors complaints. During the 12 months year ended 30th June, 2013, 3 complaints

were received from the shareholders. All complaints of shareholders were resolved. There was no outstanding complaint as on 30th June, 2013.

6. MANAGEMENT COMMITTEE

The Company has constituted the Management Committee. The Committee comprises of Shri. Surendra C. Gurav Chairman, Shri. Rajendra G. Parikh and Shri. Manoj P. Unadkat as Members. The terms of reference of the Management committee inter-alia consists of considering the normal business and specific business delegated by the Board from time to time.

The Committee met once during the year ended 30th June, 2013 on 7th January 2013 which was attended by all the members.

7. ANNUAL GENERAL MEETING

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

Financial Year	Venue	Date	Time	Special Resolution Passed
2011-12	Golden Swan Country Club, Off Pokhran Road No. 1, Yeoor Hills, Thane-400 602	24.12.2012	3.30 PM	No
2010-11	-do-	04.11.2011	9.30 A.M	Yes
2009-10	Pada No. 3, Balkum, Thane(W), Thane - 400 608	06.08.2010	9.30A.M.	Yes

8. DISCLOSURE

The Company has three subsidiaries, viz. M/s. I. A. & I. C. Private Limited, M/s. Shah Pratap Industries Private Limited, M/s. Glassworks Trading Private Limited

In terms of the Accounting Standard (AS) 18, "Related Party Disclosures" issued by the Institute of Chartered Accountants of India, the Company has identified the related parties covered therein and details of transactions with such related parties have been disclosed in the Note No. B(7) to Schedule 25 Notes to Accounts of the Annual Report for the 12 months year ended 30th June, 2013.

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

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

The Company has obtain a Certificate from Statutory Auditors confirming compliance with all the conditions of Corporate Governance as stipulated in Clause 49 of the Listing Agreement with Stock Exchange is annexed in this

report. There were no instances of non-compliance by the Company, penalties, strictures imposed on the company by Stock Exchanges or SEBI or any statutory authority on any matter related to the capital market during the last three years. The Company is regularly complying with all the mandatory requirements of Clause 49 of the Listing Agreement regarding Board Composition, Code of Conduct, Audit Committee, quarterly and annual disclosures etc. The Company does not have a Whistle Blower Policy. However, no personnel of the company has been prevented from reporting to the Management any misconduct observed by her/ him. The Company has not adopted any of the non-mandatory requirements as mentioned in clause 2 of Annexure-1D of Clause 49 of the Listing Agreement but voluntarily constituted the Management Committee.

In line with the amended Clause 49 of the listing agreement, the Company adopted a Code of Conduct and ethics for its Directors and Senior Executives. All the Board Members and Senior Management personnel have affirmed compliance with the Code of Conduct for the 12 months period ended 30th June, 2013.

9. MEANS OF COMMUNICATION:

- Quarterly/half yearly /yearly results are normally published in English and local language newspapers as specified by SEBI and as required under Listing Agreement. The audited annual accounts are posted to every member of the company. Quarterly shareholding distribution and quarterly/half yearly/yearly results submitted to the stock exchanges are posted on the website of the company: <http://www.jik.co.in>.
- The email id for investors/shareholders grievances is investorrel@jik.co.in.
- The Stock Exchanges are notified of any important developments that may materially affect the working of the Company.
- No presentations were made to any institutional investors or analysts etc.
- A Management Discussion and Analysis Report, which forms a part of the Annual Report, has been given by means of a separate Annexure and attached to the Directors Report.

10. GENERAL SHAREHOLDERS INFORMATION:

Annual General Meeting
 Date and Time: 12th October, 2013 at 2.30 p.m
 Venue: Golden Swan Country Club,
 Off Pokhran Road No.1, Yeoor Hills,
 Thane - 400 602.

Reporting in the Financial calendar 2013 - 2014

Financial Year

1st Quarter Results }
 2nd Quarter Results } Within 45 days from the end of the
 3rd Quarter Results } Quarter
 Audited Annual Results Within 60 days from the year end

Book closure date

The Book Closure is from 05th October 2013 to 12th October, 2013

(both the days inclusive).

Listing on stock exchange

Name & address of the Stock Exchange:

Bombay Stock Exchange Limited
 Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400 001
Stock Code: 511618

National Stock Exchange of India Limited Exchange Plaza,
 Plot No. C/1,G. Block, Bandra – Kurla Complex, Bandra (East),
 Mumbai – 400 051 **Stock Code: JIKIND**

The Company has paid Annual Listing Fees for the year 2013-14 to the above Stock Exchanges.

Market price data

High/Low during each month of the 12 months period ended 30th June, 2013, on the Bombay Stock Exchange Limited and National Stock Exchange of India Limited

Mon- th	JIK Share price data [BSE]		BSE Sensex		JIK Share price data [NSE]		NSE Nifty	
	High (Rs.)	Low (Rs.)	High	Low	High (Rs.)	Low (Rs.)	High	Low
2012 Jul	5.15	4.01	17,631.19	16,598.48	5.05	4.00	5333.65	5077.65
Aug	4.53	3.75	17,972.54	17,026.97	4.55	3.80	5433.35	5209.95
Sept	4.64	3.65	18,869.94	17,250.80	4.80	3.70	5735.15	5215.65
Oct	5.48	3.90	19,137.29	18,393.42	5.05	3.80	5215.35	4888.20
Nov	5.10	2.74	19,372.70	18,255.69	4.95	2.75	5885.25	5548.35
Dec	4.44	2.33	19,612.18	19,149.03	4.35	2.50	5965.15	5823.15
2013 Jan	3.04	1.70	20,203.66	19,508.93	2.90	1.75	6111.80	5935.20
Feb	2.04	1.43	19,966.69	18,793.97	1.95	1.50	6052.95	5671.90
Mar	1.46	0.93	19,754.66	18,568.43	1.50	0.90	5971.20	5604.85
Apr	1.07	0.87	19,622.68	18,144.22	1.05	0.80	5962.30	5477.20
May	1.07	0.81	20,443.62	19,451.26	1.00	0.80	6229.45	5910.95
Jun	0.99	0.79	19,860.19	18,467.16	1.00	0.75	6011.00	5570.25

Distribution of shareholding as on 30th June, 2013

Range	No. of holders	% of holders	Total Share	% of Shareholding
Up to 100	10426	67.35	359401	0.49
101 to 200	1430	9.24	225882	0.31
201 to 500	1341	8.66	497213	0.68
501 to 1000	852	5.50	719046	0.99
1,001 to 5,000	994	6.42	2422475	3.33
5,001 to 10,000	187	1.21	1377966	1.90
10001 to 1,00,000	206	1.33	5513146	7.59
1,00,001 & above	44	0.28	61525822	84.70
Total	15480	100.00	72640951	100.00

Shareholding pattern as on 30th June, 2013

Sr. No.	Category of Shareholder	No. of Shares	Percentage
1	Promoters & Associates	33160697	45.650
2	Financial Institutions / Banks / Insurance / Mutual Funds	545837	0.751
3	NRI/OCB	386035	0.531
4	Private Corporate Bodies	15716993	21.637
5	Indian Public	22831389	31.431
	Total	72640951	100.00

Pledge of Shares of Promoters & Promoter Group as on 30th June, 2013

Sr. No	Category of Shareholder	No. of Shares	Percentage
1	Promoter & Promoters Group	25825	0.036

Details of complaints / queries received and redressed during 1st July, 2012 to 30th June, 2013

Number of shareholders complaints / queries received	3
Number of shareholders complaints / queries redressed	3
Number of shareholders complaints / queries pending	NIL

Registrars and transfer agents

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

Sharex Dynamic (India) Private Limited

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

Share Transfer System

As on 30th June, 2013, 98.24% of the equity shares of the Company are in dematerialised form. Transfer of these shares is effected through depositories without involvement of the Company. As regards transfer of shares in physical form, the same are processed and approved on a regular basis and the certificates are returned to the shareholders within 30 days from the date of receipt (subject to the documents being valid and complete in all respects).

Dematerialization of shares

The Shares of the Company have been admitted in dematerialized form for trading by the National Securities Depository Limited (NSDL) and the Central Depository Services (India) Limited (CDSL) under the ISIN: **INE 026B01049** and they are compulsorily traded in dematerialized form. As on 30th June, 2013, a total of 71366322 equity shares of the Company, which form 98.24% of the equity share capital, stand dematerialized. The Company has issued 5106 equity shares with differential voting right. Such equity shares are not listed on both the stock exchanges (NSE & BSE) and in physical mode.

Due to non-implementation of Hon'ble BIFR Orders by ROC and

others, e-form is pending and the matter is sub-judice before the Hon'ble Bombay High Court.

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

The Company has not issued any GDRs /ADRs/Convertible Instruments during the year under review.

Location of manufacturing plant

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

Investors' correspondence may be address to:

Sharex Dynamic (India) Pvt. Ltd.

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

Ms. Shreya G. Sanyashi

Compliance Officer, JIK Industries Limited

Admin. Office: 16, Gundecha Chambers,
Nagindas Master Road, Fort, Mumbai-400023

For and on behalf of the Board

Place: Thane
Date: 29th August, 2013

R.G. Parikh
Chairman & Managing Director

CEO CERTIFICATION

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

- I have reviewed the financial statements and Cash Flow Statement for the year ended 30th June, 2013 and that to the best of our knowledge and belief;
- these statements do not contain any materially untrue statements or omit any material fact or contain statements that might be misleading;
- these statements together present a true and fair view of the Company's affairs are in compliance with existing Accounting Standards, applicable laws and regulations.
- To the best of my knowledge and belief, no transactions entered into by the Company during the year ended 30th June, 2013 are fraudulent, illegal or violate the Company's code of conduct.
- I accept responsibility for establishing and maintaining internal controls for financial reporting and I have evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting. Deficiencies in the design or operation of such internal controls, if any, proper steps have been taken to rectify these deficiencies.
- There has not been any significant change in accounting policies during the year requiring disclosure in the notes to the financial statements; and
- I am not aware of any instance during the year of significant fraud with involvement therein of the management or any employee having a significant role in the Company's internal control system over financial reporting.

Place: Thane
Date: 29th August, 2013

R.G. Parikh
Chairman & Managing Director

AUDITORS CERTIFICATE ON CLAUSE 49 COMPLIANCE

To,
The Members of
JIK Industries Limited,

We have reviewed the records concerning the Company's compliance of conditions of Corporate Governance as stipulated in Clause 49 of the Listing Agreement entered into, by the Company with the Stock Exchanges, for the period ended 30th June, 2013.

