

**JIK INDUSTRIES LIMITED**  
(L65990MH1990PLC056475)

**24<sup>th</sup> ANNUAL REPORT**  
**2015 - 2016**

## JIK INDUSTRIES LIMITED

### CORPORATE INFORMATION

#### BOARD OF DIRECTORS

R. G. Parikh - Chairman & Managing Director  
S.C. Gurav - Executive Director & CFO\*  
M. P. Unadkat - Director  
V. P Panikar - Director  
A.M. Shah - Director  
R.D. Patel - Woman Director

#### COMPANY SECRETARY

Kirti J Damle \*\*

#### AUDITORS

M/s Motilal & Associates  
Chartered Accountants, Mumbai

#### REGD. OFFICE AND FACTORY

Pada No. 3, Balkum, Thane - 400608.  
Phone: +91-22-25426356 -60  
Fax: +91-22-25426349  
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

\*\* W.e.f. July 27, 2016

\*Independent Director up to February 29, 2016.  
& Executive Director & CFO w.e.f. March 01, 2016

CONTENTS	PAGE NO.
NOTICE	1
DIRECTORS' REPORT	8
MANAGEMENT DISCUSSION AND ANALYSIS	28
CORPORATE GOVERNANCE REPORT	29
INDEPENDENT AUDITOR'S REPORT	39
BALANCE SHEET	44
STATEMENT OF PROFIT & LOSS ACCOUNT	45
NOTES	46
CASH FLOW STATEMENT	56
FORM AOC - 1	57
CONSOLIDATED FINANCIAL STATEMENTS	58

## NOTICE

NOTICE is hereby given that Twenty Fourth Annual General Meeting of the members of the Company will be held on Friday, August 12, 2016 at 5.00 p.m. at Golden Swan Country club, off Pokhran Road No. 1, Yeoor Hills, Thane (w) 400602. to transact the following business:

### ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Financial Statements of the Company comprising of the Balance Sheet as at 31<sup>st</sup> March, 2016, the statement of Profit and Loss Account and the Cash Flow Statement for the year ended on that date along with the Notes forming part of the accounts and annexure thereto, Report of the Directors' and the Auditors' thereon.
2. To appoint a director in place of Shri. Rajendra G. Parikh (DIN No: 00496747), who retires by rotation and being eligible, offer himself for re-appointment.
3. To re-appoint M/s. Motilal & Associates, Chartered Accountants, as statutory auditors of the Company, who retire at this Annual General Meeting, and being eligible, offer themselves for re-appointment and to fix their remuneration.

"RESOLVED THAT pursuant to the provisions of Sections 139, 142 and other applicable sections, if any, of the Companies Act 2013, and the Companies (Audit and Auditors) Rules, 2014 (the Rules), (including any statutory modification(s) or re-enactment thereof for the time being in force), M/s. Motilal & Associates, Chartered Accountants, Mumbai having ICAI Registration no. 106584W be and are hereby re-appointed as Auditors of the Company, to hold office from the conclusion of this Annual General meeting until the conclusion of the next Annual General Meeting of the Company and to authorise the Board of Directors to fix their remuneration."

### SPECIAL BUSINESS:

#### 4. RE-APPOINTMENT OF MR. R G PARIKH AS MANAGING DIRECTOR

To consider and, if thought fit, to pass, with or without modifications, the following:

##### AS AN ORDINARY RESOLUTION

"RESOLVED THAT pursuant to the provisions of Sections 164, 196, 197 and 203 read with Schedule V and all other applicable provisions, if any, of the Companies Act, 2013 including any statutory modification or re-enactment thereof and subject to such approvals as may be necessary, approval of the members of the company be and is hereby accorded to the appointment of Shri Rajendra G Parikh (DIN No: 00496747) as the Managing Director of the Company for a period of five years with effect from April 01, 2016 upon the terms and conditions including remuneration as set out in draft agreement be and is hereby approved and sanctioned with the authority to the Board of directors of the Company to alter and vary the terms and conditions of the said appointment and/or agreement in such manner as the Board may deem fit and as may be acceptable to Shri. Rajendra G Parikh, the Managing Director.