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

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

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

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

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

Place: Mumbai
Date : 29th August, 2013

**(M.L.JAIN)
PROPRIETOR
Membership No. 36811**

INDEPENDENT AUDITORS' REPORT

To the Members of JIK INDUSTRIES LIMITED

REPORT ON THE FINANCIAL STATEMENTS

We have audited the accompanying financial statements of **JIK INDUSTRIES LIMITED** (the Company), which comprise the Balance Sheet as at June 30, 2013, and the Statement of Profit and Loss and Cash Flow Statement for the year ended, and a summary of significant accounting policies and other explanatory information.

MANAGEMENT'S RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ("the Act"). This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

OPINION

In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- a) in the case of the Balance Sheet, of the state of affairs of the Company as at June 30, 2013; and
- b) in the case of the Profit and Loss Account, of the loss for the year ended on that date; and
- c) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1. As required by The Companies (Auditor's Report) Order, 2003 ("the Order") issued by the Central Government of India in terms of sub-section (4A) of Section 227 of the Companies Act, 1956, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
2. As required by section 227(3) of the Act, we report that:
 - a) we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - b) in our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
 - c) the Balance Sheet and Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account;
 - d) in our opinion, the Balance Sheet and Statement of Profit and Loss, and Cash Flow Statement comply with the Accounting Standards referred to in subsection (3C) of section 211 of the Companies Act, 1956;
 - e) on the basis of written representations received from the directors as on June 30, 2013, and taken on record by the Board of Directors, none of the directors is disqualified as on June 30, 2013, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.

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

Place: Mumbai
Date : 29th August, 2013

**(M.L.JAIN)
Proprietor
M. No. 36811**

ANNEXURE TO THE AUDITORS' REPORT

Referred to in paragraph 1 of our report of even date

- i) In respect of its fixed assets:
 - a. The company is in the process of maintaining proper records for showing full particulars including quantitative details and situation of fixed assets.
 - b. All the assets have not been physically verified by the management during the year but there is a regular programme of verification which, in our opinion, is reasonable having regard to the size of the company and the nature of its assets. No material discrepancies were noticed on such verification.
 - c. The Company has not disposed of any substantial part of its fixed assets so as to affect its going concern status.
- ii) In respect of inventory of raw material, stores and operating supplies:
 - a. The inventory has been physically verified during the period by the management. In our opinion, the frequency of verification is reasonable.
 - b. The procedures of the physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business.
 - c. The company is maintaining proper records of inventory. The discrepancies noticed on verification between the physical stock and the book records have been appropriately dealt with in the books of account.
- iii) In respect of the loans, secured or unsecured, given/taken by the company from companies, firms or other parties covered in the register maintained u/s. 301 of the Companies Act, 1956.
 - a. At the year end, the outstanding balance of such loans aggregated Rs.2,47,46,631/- and maximum amount outstanding during the year amounted to Rs. 2,97,09,697/-.
 - b. The terms and conditions of such loans are, in our opinion, prima facie, not prejudicial to the interest of the company.
 - c. The repayment of principal amounts and interest during the year has been as per stipulation.
 - d. There are no overdue amounts outstanding at the year-end.
- iv) In our opinion and according to the information and explanations given to us, there are adequate internal control systems commensurate with the size of the company and the nature of its business with regard to purchase of inventory, fixed assets and with regards to the sale of goods and services. During the course of our audit, we have not observed any continuing failure to correct major weakness in internal control.
- v) In respect of transactions entered in the register maintained in pursuance of section 301 of the Companies Act, 1956;
 - a. To the best of our knowledge and belief and according to the information and explanations given to us, transactions that needed to be entered into the register have been so entered.
 - b. According to the information and explanations given to us, the transactions made in pursuance of contract or arrangements with parties during the year have been made at prices which are reasonable having regard to prevailing market prices at that time.
- vi) In our opinion and according to the information and explanations given to us the company has not accepted deposits in terms of the provisions of section 58A and 58AA or any other relevant provisions of the Act and the rules framed there under.
- vii) We are informed that the company has appointed a firm of chartered accountants to take care of internal audit.
- viii) We have broadly reviewed the books of account maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records under section 209(1)(d) of the Companies Act, 1956 in respect

of its products and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. However, we have not carried out a detailed examination of the accounts and records with a view to determine whether these are accurate or complete.

- (a) According to the information and explanations given to us the following undisputed statutory dues were outstanding as per books of accounts as at June 30, 2013, for a period of more than six months from the date they became payable are;

Name of the statute	Nature of the dues	Period to which Amount relates	Amount (In Lacs.)
Sales Tax Act.	Sales Tax	2002-03	0.86
Sales Tax Act.	Sales Tax	2003-04	14.76
Sales Tax Act.	Sales Tax	2004-05	8.45
Sales Tax Act.	Sales Tax	2005-06	2.17
Central Excise Act	Service Tax	2011-12	3.09

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

Name of the statute	Nature of dues	Amount (In Lacs)	Period which the amount relates	Forum where disputes pending
Income Tax Act	Income Tax	39.67	1995-96 (*)	Income Tax Appellate Tribunal, Mumbai
Income Tax Act	Income Tax	656.65	2000-01 (**)	Commissioner of Income Tax, (Appeals) Mumbai.
Income Tax Act	Income Tax	372.69	2001-02	Commissioner of Income Tax, Mumbai City II.
Income Tax Act	Income Tax	9.59	2002-03	Income Tax Appellate Tribunal, Mumbai
Income Tax Act	Income Tax	2259.15	2005-06	Commissioner of Income Tax, (Appeals) Mumbai.
Income Tax Act	Income Tax	273.44	2007-08	Commissioner of Income Tax, (Appeals) Mumbai.
Income Tax Act	Income Tax	768.16	2008-09	Commissioner of Income Tax, (Appeals) Mumbai.
Income Tax Act	Income Tax	4005.12	2009-10	Commissioner of Income Tax, (Appeals) Mumbai.
Income Tax Act	Income Tax	4156.14	2010-11	Commissioner of Income Tax, (Appeals) Mumbai.

(*) ITAT (Mumbai) vide its order dated 23.10.2012 has partly allowed the appeal. Order giving effect for the same is awaited.

(**) CIT (A) – 5 (Mumbai) vide its order dated 15.03.2013 has partly allowed the appeal. Order giving effect for the same is awaited.

- x) The accumulated losses of the Company as at June 30, 2013 are more than fifty percent of its net worth at the year end and the Company has incurred cash losses during the financial year and cash profit in the immediately preceding

financial year.

- xi) According to the information and explanations given to us, the Company has not defaulted in repayment of dues to financial institutions and banks.
- xii) According to the information and explanations given to us, the Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- xiii) In our opinion, the company is not a chit fund or a nidhi mutual benefit fund/society. Therefore the provisions of clause 4(xiii) are not applicable to the company.
- xiv) In our opinion, the company is not dealing in or trading in shares, securities, debentures and other investments. Accordingly, the provisions of clause 4(xiv) are not applicable to the company.
- xv) In our opinion and according to the information and explanations given to us, the company has not given any guarantee.
- xvi) In our opinion and according to the information and explanations given to us, no term loans have been obtained during the year under review.
- xvii) According to the cash flow statement and other records examined by us and the information and explanations given to us, on an overall basis, funds raised on short-term basis have, prima facie, not been used during the year for long-term investments.
- xviii) During the year, the company has not made any preferential allotment of shares to parties or companies covered in the register maintained under section 301 of the Companies Act, 1956.
- xix) The company has not issued Debentures during the year and hence the provisions of clause 4(xix) are not applicable to the company.
- xx) In our opinion and according to the information and explanations given to us, the company has not raised any money by public issue during the year covered by our report.
- xxi) According to the information and explanations given to us, no fraud on or by the company has been noticed or reported during the course of our audit.

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

Place: Mumbai
Date : 29th August, 2013

**(M.L.JAIN)
Proprietor
M. No. 36811**

BALANCE SHEET AS AT 30TH JUNE, 2013

(Rupees)

	Note No.	As at 30.06.2013	As at 30.06.2012
I			
<u>EQUITY AND LIABILITIES</u>			
(1)			
<u>Shareholders' funds</u>			
(a) Share Capital	1	726,409,510.00	726,409,510.00
(b) Reserves and Surplus	2	332,712,021.42	386,521,849.46
		1,059,121,531.42	1,112,931,359.46
(2)			
<u>Non-current liabilities</u>			
(a) Long-Term Borrowings	3	1,958,842.00	3,264,738.00
(b) Other Long Term Liabilities	4	-	-
(c) Long Term Provisions	5	349,143.00	261,602.00
		2,307,985.00	3,526,340.00
(3)			
<u>Current liabilities</u>			
(a) Short-Term Borrowings	6	29,600,590.03	29,706,897.00
(b) Trade Payables	7	537,276.32	702,248.57
(c) Other Current Liabilities	8	14,168,575.27	5,700,823.51
(d) Short Term Provisions	9	38,794.00	29,067.00
		44,345,235.62	36,139,036.08
		1,105,774,752.04	1,152,596,735.54
II			
<u>ASSETS</u>			
(1)			
<u>Non-current assets</u>			
(a) Fixed Assets			
Tangible Assets	10	37,561,117.83	42,372,978.83
(b) Non-Current Investments	11	678,916,830.00	240,324,000.00
(c) Deferred Tax Assets (Net)	12	68,000,848.00	68,000,848.00
(d) Long-Term Loans and Advances	13	51,714,263.23	535,835,528.50
		836,193,059.06	886,533,355.33
(2)			
<u>Current assets</u>			
(a) Inventories	14	6,159,624.56	7,344,189.44
(b) Trade Receivables	15	257,287,743.70	251,517,330.70
(c) Cash and Cash Equivalents	16	103,192.22	1,384,183.57
(d) Short-Term Loans and Advances	17	6,031,132.50	5,817,676.50
		269,581,692.98	266,063,380.21
		1,105,774,752.04	1,152,596,735.54
Summary of Significant Accounting Policies		25	
The accompanying notes are an integral part of the financial statements.			

AS PER OUR REPORT OF EVEN DATE

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

FOR AND ON BEHALF OF THE BOARD

M.L. JAIN
Proprietor
M. No. 36811

R.G.PARIKH
Chairman & Managing Director

S. C. GURAV
Director

S.G. SANYASHI
Company Secretary

Place : Mumbai
Dated : 29th August, 2013

Place : Thane
Dated : 29th August, 2013

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 30TH JUNE, 2013

(Rupees)

	Note No.	Year ended 30.06.2013	Year ended 30.06.2012
I REVENUE			
Revenue From Operations (Gross)		84,321,341.25	269,831,006.06
Other Income	18	-	10,700,000.00
Total Revenue		84,321,341.25	280,531,006.06
II EXPENDITURE			
Cost of Materials Consumed	19	263,235.00	431,149.50
Purchases of Stock-in-Trade	20	74,208,771.00	242,610,341.89
Changes in Inventories of Finished Goods, Work-in-Progress & Stock-in-Trade	21	921,329.88	9,012,150.91
Employee Benefits Expenses	22	5,469,810.00	5,315,345.00
Finance Cost	23	-	-
Depreciation and Amortization		4,831,411.00	4,847,538.00
Other Expenses	24	6,235,178.44	4,314,940.13
Total Expenditure		91,929,735.32	266,531,465.43
III Profit/(Loss) Before Exceptional & Extraordinary Items & Tax		(7,608,394.07)	13,999,540.63
Exceptional Items		-	-
Profit before extraordinary Items and Tax		(7,608,394.07)	13,999,540.63
Extraordinary Items		46,201,433.97	-
IV Profit/(Loss) Before Tax		(53,809,828.04)	13,999,540.63
Tax Expenses			
(1) Current Tax		-	-
(2) Deferred Tax		-	(622,957.00)
V Profit/(Loss) for the year		(53,809,828.04)	14,622,497.63
Earning per equity share			
Equity Shares - (Basic & Diluted) Before Extraordinary Items		(0.10)	0.21
'A' Equity Shares - (Basic & Diluted) Before Extraordinary Items		(0.15)	0.29
Equity Shares - (Basic & Diluted) After Extraordinary Items		(0.74)	0.21
'A' Equity Shares - (Basic & Diluted) After Extraordinary Items		(1.05)	0.29
Summary of Significant Accounting Policies	25		
The accompanying notes are an integral part of the financial statements.			

AS PER OUR REPORT OF EVEN DATE

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

FOR AND ON BEHALF OF THE BOARD

M.L. JAIN
Proprietor
M. No. 36811

R.G.PARIKH
Chairman & Managing Director

S. C. GURAV
Director

S.G. SANYASHI
Company Secretary

Place : Mumbai
Dated : 29th August, 2013

Place : Thane
Dated : 29th August, 2013

Notes Forming Part of the Financial Statements

(Rupees)

	As at 30.06.2013	As at 30.06.2012
Note 1 - Share Capital		
Authorised		
156,900,000 Equity Shares Of Rs.10/- Each	1,569,000,000.00	1,569,000,000.00
100,000 'A' Ordinary Equity Shares Of Rs. 10/- Each	1,000,000.00	1,000,000.00
	1,570,000,000.00	1,570,000,000.00
Issued, Subscribed & Paid Up :		
72,635,845 Equity Shares Of Rs.10/- Each Fully Paid Up	726,358,450.00	726,358,450.00
(Previous Period 72,635,845 Equity Shares Of Rs.10/- Each Fully Paid Up		
5106 'A' Ordinary Equity Shares Of Rs 10/- Each Fully Paid Up	51,060.00	51,060.00
(Previous Period 5106 'A' Ordinary Equity Shares Of Rs 10/- Each Fully Paid Up)		
	726,409,510.00	726,409,510.00

Notes:

a. Reconciliation of the Shares outstanding at the beginning and at the end of the reporting period:

	As at 30.06.2013		As at 30.06.2012	
	No. of Shares	Amount (Rs.)	No. of Shares	Amount (Rs.)
Equity Shares:				
At the beginning of the period	72635845	726,358,450.00	62439945	624,399,450.00
Issued during the period	-	-	10195900	101,959,000.00
Outstanding at the end of the period	72635845	726,358,450.00	72635845	726,358,450.00
'A' Ordinary Equity Shares				
At the beginning of the period	5106	51,060.00	5106	51,060.00
Issued during the period	-	-	-	-
Outstanding at the end of the period	5106	51,060.00	5106	51,060.00

b. Rights, preferences and restrictions attached to the shares

- Equity Shares have at par value of Rs.10/- per share. Each holder of equity share is entitled to one vote per-share.
- 'A' Ordinary Equity Shares have at par value of Rs 10/- per share. These shares have differential voting rights viz. 1 vote for every 10 shares held excluding fractions, if any.

c. Details of shareholders holding more than 5% shares in the Company

Name of Shareholder	As at 30.06.2013		As at 30.06.2012	
	No. of Shares	% Holding	No. of Shares	% Holding
Mr. Rajendra G. Parikh	8,900,900	12.25	18,113,103	24.94
Korpus Financial Services Pvt Ltd	1,500,000	2.07	11,500,000	15.83
Jagruti Securities Ltd	13,500,000	18.59	3,500,000	4.82
Mrs. Jagruti R. Parikh	9,258,785	12.75	21,582	0.03

	As at 30.06.2013	As at 30.06.2012
Note 2 - Reserves & Surplus		
(a) Shares/Securities Premium		
As per last Balance Sheet	820,685,087.18	755,685,087.18
Add : Received during the year	-	65,000,000.00
	820,685,087.18	820,685,087.18
(b) Capital Reserve	4,980,910.00	4,980,910.00
(c) Capital Redemption Reserve	128,456,000.00	128,456,000.00
(d) Share Forfeiture	438,000.00	438,000.00
(e) State Subsidy	3,250,000.00	3,250,000.00
(f) General Reserve	8,255,859.00	8,255,859.00
(g) Surplus/(Deficit) in the statement of Profit & Loss		
As per last Balance Sheet	(579,544,006.72)	(594,166,504.35)
Add : Profit for the year	(53,809,828.04)	14,622,497.63
	(633,353,834.76)	(579,544,006.72)
	332,712,021.42	386,521,849.46

Note 3 - Long-Term Borrowings		
Unsecured Loans		
Interest Free Sales Tax Loan:		
(a) Development Corporation of Kokan Ltd	768,110.00	1,280,186.00
(b) Sales Tax Deferment Loan	1,190,732.00	1,984,552.00
	1,958,842.00	3,264,738.00

Note:

1. Interest free Sales Tax deferral / loan is availed from the Government of Maharashtra in accordance with the 1988 Package Scheme of Incentives. The said deferral / loan is repayable in 8 annual installment starting from 30th June 2010 without any interest and penalty in term of sanctioned Scheme of "BIFR".

Note 4 - Other Long Term Liabilities	-	-
	-	-
Note 5 - Long Term Provisions		
Gratuity Payable	349,143.00	261,602.00
	349,143.00	261,602.00
Note 6 - Short Term Borrowings		
Loan From Related Party	24,746,631.00	29,053,949.00
Loan From Subsidiary	2,837,831.00	-
Others	57,284.03	-
Unsecured Loans		
Interest Free Sales Tax Loan:		
(a) Development Corporation of Kokan Ltd	768,114.00	256,038.00
(b) Sales Tax Deferment Loan	1,190,730.00	396,910.00
	29,600,590.03	29,706,897.00
Note: The Company is yet to make payment of 2 annual installments of Interest free Sales Tax deferral/loan as stated in Note 3(1) above		
Note 7 - Trade Payables		
Due to Micro, Small and Medium Enterprises	-	-
Other Trade Payables	537,276.32	702,248.57
	537,276.32	702,248.57

	As at 30.06.2013	As at 30.06.2012
Note 8 - Other Current Liabilities		
Statutory Dues	3,051,422.33	3,256,224.00
Advance From Trade Receivables	9,884,360.00	1,299,965.53
Expenses Payable	1,232,792.94	1,144,633.98
	14,168,575.27	5,700,823.51
Note 9 - Short Term Provisions		
Provision for Employee Benefits		
Gratuity	38,794.00	29,067.00
	38,794.00	29,067.00

Note 10 - Fixed Assets

(Rupees)								
Particulars	Gross Block			Depreciation			Net Block	
	As at 30-06-2012	Additions	As at 30-06-2013	Up-to 30-06-2012	For The Year	As at 30-06-2013	As at 30-06-2013	As at 30-06-2012
Tangible Assets								
Land & Site Development	6,204,865.81	-	6,204,865.81	5,576,615.81	-	5,576,615.81	628,250.00	628,250.00
Factory Building	16,079,088.46	-	16,079,088.46	16,079,088.46	-	16,079,088.46	-	-
Plant & Machinery	118,558,017.28	-	118,558,017.28	85,390,244.28	3,265,740.00	88,655,984.28	29,902,033.00	33,167,773.00
Laboratory Equipment	381,847.10	-	381,847.10	264,258.10	16,989.00	281,247.10	100,600.00	117,589.00
Moulds	8,383,621.32	-	8,383,621.32	8,382,927.32	694.00	8,383,621.32	-	694.00
Electrical Installations	11,597,791.28	-	11,597,791.28	7,611,629.11	550,477.00	8,162,106.11	3,435,685.17	3,986,162.17
Air Conditioner	654,091.86	-	654,091.86	410,377.86	31,069.00	441,446.86	212,645.00	243,714.00
Computer	7,590,536.76	19,550.00	7,610,086.76	7,404,096.76	57,189.00	7,461,285.76	148,801.00	186,440.00
Office Equipment	1,340,687.47	-	1,340,687.47	842,951.47	62,574.00	905,525.47	435,162.00	497,736.00
Vehicle	2,049,843.07	-	2,049,843.07	2,049,843.07	-	2,049,843.07	-	-
Furniture & Fixtures	13,716,622.09	-	13,716,622.09	10,172,001.43	846,679.00	11,018,680.43	2,697,941.66	3,544,620.66
Total	186,557,012.50	19,550.00	186,576,562.50	144,184,033.67	4,831,411.00	149,015,444.67	37,561,117.83	42,372,978.83
Previous Year	186,557,012.50	-	186,557,012.50	139,336,495.67	4,847,538.00	144,184,033.67	42,372,978.83	47,220,516.83