**RESOLVED FURTHER THAT** the terms and conditions of appointment and remuneration decided by the Board (including the remuneration to be paid in the event of loss or inadequacy of profits in any financial year during the aforesaid period) to alter and vary the terms and conditions of the said appointment/ remuneration in such manner as may be agreed to between the Board and Shri. Rajendra G Parikh.

**RESOLVED FURTHER THAT** the Board of directors of the Company be and is hereby authorized to do all such acts, deeds and things and execute all such documents, instruments, and writings as may be required to give effect to the aforesaid resolution."

#### 5. APPOINTMENT OF MR. S.C.GURAV AS EXECUTIVE DIRECTOR & CFO

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

##### AS AN ORDINARY RESOLUTION

"RESOLVED THAT pursuant to recommendation of the Nomination and Remuneration Committee, and approval of the Board and subject to the provisions of Sections 196, 197, 198, 203 and other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification or re-enactment thereof) read with Schedule- V of the Companies Act, 2013 approval of the members of the Company be and is hereby

## JIK INDUSTRIES LIMITED

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accorded to change the designation of Mr. Surendra C Gurav (DIN No: 00485016) from Independent non-executive Director to Executive Director & CFO of the Company with effect from March 01, 2016, as well as the payment of salary, commission and perquisites (hereinafter referred to as "remuneration"), upon the terms and conditions as detailed in the explanatory statement attached hereto, which is hereby approved and sanctioned with authority to the Board of Directors to alter and vary the terms and conditions of the said appointment and / or agreement in such manner as may be agreed to between the Board of Directors and Mr. Surendra C Gurav.

**RESOLVED FURTHER THAT** the remuneration payable to Mr. Surendra C Gurav, shall not exceed the overall ceiling of the total managerial remuneration as provided under Section 197 of the Companies Act, 2013 or such other limits as may be prescribed from time to time.

**RESOLVED FURTHER THAT** the terms and conditions of appointment and remuneration decided by the Board (including the remuneration to be paid in the event of loss or inadequacy of profits in any financial year during the aforesaid period) to alter and vary the terms and conditions of the said appointment/ remuneration in such manner as may be agreed to between the Board and Mr. Surendra C Gurav.

**RESOLVED FURTHER THAT** the Board be and is hereby authorized to do all such acts, deeds and things and execute all such documents, instruments and writings as may be required and to delegate all or any of its powers herein conferred to any Committee of Directors or Director(s) to give effect to the aforesaid resolution.

**By Order of the Board**

**Place:** Thane.

**Date:** July 01, 2016

**Kirti J Damle**  
**Company Secretary**

### NOTES:

1. A MEMBER TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING IS ENTITLED TO APPOINT A PROXY (S) TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. IN ORDER TO BE EFFECTIVE, THE PROXY FORMS DULY COMPLETED SHOULD BE LODGED WITH THE COMPANY AT ITS REGISTERED OFFICE AT LEAST 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.
2. Corporate members intending to send their authorized representatives to attend the Meeting pursuant to Section 113 of the Companies Act, 2013, are requested to send to the Company a certified copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the Meeting.
3. An Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 relating to Special Business to be transacted at the Annual General Meeting, is annexed hereto.
4. The Register of Members and Share transfer Books of the company will remain closed from August 06, 2016 to August 12, 2016.(both days inclusive).
5. In compliance of SEBI requirements, Sharex Dynamic (India) Pvt. Ltd., has been appointed as Registrar and Share Transfer Agent of the Company who handle share transfer work in Physical as well as in Electronic Form and other related activities at the following address:  
  
M/s Sharex Dynamic (India) Private Limited [Unit: JIK Industries Limited], Unit No. 1, Luthra Industrial Premises, Andheri –Kurla Road, Safed Pool, Andheri (East), Mumbai- 400072. Tel. Nos. 022-2851 5606 / 5644  
Fax No. 022- 2851 2885.
6. Members are requested to notify changes, if any in their address to the M/s Sharex Dynamic (India) Private Limited, quoting their folio numbers/DPID/Client ID etc.
7. Members/Proxies should bring the attendance slip duly filled in for attending the meeting.
8. The Ministry of Corporate Affairs (vide circular nos. 17/2011 and 18/2011 dated April 21, 2011 and April 29, 2011 respectively), has undertaken a 'Green Initiative in Corporate Governance' and allowed companies to share documents with its shareholders through an electronic mode.