	As at 30.06.2013	As at 30.06.2012
Note 11 - Non-Current Investments		
Non-Trade Long Term Investments in Equity Unquoted (at cost)		
The Malad Sahakari Bank Ltd 4900 (4900) Equity Shares of Rs.10/-each	49,000.00	49,000.00
Jagati Publications Ltd 2916657 (Nil) Equity Shares of Rs.10/-each (Refer Note 25(B)(18))	438,592,830.00	-
Subsidiary Companies		
Shah Pratap Industries Pvt.Ltd 10210 (10210) Equity Shares of Rs.100/-each	25,525,000.00	25,525,000.00
Glassworks Trading Pvt.Ltd 100000 (100000) Equity Shares of Rs.10/-each	1,000,000.00	1,000,000.00
I.A & I.C. Pvt.Ltd 855000 (855000) Equity Shares of Rs.10/-each	213,750,000.00	213,750,000.00
	678,916,830.00	240,324,000.00

	As at 30.06.2013	As at 30.06.2012
Note 12 - Deferred Tax Assets (Net)		
Deferred Tax Assets		
Unabsorbed losses / depreciation	73,777,153.00	73,777,153.00
Disallowances	998,111.00	998,111.00
Total (A)	74,775,264.00	74,775,264.00
Deferred Tax Liabilities		
Difference between book and tax depreciation	6,774,416.00	6,774,416.00
Total (B)	6,774,416.00	6,774,416.00
(A-B)	68,000,848.00	68,000,848.00
Notes:		
In compliance with the Accounting Standard - 22 "Accounting for taxes on Income" issued by The Institute of Chartered Accountants of India, the Dererred tax asset/liability (net) accruing during the current year is not provided by the company (Previous year Rs 6,22,957/-) has been shown in the statement of Profit and Loss.		
Note 13 - Long-Term Loans and Advances		
Capital Advances	-	46,201,433.97
To Subsidiaries	962,044.00	438,881,861.00
Deposits	135,038.70	135,053.00
Advances to employees	121,073.00	121,073.00
Other Loans and Advances	44,505,812.00	44,505,812.00
Advance Tax	1,182,364.00	1,182,364.00
Cenvat Receivable	4,791,837.00	4,791,837.00
MVAT Receivables	16,094.53	16,094.53
	51,714,263.23	535,835,528.50
Note 14 - Inventories		
1. Raw Materials	647,905.75	911,140.75
2. Work-In-Process	37,564.00	81,624.00
3. Finished Goods	5,465,924.81	6,035,576.69
4. Stores, Spares & Consumables	8,230.00	8,230.00
5. Pots	-	307,618.00
	6,159,624.56	7,344,189.44
Note 15 - Trade Receivables		
(Unsecured, Considered Good)		
Outstanding For More Than Six Months	139,163,014.00	172,429,192.60
Others	9,143.00	78,672,409.10
(Unsecured, Considered Doubtful)		
Outstanding For More Than Six Months	118,115,586.70	415,729.00
Others	-	-
	257,287,743.70	251,517,330.70
Note 16 - Cash and Cash Equivalents		
Balance with banks	42,516.26	229,784.36
Cash on hand	60,675.96	1,154,399.21
	103,192.22	1,384,183.57
Note 17 - Short-Term Loans and Advances		
Others		
Prepaid Expenses	360,553.00	373,864.00
Advance to Trade Payable	5,445,912.50	5,443,812.50
Advance for Expenses	224,667.00	-
	6,031,132.50	5,817,676.50

	As at 30.06.2013	As at 30.06.2012
Note 18 - Other Income		
Service Charges	-	10,700,000.00
	-	10,700,000.00
Note 19 - Cost of materials consumed		
Inventory at the beginning of period	911,140.75	1,342,290.25
Add : Purchases	-	-
	911,140.75	1,342,290.25
Less : Inventory at the end of the period	647,905.75	911,140.75
Cost of Material Consumed	263,235.00	431,149.50
Note 20 - Purchases of Stock-in-Trade		
Purchases	74,208,771.00	242,610,341.89
	74,208,771.00	242,610,341.89
Note 21 - Changes in inventories of Finished Goods, Work-in-Progress & Stock-in-Trade		
<u>Inventories at the end of the period</u>		
Finished Goods	5,465,924.81	6,035,576.69
Work-In-Progress	37,564.00	81,624.00
Stock-in-Trade	8,230.00	315,848.00
	5,511,718.81	6,433,048.69
<u>Inventories at the beginning of the period</u>		
Finished Goods	6,035,576.69	14,779,972.10
Work-In-Progress	81,624.00	349,379.50
Stock-in-Trade	315,848.00	315,848.00
	6,433,048.69	15,445,199.60
(Increase)/Decrease in Stock	921,329.88	9,012,150.91
Note 22 - Employee Benefits Expenses		
(a) Salaries and Wages	5,261,802.00	5,192,588.00
(b) Contribution to Provident & other Funds	97,398.00	84,913.00
(c) Gratuity	97,268.00	32,858.00
(d) Staff Welfare Expenses	13,342.00	4,986.00
	5,469,810.00	5,315,345.00
Note 23 - Finance Costs		
Interest Expenses	-	-
	-	-

	As at 30.06.2013	As at 30.06.2012
Note 24 - Other Expenses		
Rent,Rates & Taxes	216,388.00	228,000.00
Conveyance	29,714.00	34,014.00
Printing & Stationery	285,180.00	296,308.00
Postage & Courier Service Charges	154,670.00	179,381.00
Membership,Subscription,Periodicals & Registration	11,526.00	15,496.00
Telephone,Telex & Fax Charges	238,140.26	208,970.11
Travelling Expenses	11,235.00	69,189.00
Foreign Travel Expenses	136,124.00	-
Advertisement & Publicity	79,095.00	93,653.00
Bank Charges	23,800.50	38,544.17
Insurance Charges	28,229.00	24,497.00
Business Promotion & Entertainment	51,592.00	33,137.00
Transportation,Clearing & Forwarding Charges	20,293.00	2,480.00
Electricity Charges	355,706.00	284,475.00
Power & Fuel Charges	458,210.13	343,430.81
Packing Materials, Stores,Spares & Consumables	12,948.00	4,827.38
Value Added Tax	167,150.33	278,729.00
Repairs,Maintenance & Operating Expenses	59,469.00	55,678.00
Miscellaneous Expenses	555,234.00	380,314.00
Security Charges	937,839.00	34,370.00
Service/Processing Charges	254,583.00	455,268.60
Auditor's Remuneration	202,248.00	168,540.00
Computer Expenses/Software Charges	57,554.00	36,473.00
Sundry Balances Written Off/Back	38,942.22	(0.94)
Legal,Professional & Consultancy Charges	1,849,308.00	1,049,166.00
	6,235,178.44	4,314,940.13

Note 25 - Notes for Financial Statements for the year ended 30th June 2013

A. Significant Accounting Policies:

1. Basis Of Accounting:

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

2. Fixed Assets:

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

3. Depreciation:

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

4. Impairment Of Assets:

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

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

5. Investments:

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

6. Inventory:

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

7. Purchases And Sales:

- Purchases are recorded net of cenvat credit.

- Sales are recognized at the time of dispatches and include excise duty, VAT and are net of returns. In case of export sales, revenue is recognized as on the date of bill of lading, being the effective date of dispatch.

8. Taxation:

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

9. Retirement Benefits:

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

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

10. Provisions, Contingent Liabilities and Contingent Assets:

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

11. Use Of Estimates:

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

12. Provisioning/Write-off of Doubtful Debts:

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

B. Notes On Accounts:

- Contingent Liabilities not provided for:

		Current Year	Previous Year
a)	Disputed Income Tax Demand	1,254,060,935	107,860,080
b)	Other Matters	782,500	782,500

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

- 3) In the opinion of the management, the current assets, loans and advances have the values on realization in the ordinary course of business at least equal to the amounts at which they are stated in the balance sheet except the trade receivables and loans and advances which falls under management's policy for bad and doubtful debts as taken in the previous years.
- 4) Debit and Credit balances are subject to confirmation and reconciliation.
- 5) There are no dues to Micro, Small & Medium Enterprises as at Balance Sheet date and no interest has been paid to any such parties. This is based on the information on such parties having been identified on the basis of information available with the Company and relied upon by the auditors.
- 6) The Company has made provision for gratuity for the period under review as certified by M/s. VHV Finance & Consultancy Services.
- 7) Related Parties Disclosures

i) Relationships:

(a) Subsidiary Companies:

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

(b) Key Management Personnel: (KMP)

Shri. Rajendra G. Parikh (RGP)

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

M/s. Share Bazar House. (SBH)

Shri. Aditya R. Parikh (ARP)

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

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

Sr No	Nature of transaction	Subsidiaries			KMP		Relatives of KMP	
		IAIC	SPIL	GTPL	RGP	SBH	ARP	
1.	Rent Paid	- (-)	- (-)	- (-)	1,20,000 (1,20,000)	96,388 (1,08,000)	- (-)	
2.	Reimbursement of Expenses	88,520 (11,410)	- (-)	- (-)	2,61,491 (1,00,664)	2,30,594	- (-)	
3	Directors Remuneration	- (-)	- (-)	- (-)	9,00,000 (12,00,000)	- (-)	- (-)	
4	Salaries	- (-)	- (-)	- (-)	- (-)	- (-)	5,85,000 (5,85,000)	
5	Loans & Advances Receivable / Payable by Company	40,00,08,598	3,75,18,469	3,92,750	43,07,318	- (-)	- (-)	

- iii) The amount outstanding and maximum balance outstanding at any time during the Year (figures in bracket pertains to previous Year).

Sr No	Name	Amount Due on June 30, 2013	Maximum Amount Due
1.	I. A. & I. C. Pvt. Limited	-28,37,831 (40,00,08,598)	40,00,08,598 (40,60,41,508)
2.	Shah Pratap Industries Pvt. Limited	68,781 (3,75,87,250)	3,75,87,250 (3,76,82,250)
3.	Glassworks Trading Pvt. Limited	8,93,263 (12,86,013)	12,86,013 (12,86,013)
4.	Rajendra G. Parikh	2,47,46,631 (2,90,53,949)	2,97,09,697 (3,16,20,975)

8) Earning per Share:

(A) Basic & Diluted

	June 30,2013	June 30,2012
a. Net Profit/(Loss) After Tax before Extraordinary item	(7,608,394)	14,622,498
b. Weighted average Number of Equity Shares	72,635,845	70,331,695
c. Weighted average Number of 'A' Ordinary Equity Shares	5,106	5,106
d. Share of Profit/(Loss) for Equity Shares	(7,607,633)	14,621,036
e. Share of Profit/(Loss) for 'A' Ordinary Equity Shares	(761)	1,462
f. Earning Per Equity Share in Rupees (FV Rs.10/-) (d/b)	(0.10)	0.21
g. Earning Per 'A' Ordinary Equity Share in Rupees (FV Rs.10/-) (e/c)	(0.15)	0.29

(B) Basic & Diluted

	June 30,2013	June 30,2012
a. Net Profit/(Loss) After Tax after Extraordinary item	(53,809,828)	14,622,498
b. Weighted average Number of Equity Shares	72,635,845	0
c. Weighted average Number of 'A' Ordinary Equity Shares	5,106	5,106
d. Share of Profit/(Loss) for Potential Equity Shares	(53,804,447)	14,621,036
e. Share of Profit/(Loss) for 'A' Ordinary Equity Shares	(5,381)	1,462
f. Earning Per Equity Share in Rupees (FV Rs.10/-) (b/d)	(0.74)	0.21
g. Earning Per 'A' Ordinary Equity Share in Rupees (FV Rs.10/-) (e/c)	(1.05)	0.29

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

	Current Year (Rupees)		Previous Year (Rupees)	
10) Earning in foreign currency: Exports (FOB)	3,42,507		--	
11) Expenditure in foreign currency: (on payment basis) (net of tax, where applicable)				
Travelling	71,939		--	
12) Value of Imported & indigenous material consumed:	%		%	
Raw Materials:				
Indigenous	---	---	---	---
Imported	2,63,235	100	4,31,150	100
	<u>2,63,235</u>	<u>100</u>	<u>4,31,150</u>	<u>100</u>

13) Auditors Remunerations (including Service tax, where applicable)

	Current Year (Rupees)		Previous Year (Rupees)	
a) Audit fees	168,540		206,813	
b) Certification & tax matters, etc.	33,708		18,751	

- 14) Hon'ble BIFR has given order to The New India Assurance Co Ltd to settle the insurance claim filed by the Company due to fire at Chemical Waste Recycling Plant at Vijaygad, Tal. Wada. Further, the Company has filed a petition in Hon'ble Bombay High Court against the insurance company.
- 15) 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.
- 16) The Company has filed a Miscellaneous Application with Hon'ble BIFR for non-implementation of clauses under Hon'ble BIFR sanctioned scheme by Directorate of Income Tax, the case is pending before Hon'ble BIFR.
- 17) The Company will be making an application under VCES Scheme of Service Tax to pay off the outstanding service tax by 31st March, 2014.
- 18) The Company has received shares of M/s Jagati Publications Ltd against and in lieu of the outstanding amount from its subsidiaries viz. M/s I.A & I.C Pvt Ltd & M/s Shah Pratap Industries Pvt Ltd. At present the shares stand in the name of subsidiaries and the same are in the custody of government authorities. Both the parties have agreed for completing the necessary procedure on release of shares lying with the authorities. Meanwhile due to the order of Hon'ble BIFR provisions of Section 372(A) are not applicable to the Company.

- 19) Extraordinary Items Rs 462.01 Lakhs represents Loss on account of Capital Project Shelved due to unavoidable / unforeseen circumstances and the same is as per the policy adopted by the management in past
- 20) The networth of the subsidiaries M/s I.A & I.C Pvt Ltd and M/s Shah Pratap Industries Pvt Ltd. as at the Balance Sheet date has been completely eroded. However, the management is of the view that since the Investments is long term in nature no provision is required to be made.
- 21) Respective e-forms with ROC are pending due to pending litigation of non-implementation of Hon'ble BIFR orders by Ministry of Corporate Affairs & Others.
- 22) In view of the revision to the Schedule VI as per notification issued by the Central Government, the financial statement for the year ended 30th June, 2013 have been prepared as per the requirement of the Revised Schedule VI to the Companies Act, 1956. The previous years figures have been accordingly regrouped/classified to confirm to the year's classification.

The accompanying notes are an integral part of the financial statements.

		For and on behalf of Board	
FOR MOTILAL & ASSOCIATES		R. G. PARIKH	Chairman &
Chartered Accountants			Managing Director
Registration No.: 106584W		S. C. GURAV	Director
(M.L. JAIN)		S.G. SANYASHI	Company Secretary
Proprietor			
M. No. 36811			
Place: Mumbai		Place : Thane	
Dated: 29th August, 2013		Dated : 29th August, 2013	

Cash Flow statement for the period ended June 30, 2013 pursuant to clause 32 of the listing agreement.

	PERIOD ENDED 30.06.2013	PERIOD ENDED 30.06.2012
A.CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit/(Loss) Before Tax and Extra-ordinary Items	(7,608,394)	13,999,541
Adjustment for :		
Interest & Finance Charges (Net)	-	-
Depreciation	4,831,411	4,847,538
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES	(2,776,983)	18,847,079
Adjustments for:		
Trade Receivables,Loans & Advances	478,137,396	(25,429,455)
Inventories	1,184,565	9,443,300
Trade Payables & Other Liabilities	8,293,741	25,787,451
CASH USED FOR OPERATING ACTIVITIES	484,838,719	28,648,375
Prior Period and Extra-ordinary Item	(46,201,434)	-
NET CASH FROM/(USED) OPERATING ACTIVITIES	438,637,285	28,648,375
B.CASH FLOW FROM INVESTING ACTIVITIES		
Capital W.I.P/Advance for Capital Items & Pre-operative Expenses	-	-
Purchase of Fixed Assets (Net)	(19,550)	-
Purchase of Investments	(438,592,830)	-
NET CASH FROM /(USED) IN INVESTING ACTIVITIES	(438,612,380)	-
C.CASH FLOW FROM FINANCING ACTIVITIES		
Issue of Equity share capital/Share Application Money	-	101,959,000
Additions to Shares Premium	-	65,000,000
Secured/Unsecured Loans	(1,305,896)	(194,707,475)
Interest & Financing Charges (Net)	-	-
NET CASH FROM/(USED) IN FINANCING ACTIVITIES	(1,305,896)	(27,748,475)
NET INCREASE/(DECREASE) IN CASH OR CASH EQUIVALENTS	(1,280,991)	899,900
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE YEAR	1,384,184	484,284
CASH AND CASH EQUIVALENTS AT END OF THE PERIOD	103,192	1,384,184

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

FOR AND ON BEHALF OF THE BOARD

Place : Thane
Dated : 29th August, 2013

R.G.PARIKH
Chairman & Managing Director

S. C. GURAV
Director

S.G. SANYASHI
Company Secretary

AUDITORS CERTIFICATE

We have examined the attached cash flow statement of JIK Industries Limited for the year ended June 30, 2013. The statement has been prepared by the Company in accordance with the requirements of clause 32 of the Listing agreement with The Stock Exchanges and is based on and in agreement with the corresponding profit & loss account and balance sheet of the Company covered by our report of even date to the members of the Company.

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

Place : Mumbai
Dated : 29th August, 2013

(M.L. JAIN)
Proprietor
M. No. 36811

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

(Rupees in Lacs)

	Name of the subsidiary company	I.A. & I.C Pvt. Limited	Shah Pratap Industries Pvt. Limited	Glass Works Trading Pvt. Limited
1	Financial period of the subsidiary company ended on	31.03.2013	31.03.2013	31.03.2013
2	Holding Company's Interest			
	a) Number of Shares fully paid	855000	10210	100000
	b) Extent of holding	98.07%	94.54%	100.00%
3	Net aggregate of profit / (loss) of the subsidiary, so far as they concern members of the JIK Industries Limited			
	(1) for the financial period of the subsidiary			
	(a) dealt with in the accounts of the holding company	-	-	-
	(b) not dealt with in the accounts of the holding company	(1600.81)	(773.55)	(12.67)*
	(2) for the previous financial years of the subsidiary since it became the holding company subsidiary			
	(a) dealt with in the accounts of the holding company	-	-	-
	(b) not dealt with in the accounts of the holding company	(1176.24)	(2.69)	(6.08)*
4	Changes in the interest of JIK Industries Limited between the end of the subsidiaries financial year and June 30, 2013.			
	No. of Shares acquired	-	-	-
5	Material changes between the end of the subsidiaries Financial Year and June 30, 2013.			
	- Fixed Assets (net additions)	-	-	-
	- Investments	-	-	-
	- Moneys lend by the subsidiary	-	-	-
	- Moneys borrowed by the subsidiary company other than for meeting current liabilities	0.61	0.06	0.01

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

For and on behalf of Board

Place: Thane
Date: 29th August, 2013

R. G. PARIKH
Chairman & Managing Director

S. C. GURAV
Director

S.G. SANYASHI
Company Secretary

INDEPENDENT AUDITORS' REPORT**To the Board of Directors of JIK INDUSTRIES LIMITED****REPORT ON THE FINANCIAL STATEMENTS**

We have audited the accompanying consolidated financial statements of **JIK INDUSTRIES LIMITED** ("the Company") and its subsidiaries (together referred to as 'the Group') which comprise the Consolidated Balance Sheet as at June 30, 2013, and the Consolidated Statement of Profit and Loss and the Consolidated Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

MANAGEMENT'S RESPONSIBILITY FOR THE CONSOLIDATED FINANCIAL STATEMENTS

Management is responsible for the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group in accordance with accounting principles generally accepted in India including Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ("the Act"). This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Group's preparation and fair presentation of the consolidated financial statements that give a true and fair view in

order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

OPINION

In our opinion and to the best of our information and according to the explanations given to us, based on our audit and on consideration of reports of other auditors on separate financial statements and on the other financial information of the components, the consolidated financial statements give a true and fair view in conformity with the accounting principles generally accepted in India:

- a) in the case of the Consolidated Balance Sheet, of the state of affairs of the Company as at June 30, 2013; and
- b) in the case of the Consolidated Profit and Loss Account, of the loss for the year ended on that date; and
- c) in the case of the Consolidated Cash Flow Statement, of the cash flows for the year ended on that date.

OTHER MATTER

We did not audit the financial statements of three subsidiaries I.A. & I. C. Pvt. Ltd., Shah Pratap Industries Pvt. Ltd. & Glassworks Trading Pvt. Ltd. included in the consolidated financial statements. These financial statements are audited by other auditor as per the requirement of The Companies Act, 1956 and whose reports have been furnished to us and that our opinion is based solely on the reports of the other auditor. The financial statements of these entities reflect total assets of Rs.601.99 Lakhs as at 31st March,2013 and total revenue of Rs. 0.49 Lakhs and net cash outflow amounting to Rs.12.26 Lakhs for the year then ended.

For MOTILAL & ASSOCIATES
Chartered Accountants
Registration No.:106584W
(M.L.JAIN)
Proprietor
M. No. 36811

Place: Mumbai
Date : 29th August, 2013

CONSOLIDATED BALANCE SHEET AS AT 30TH JUNE, 2013

(Rupees)				
		Note No.	As at 30.06.2013	As at 30.06.2012
I	<u>EQUITY AND LIABILITIES</u>			
(1)	Shareholders' funds			
	(a) Share Capital	1	726,409,510.00	726,409,510.00
	(b) Reserves and Surplus	2	2,898,053.68	300,968,521.79
			729,307,563.68	1,027,378,031.79
(2)	Minority Interest		(180,000.00)	1,031,934.61
(3)	<u>Non-current liabilities</u>			
	(a) Long-Term Borrowings	3	1,958,842.00	5,192,648.00
	(b) Other Long Term Liabilities	4	231,100,000.00	230,000,000.00
	(c) Long Term Provisions	5	349,143.00	261,602.00
			233,407,985.00	235,454,250.00
(4)	<u>Current liabilities</u>			
	(a) Short-Term Borrowings	6	26,819,051.80	29,706,897.00
	(b) Trade Payables	7	537,276.32	702,248.57
	(c) Other Current Liabilities	8	14,219,815.27	5,783,142.12
	(d) Short Term Provisions	9	38,794.00	29,067.00
			41,614,937.39	36,221,354.69
			1,004,150,486.07	1,300,085,571.09
II	<u>ASSETS</u>			
	<u>Non-current assets</u>			
(1)	(a) Fixed Assets			
	Tangible Assets	10	38,375,346.66	43,259,810.66
	(b) Goodwill on Consolidation		96,762,580.15	96,762,580.15
	(c) Non-Current Investments	11	438,666,830.00	438,666,830.00
	(d) Deferred Tax Assets (Net)	12	68,000,848.00	68,000,848.00
	(e) Long-Term Loans and Advances	13	92,573,963.23	390,632,724.00
	(f) Other Non-Current Assets	14	-	18,146.70
			734,379,568.04	1,037,340,939.51
(2)	<u>Current assets</u>			
	(a) Inventories	15	6,159,624.56	7,344,189.44
	(b) Trade Receivables	16	257,287,743.70	251,517,330.70
	(c) Cash and Cash Equivalents	17	267,563.27	3,269,775.99
	(d) Short-Term Loans and Advances	18	6,055,986.50	613,335.45
			269,770,918.03	262,744,631.58
			1,004,150,486.07	1,300,085,571.09
	Summary of Significant Accounting Policies	26		
	The accompanying notes are an integral part of the financial statements.			

AS PER OUR REPORT OF EVEN DATE

For MOTILAL & ASSOCIATES

Chartered Accountants

Registration No.:106584W

FOR AND ON BEHALF OF THE BOARD

M.L. JAIN

Proprietor

M. No. 36811

Place : Mumbai

Date : 29th August, 2013

R.G.PARIKH

Chairman & Managing Director

Place : Thane

S. C. GURAV

Director

Date : 29th August, 2013

S.G. SANYASHI

Company Secretary

CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 30TH JUNE, 2013

				(Rupees)
		Note No.	Year ended 30.06.2013	Year ended 30.06.2012
I	REVENUE			
	Revenue From Operations (Gross)		84,321,341.25	269,831,006.06
	Other Income	19	48,888.00	10,765,247.00
	Total Revenue		84,370,229.25	280,596,253.06
II	EXPENDITURE			
	Cost of Materials Consumed	20	263,235.00	431,149.50
	Purchases of Stock-in-Trade	21	74,208,771.00	242,610,341.89
	Changes in Inventories of Finished Goods, Work-in-Progress & Stock-in-Trade	22	921,329.88	9,012,150.91
	Employee Benefits Expenses	23	5,469,810.00	5,315,345.00
	Finance Cost	24	-	-
	Depreciation and Amortization		4,904,014.00	4,928,224.00
	Other Expenses	25	252,544,117.22	4,951,205.62
	Total Expenditure		338,311,277.10	267,248,416.92
III	Profit/(Loss) before exceptional & extraordinary items & tax		(253,941,047.85)	13,347,836.14
	Exceptional Items		-	-
	Profit before extraordinary Items and tax		(253,941,047.85)	13,347,836.14
	Extraordinary Items		46,201,433.97	-
IV	Profit before tax		(300,142,481.82)	13,347,836.14
	Tax expenses			
	(1) Current Tax		-	413.00
	(2) Deferred Tax		-	(622,957.00)
V	Profit for the year(before adjustment of Minority Interest)		(300,142,481.82)	13,970,380.14
	Minority Interest in Profit / (Loss)		(4,127,449.56)	(2,384.85)
VI	Profit for the year		(296,015,032.26)	13,972,764.99
	Earning per equity share			
	Equity Shares - (Basic & Diluted) Before Extra Ordinary Items		(3.44)	0.20
	'A' Equity Shares - (Basic & Diluted) Before Extra Ordinary Items		(4.89)	0.27
	Equity Shares - (Basic & Diluted) After Extra Ordinary Items		(4.07)	0.20
	'A' Equity Shares - (Basic & Diluted) After Extra Ordinary Items		(5.80)	0.27
	Summary of Significant Accounting Policies	26		
	The accompanying notes are an integral part of the financial statements.			

AS PER OUR REPORT OF EVEN DATE

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

FOR AND ON BEHALF OF THE BOARD

M.L. JAIN
Proprietor
M. No. 36811

R.G.PARIKH
Chairman & Managing Director

S. C. GURAV
Director

S.G. SANYASHI
Company Secretary

Place : Mumbai
Dated : 29th August, 2013

Place : Thane
Dated : 29th August, 2013

Notes Forming Part of the Financial Statements

(Rupees)

	As at 30.06.2013	As at 30.06.2012
Note 1 - Share Capital		
Authorised		
156,900,000 Equity Shares Of Rs.10/- Each	1,569,000,000.00	1,569,000,000.00
100,000 'A' Ordinary Equity Shares Of Rs. 10/- Each	1,000,000.00	1,000,000.00
	1,570,000,000.00	1,570,000,000.00
Issued, Subscribed & Paid Up :		
72,635,845 Equity Shares Of Rs.10/- Each Fully Paid Up (Previous Period 72,635,845 Equity Shares Of Rs.10/- Each Fully Paid Up)	726,358,450.00	726,358,450.00
5106 'A' Ordinary Equity Shares Of Rs 10/- Each Fully Paid Up (Previous Period 5106 'A' Ordinary Equity Shares Of Rs 10/- Each Fully Paid Up)	51,060.00	51,060.00
	726,409,510.00	726,409,510.00

Notes:

a. Reconciliation of the Shares outstanding at the beginning and at the end of the reporting period:

	As at 30.06.2013		As at 30.06.2012	
	No. of Shares	Amount (Rs.)	No. of Shares	Amount (Rs.)
Equity Shares:				
At the beginning of the period	72635845	726,358,450.00	62439945	624,399,450.00
Issued during the period	-	-	10195900	101,959,000.00
Outstanding at the end of the period	72635845	726,358,450.00	72635845	726,358,450.00
'A' Ordinary Equity Shares				
At the beginning of the period	5106	51,060.00	5106	51,060.00
Issued during the period	-	-	-	-
Outstanding at the end of the period	5106	51,060.00	5106	51,060.00

b. Rights, preferences and restrictions attached to the shares

- Equity Shares have at par value of Rs.10/- per share. Each holder of equity share is entitled to one vote per-share.
- 'A' Ordinary Equity Shares have at par value of Rs 10/- per share. These shares have differential voting rights viz. 1 vote for every 10 shares held excluding fractions, if any.

c. Details of shareholders holding more than 5% shares in the Company

Name of Shareholder	As at 30.06.2013		As at 30.06.2012	
	No. of Shares	% Holding	No. of Shares	% Holding
Mr. Rajendra G. Parikh	8,900,900	12.25	18,113,103	24.94
Korpus Financial Services Pvt Ltd	1,500,000	2.07	11,500,000	15.83
Jagruiti Securities Ltd	13,500,000	18.59	3,500,000	4.82
Mrs. Jagruiti R. Parikh	9,258,785	12.75	21,582	0.03

	As at 30.06.2013	As at 30.06.2012
Note 2 - Reserves & Surplus		
(a) Shares/Securities Premium		
As per last Balance Sheet	847,725,361.58	782,725,361.58
Add : Received during the year	-	65,000,000.00
	847,725,361.58	847,725,361.58
(b) Capital Reserve	4,980,910.00	4,980,910.00
(c) Capital Redemption Reserve	128,456,000.00	128,456,000.00
(d) Share Forfeiture	438,000.00	438,000.00
(e) State Subsidy	3,250,000.00	3,250,000.00
(f) General Reserve	8,255,859.00	8,255,859.00
(g) Translation Reserve on Consolidation	-	131,640.05
(h) Surplus/(Deficit) in the statement of Profit & Loss		
As per last Balance Sheet	(692,269,248.84)	(706,242,013.83)
Add : Profit for the year	(296,015,032.26)	13,972,764.99
Less : Loss of Sub-subsidiary Closed Down	(1,003,267.05)	-
Add : Losses of Minority to be absorbed	(2,915,514.95)	-
Less : Miscellaneous Expenditure not written off	11,547.90	-
	(990,208,076.90)	(692,269,248.84)
	2,898,053.68	300,968,521.79

Note 3 - Long-Term Borrowings		
Unsecured Loans		
From Subsidiaries	-	1,927,910.00
Interest Free Sales Tax Loan:		
(a) Development Corporation of Kokan Ltd	768,110.00	1,280,186.00
(b) Sales Tax Deferment Loan	1,190,732.00	1,984,552.00
	1,958,842.00	5,192,648.00

Note:

1. Interest free Sales Tax deferral / loan is availed from the Government of Maharashtra in accordance with the 1988 Package Scheme of Incentives. The said deferral / loan is repayable in 8 annual installment starting from 30th June 2010 without any interest and penalty in term of sanctioned Scheme of BIFR".

Note 4 - Other Long Term Liabilities		
From Others	231,100,000.00	230,000,000.00
	231,100,000.00	230,000,000.00
Note 5 - Long Term Provisions		
Gratuity Payable	349,143.00	261,602.00
	349,143.00	261,602.00
Note 6 - Short Term Borrowings		
Loan From Related Party	24,746,631.00	29,053,949.00
Others	113,576.80	-
Unsecured Loans		
Interest Free Sales Tax Loan:		
(a) Development Corporation of Kokan Ltd	768,114.00	256,038.00
(b) Sales Tax Deferment Loan	1,190,730.00	396,910.00
	26,819,051.80	29,706,897.00

Note :

The Company is yet to make payment of 2 annual installments of Interest Free Sales Tax deferral / loan as stated in Note 3(1) above.

	As at 30.06.2013	As at 30.06.2012
Note 7 - Trade Payables		
Due to Micro, Small and Medium Enterprises	-	-
Other Trade Payables	537,276.32	702,248.57
	537,276.32	702,248.57
Note 8 - Other Current Liabilities		
Statutory Dues	3,051,422.33	3,256,637.00
Advance From Trade Receivables	9,884,360.00	1,299,965.53
Expenses Payable	1,284,032.94	1,226,539.59
	14,219,815.27	5,783,142.12
Note 9 - Short Term Provisions		
Provision for Employee Benefits		
Gratuity	38,794.00	29,067.00
	38,794.00	29,067.00

Note 10 - Fixed Assets

(Rupees)

Particulars	Gross Block			Depreciation			Net Block	
	As at 30-06-2012	Additions/ Adjust- ments	As at 30-06-2013	Up-to 30-06-2012	For The Year	As at 30-06-2013	As at 30-06-2013	As at 30-06-2012
Tangible Assets								
Land & Site Development	6,360,825.64	-	6,360,825.64	5,576,615.81	-	5,576,615.81	784,209.83	784,209.83
Factory Building	19,625,603.46	-	19,625,603.46	18,894,949.46	72,515.80	18,967,465.26	658,138.20	730,654.00
Plant & Machinery	118,558,017.28	-	118,558,017.28	85,390,244.28	3,265,740.00	88,655,984.28	29,902,033.00	33,167,773.00
Laboratory Equipment	381,847.10	-	381,847.10	264,258.10	16,989.00	281,247.10	100,600.00	117,589.00
Moulds	8,383,621.32	-	8,383,621.32	8,382,927.32	694.00	8,383,621.32	-	694.00
Electrical Installations	11,597,791.28	-	11,597,791.28	7,611,629.11	550,477.00	8,162,106.11	3,435,685.17	3,986,162.17
Air Conditioner	654,091.86	-	654,091.86	410,377.86	31,069.00	441,446.86	212,645.00	243,714.00
Computer	7,643,036.76	19,550.00	7,662,586.76	7,456,378.76	57,276.20	7,513,654.96	148,931.80	186,658.00
Office Equipment	1,340,688.47	-	1,340,688.47	842,951.47	62,574.00	905,525.47	435,163.00	497,737.00
Vehicle	2,049,843.07	-	2,049,843.07	2,049,843.07	-	2,049,843.07	-	-
Furniture & Fixtures	13,716,621.09	-	13,716,621.09	10,172,001.43	846,679.00	11,018,680.43	2,697,940.66	3,544,619.66
Total	190,311,987.33	19,550.00	190,331,537.33	147,052,176.67	4,904,014.00	151,956,190.67	38,375,346.66	43,259,810.66
Previous Year	190,311,987.33	-	190,311,987.33	142,123,952.67	4,928,224.00	147,052,176.67	43,259,810.66	48,188,336.66

	As at 30.06.2013	As at 30.06.2012
Note 11 - Non-Current Investments		
Non-Trade Long Term Investments in Equity		
Unquoted (at cost)		
The Malad Sahakari Bank Ltd 4900 (4900) Equity Shares of Rs.10/-each	49,000.00	49,000.00
The Saraswat Co-Op. Bank Ltd 2500 (2500) Equity Shares of Rs.10/-each	25,000.00	25,000.00
Jagati Publication Ltd 2916657(2916657) Equity Shares of Rs.10/-each	438,592,830.00	438,592,830.00
	438,666,830.00	438,666,830.00
Note 12 - Deferred Tax Assets (Net)		
Deferred tax assets		
Unabsorbed losses / depreciation	73,777,153.00	73,777,153.00
Disallowances	998,111.00	998,111.00
Total (A)	74,775,264.00	74,775,264.00
Deferred tax liabilities		
Difference between book and tax depreciation	6,774,416.00	6,774,416.00
Total (B)	6,774,416.00	6,774,416.00
(A-B)	68,000,848.00	68,000,848.00
Notes:		
In compliance with the Accounting Standard - 22 "Accounting for taxes on Income" issued by The Institute of Chartered Accountants of India, the Dererred tax asset/liability (net) accruing during the current year is not provided by the company (Previous year Rs 6,22,957/-) has been shown in the statement of Profit and Loss.		
Note 13 - Long-Term Loans and Advances		
Capital Advances	-	51,645,246.47
Deposits	373,838.70	373,853.00
Advances to employees	121,073.00	121,073.00
Other Loans and Advances	86,088,756.00	332,502,256.00
Balance with Statutory / Government Authorities	5,990,295.53	5,990,295.53
	92,573,963.23	390,632,724.00
Note14 - Other Non-Current Assets		
Miscellaneous Expenditure	-	24,745.50
Less : Amount written off during the year	-	6,598.80
	-	18,146.70
Note 15 - Inventories		
1. Raw Materials	647,905.75	911,140.75
2. Work-In-Process	37,564.00	81,624.00
3. Finished Goods	5,465,924.81	6,035,576.69
4. Stores, Spares & Consumables	8,230.00	8,230.00
5. Pots	-	307,618.00
	6,159,624.56	7,344,189.44
Note 16 - Trade Receivables		
(Unsecured)		
Outstanding For More Than Six Months	138,760,914.00	172,429,192.60
Others	9,143.00	78,672,409.10
(Unsecured, Considered Doubtful)		
Outstanding For More Than Six Months	118,517,686.70	415,729.00
Others	-	-
	257,287,743.70	251,517,330.70

	As at 30.06.2013	As at 30.06.2012
Note 17 - Cash and Cash Equivalents		
Cash on hand	130,009.16	1,831,362.41
Balance with banks	137,554.11	1,438,413.58
	267,563.27	3,269,775.99
Note 18 - Short-Term Loans and Advances		
Prepaid Expenses	362,281.00	578,083.45
Advance Income Tax/TDS	-	21,143.00
Others	247,793.00	14,109.00
Advance to Supplier	5,445,912.50	-
	6,055,986.50	613,335.45
Note 19 - Other Income		
Dividend	-	5,000.00
Interest Received	18,888.00	25,521.00
Commission / Service Charges	30,000.00	10,734,726.00
	48,888.00	10,765,247.00
Note 20 - Cost of materials consumed		
Inventory at the beginning of period	911,140.75	1,342,290.25
Add : Purchases	-	-
	911,140.75	1,342,290.25
Less : Inventory at the end of the period	647,905.75	911,140.75
Cost of Material Consumed	263,235.00	431,149.50
Note 21 - Purchases of Stock-in-Trade		
Purchases	74,208,771.00	242,610,341.89
	74,208,771.00	242,610,341.89
Note 22 - Changes in inventories of Finished Goods, Work-in-Progress & Stock-in-Trade		
<u>Inventories at the end of the period</u>		
Finished Goods	5,465,924.81	6,035,576.69
Work-In-Progress	37,564.00	81,624.00
Stock-in-Trade	8,230.00	315,848.00
	5,511,718.81	6,433,048.69
<u>Inventories at the beginning of the period</u>		
Finished Goods	6,035,576.69	14,779,972.10
Work-In-Progress	81,624.00	349,379.50
Stock-in-Trade	315,848.00	315,848.00
	6,433,048.69	15,445,199.60
(Increase)/Decrease in Stock	921,329.88	9,012,150.91
Note 23 - Employee Benefits Expenses		
(a) Salaries & Wages and Bonus	5,261,802.00	5,192,588.00
(b) Contribution to Provident & other Funds	97,398.00	84,913.00
(c) Gratuity	97,268.00	32,858.00
(d) Staff welfare Expenses	13,342.00	4,986.00
	5,469,810.00	5,315,345.00
Note 24 - Finance Costs		
Interest Paid	-	-
	-	-

	As at 30.06.2013	As at 30.06.2012
Note 25 - Other Expenses		
Rent,Rates & Taxes	341,064.00	282,000.00
Conveyance	29,714.00	34,014.00
Printing & Stationery	285,180.00	296,308.00
Postage & Courier Service Charges	154,670.00	179,381.00
Membership,Subscription,Periodicals & Registration	11,526.00	15,496.00
Telephone,Telex & Fax Charges	238,140.26	208,970.11
Travelling Expenses	11,235.00	69,189.00
Foreign Travel Expenses	136,124.00	-
Advertisement & Publicity	79,095.00	93,653.00
Bank Charges	30,401.86	56,799.54
Insurance Charges	28,229.00	24,497.00
Business Promotion & Entertainment	51,592.00	33,137.00
Transportation,Clearing & Forwarding Charges	20,293.00	2,480.00
Electricity Charges	355,706.00	284,475.00
Power & Fuel Charges	458,210.13	343,430.81
Packing Materials, Stores,Spare & Consumables	12,948.00	4,827.38
Value Added Tax	167,150.33	278,729.00
Repairs,Maintenance & Operating Expenses	59,469.00	55,678.00
Miscellaneous Expenses	778,215.45	867,837.60
Service/Processing Charges	254,583.00	455,268.60
Security Charges	937,839.00	-
Auditor's Remuneration	232,248.00	183,540.00
Loss on sale of Investments	450,971.00	-
Computer Expenses/Software Charges	57,554.00	36,473.00
Sundry Balances Written Off/Back	245,255,098.22	3.06
Miscellaneous Expenses written-off	6,598.80	6,598.80
Legal,Professional & Consultancy Charges	2,100,262.17	1,138,419.72
	252,544,117.22	4,951,205.62

Note 26 - Notes for Consolidated Financial Statements.

A. Significant Accounting Policies:

1. Basis Of Accounting:

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

2. Basis Of Consolidation:

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

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

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

3. Fixed Assets:

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

4. Depreciation:

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

5. Impairment Of Assets:

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

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

6. Investments:

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

7. Inventory:

- a) Raw materials are valued at cost or net realizable value which ever is lower as per FIFO method followed.
- b) Work-in-process is valued at estimated cost (including factory over-heads and depreciation)
- c) Manufactured finished goods are valued at lower of estimated cost (including factory overheads and depreciation) or net realizable value as per FIFO method followed.
- d) Traded goods are valued at lower of cost or net realizable value as per FIFO method followed.
- e) Re-usable waste generated on conversion of defective or damaged or obsolete stocks are valued at estimated material cost.
- f) Un-usable inventory for commercial purposes has been written-off as damaged stock

8. Purchases And Sales:

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

9. Taxation:

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

10. Retirement Benefits:

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

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

11. Provisions, Contingent Liabilities and Contingent Assets:

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

12. Use Of Estimates:

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

13. Provisioning/Write-off of Doubtful Debts:

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

B. Notes On Accounts:

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

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

The Consolidated Financial statement for the period ended June 30, 2013 includes audited financial statements of subsidiaries viz. I.A. & I.C. Pvt. Ltd, Shah Pratap Industries Pvt. Ltd, Glassworks Trading Pvt. Ltd and IRIS Trading FZE (Shut down during the year) a wholly owned subsidiary of Glassworks Trading Private Limited for the year ended March 31, 2013.

2. Goodwill represents the difference between the Group's share in the net worth of the subsidiaries, and cost of acquisition at each point of time of making the investment in the subsidiaries. For this purpose, the Group's share of net worth is determined on the basis of the latest financial statements prior to the acquisition after making necessary adjustments for material events between the date of such financial statements and the date of respective acquisition.
3. Contingent Liabilities not provided for:

	Current Year	Previous Year
a. Disputed Income Tax Demand	1,526,230,910	107,860,080
b. Other Matters	782,500	782,500

4. The closing stock is as per the inventory taken, valued and certified by the management.
5. In the opinion of the management, the current assets, loans and advances have the values on realization in the ordinary course of business at least equal to the amounts at which they are stated in the balance sheet except the trade receivables and loans and advances which falls under management's policy for bad and doubtful debts as taken in the previous years.
6. Debit and Credit balances are subject to confirmation and reconciliation.
7. There are no dues to Micro, Small & Medium Enterprises as at Balance Sheet date and no interest has been paid to any such parties. This is based on the information on such parties having been identified on the basis of information available with the Company and relied upon by the auditors.

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

9. Related Parties Disclosures

i) Relationships:

(a) Subsidiary Companies:

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

(b) Key Management Personnel: (KMP)

Shri. Rajendra G. Parikh (RGP)

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

M/s. Share Bazar House. (SBH)

Shri. Aditya R. Parikh (ARP)

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

ii) Details of Transactions with Related Parties:

(figures in bracket pertains to previous year)

Sr. No.	Nature of transaction	KMP	Relatives of KMP	
		RGP	SBH	ARP
1.	Rent Paid	1,44,000 (1,44,000)	1,26,388 (1,38,000)	- (-)
2.	Loans & Advances Receivable / (-) Payable by Company	43,07,318	- (-)	- (-)
3	Directors Remuneration	9,00,000 (12,00,000)	- (-)	- (-)
4	Salaries	- (-)	- (-)	5,85,000 (5,85,000)

10. Earning per Share:

(A) Basic & Diluted

	June 30,2013	June 30,2012
a. Net Profit/(Loss) After Tax before Extraordinary Item	(249,813,598)	13,972,765
b. Weighted average Number of Equity Shares	72,635,845	70,331,695
c. Weighted average Number of 'A' Ordinary Equity Shares	5,106	5,106
d. Share of Profit/(Loss) for Equity Shares	(249,788,617)	13,971,368
e. Share of Profit/(Loss) for 'A' Ordinary Equity Shares	(24,981)	1,397
f. Earning Per Equity Share in Rupees (FV Rs.10/-) (d/b)	(3.44)	0.20
g. Earning Per 'A' Ordinary Equity Share in Rupees (FV Rs.10/-) (e/c)	(4.89)	0.27

(B) Basic & Diluted

	June 30, 2013	June 30, 2012
a. Net Profit/(Loss) After Tax before Extraordinary item	(296,015,032)	13,972,765
b. Weighted average Number of Equity Shares	72,635,845	70,331,695
c. Weighted average Number of 'A' Ordinary Equity Shares	5,106	5,106
d. Share of Profit/(Loss) for Equity Shares	(295,985,431)	13,971,368
e. Share of Profit/(Loss) for 'A' Ordinary Equity Shares	(29,602)	1,397
f. Earning Per Equity Share in Rupees (FV Rs.10/-) (d/b)	(4.07)	0.20
g. Earning Per 'A' Ordinary Equity Share in Rupees (FV Rs.10/-) (e/c)	(5.80)	0.27

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

	Current Year (Rupees)	Previous Year (Rupees)
12. Earning in foreign currency: Exports (FOB)	3,42,507	---
13. Expenditure in foreign currency: (on payment basis) (net of tax, where applicable)		
Travelling.	71,939	--
14. Value of Imported & indigenous material consumed:		
	%	%
Raw Materials:		
Indigenous	---	---
Imported	2,63,235	4,31,150
	100	100
	2,63,235	4,31,150
	100	100

15. Auditors Remunerations (including Service tax, where applicable)

	Current Year (Rupees)	Previous Year (Rupees)
a) Audit fees	198,540	183,540
b) Certification & tax matters, etc.	33,708	---

16. 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.

17. In view of the revision to the Schedule VI as per notification issued by the Central Government, the financial statement for the year ended 30th June, 2013 have been prepared as per the requirement of the Revised Schedule VI to the Companies Act, 1956. The previous years figures have been accordingly regrouped/classified to conform to the year's classification.

The accompanying notes are an integral part of the financial statements

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

(M.L. JAIN)
Proprietor
M. No. 36811

Place: Mumbai
Dated: 29th August, 2013

For and on behalf of Board

R. G. PARIKH Chairman & Managing Director
S. C. GURAV Director

S.G. SANYASHI Company Secretary

Place : Thane
Dated : 29th August, 2013

Consolidated Cash Flow Statement for the period ended June 30, 2013

	YEAR ENDED 30.06.2013	YEAR ENDED 30.06.2012
A.CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit/(Loss) Before Tax and Extra-ordinary Items	(253,941,048)	13,347,836
Adjustment for :		
Interest & Finance Charges (Net)	-	-
Depreciation	4,904,014	4,928,224
Miscellaneous Expenditure written off	6,599	6,599
Loss on closure of Sub-subsidiary	871,627	-
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES	(248,158,808)	18,282,659
Adjustments for:		
Trade Receivables, Loans & Advances	235,200,450	(26,810,036)
Inventories	1,184,565	9,443,300
Trade Payables & Other Liabilities	5,481,124	25,680,992
CASH USED FOR OPERATING ACTIVITIES	(6,292,669)	26,596,915
Prior Period and Extra-ordinary Item	(46,201,434)	-
NET CASH FROM/(USED) OPERATING ACTIVITIES	(52,494,103)	26,596,915
B.CASH FLOW FROM INVESTING ACTIVITIES		
Capital W.I.P./Advance for Capital items & Pre-operative Expenses	51,645,246	-
Purchase of Fixed Assets (Net)	(19,550)	-
Purchase of Investments	-	-
NET CASH FROM /(USED) IN INVESTING ACTIVITIES	51,625,696.47	0
C.CASH FLOW FROM FINANCING ACTIVITIES		
Issue of Equity share capital/Share Application Money	-	102,117,810
Addition to Shares Premium	-	65,000,000
Secured/Unsecured Loans	(2,133,806)	(192,779,565)
Interest & Financing Charges (Net)	-	-
NET CASH FROM/(USED) IN FINANCING ACTIVITIES	(2,133,806)	(25,661,755)
NET INCREASE/(DECREASE) IN CASH OR CASH EQUIVALENTS	(3,002,213)	935,161
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE YEAR	3,269,776	2,334,615
CASH AND CASH EQUIVALENTS AT END OF THE PERIOD	267,563	3,269,776

FOR AND ON BEHALF OF THE BOARD

Place : Thane
Dated : 29th August, 2013**R.G.PARIKH**
Chairman & Managing Director**S. C. GURAV**
Director**S.G. SANYASHI**
Company Secretary**AUDITORS CERTIFICATE**

We have examined the attached cash flow statement of JIK Industries Limited for the period ended June 30, 2013. The statement has been prepared by the Company in accordance with the requirements of clause 32 of the Listing agreement with The Stock Exchanges and is based on and in agreement with the corresponding profit & loss account and balance sheet of the Company covered by our report of even date to the members of the Company.

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

Place : Mumbai
Dated : 29th August, 2013

(M.L. JAIN)
Proprietor
M. No. 36811

JIK INDUSTRIES LIMITED

Regd. Office: Pada No. 3, Balkum, Thane (West) - 400608

PROXY FORM

I/We _____ being a member of JIK Industries Limited, hereby appoint _____ of _____ or failing him / her _____ as my/our proxy to attend and vote for me on my behalf at the TWENTY FIRST ANNUAL GENERAL MEETING of the Company at Golden Swan Country Club, Off Pokhran Road No. 1, Yeoor Hills, Thane - 400 602 on Saturday, 12th October, 2013, at 2.30 p.m. and at any adjournment thereof.

Signed this _____ day of _____ 2013.

Ledger Folio No. _____

DP ID* _____

CLIENTID* _____

(Signature across the stamp)

No. of shares held _____

* Applicable for members holding shares in electronic form

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

JIK INDUSTRIES LIMITED

Regd. Office: Pad No. 3, Balkum, Thane (West) - 400608

ATTENDANCE SLIP

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

Full Name of the Member attending

(IN BLOCK LETTERS): _____

Full Name of the Proxy

(IN BLOCK LETTERS): _____

(To be filled in if Proxy attends instead of the Member)

I hereby record my presence at the TWENTY FIRST ANNUAL GENERAL MEETING of the Company at Golden Swan Country Club, Off Pokhran Road No. 1, Yeoor Hills, Thane - 400 602 on Saturday, 12th October, 2013, at 2.30 p.m.

Signed this _____ day of _____ 2013.

Ledger Folio No. _____

DP ID* _____

CLIENTID* _____

No. of shares held _____

Member's / Proxy's Signature

(To be signed at the time of handing over this slip)

* Applicable for members holding shares in electronic form

BOOK-POST

If undelivered, Please Return to :

JIK Industries Ltd.

Administrative Office :

16, Gundecha Chambers,

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