## 24<sup>th</sup> ANNUAL REPORT 2015 - 2016

9. A copy of the Notice of the 24th Annual General Meeting of the Company along with the details of e-voting and all other reports are being sent to all the members at their postal addresses.
  10. Members may also note that the Notice of the 24<sup>th</sup> Annual General Meeting and the Annual Report for 2015-16 will also be available on the Company's website [www.jik.co.in](http://www.jik.co.in) for their download. The physical copies of the aforesaid documents will also be available at the Company's Registered Office at Thane for inspection during normal business hours (11.00 a.m. to 5.00 p.m.) on working days till the date of the Annual General Meeting.
  11. Copies of the Annual Report will not be distributed at the Annual General Meeting. You are therefore, requested to bring copy of the Annual Report to the Meeting.
  12. Voting through electronic means
    - I) In Compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) Amendment Rules, 2015 and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is pleased to provide members facility to exercise their right to vote on resolutions proposed to be considered at the 24<sup>th</sup> Annual General Meeting by electronic means and the business may be transacted through e-Voting Services. The facility of casting the votes by the members using an electronic voting system from a place other than venue of the Annual General Meeting ('remote e-voting') will be provided by National Securities Depository Limited (NSDL):
    - II) The facility for voting through ballot paper shall be made available at the Annual General Meeting and the members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the meeting through ballot paper.  
NOTE : The facility for Voting shall be decided by the Company i.e. "remote e-voting" or "Ballot paper" or "Polling Paper".
    - III) The members who have cast their vote by remote e-voting prior to the Annual General Meeting may also attend the Annual General Meeting but shall not be entitled to cast their vote again.
    - IV) The remote e-voting period commences on August 09, 2016 and ends with August 11, 2016 (5.00 p.m.) During this period members of the Company holding shares either in physical form or in dematerialized form, as on the cut –off date of August 05, 2016 may cast their vote by remote e-voting. The remote e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.  
NOTE : The "remote e-voting" end time shall be at 5.00 p.m. on the date preceding the date of the Annual General Meeting and the Cut-off date shall not be earlier than 7 days before the date of the general meeting.
    - V) The process and manner for "remote e-voting" are as under:
- (A) In case of Members receiving e-mail from NSDL:
- I. Open e-mail and the attached PDF file titled "WLeVoting.PDF" with your Client ID or Folio No. as password. The said PDF file contains your user ID and password/ PIN for remote-evoting. Please note that the password is an initial password.
  - II. Launch internet browser by typing the URL: <https://www.evoting.nsd.com/>
  - III. Click on "Shareholder" - "Login".
  - IV. Put User ID and password as initial password /PIN noted in step (i) above. Click Login.
  - V. Password Change Menu appears. Change the password with the new password of your choice with minimum 8 digits / characters or combination thereof. Note new password. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
  - VI. Home page of "remote e-voting" opens. Click on "remote e-voting: Active Voting Cycles".
  - VII. Select "EVEN" of JIK Industries Limited.
  - VIII. Now you are ready for "remote e-voting" as "Cast Vote" page opens.
  - IX. Cast your vote by selecting appropriate option and click "Submit" and also "Confirm" when prompted.

## JIK INDUSTRIES LIMITED

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- X. Upon confirmation, the message, "Vote cast successfully" will be displayed.
- XI. Once voted on the resolution, you will not be allowed to modify your vote.
- XII. Institutional Members (other than Individuals, HUF, NRI, etc.) are also required to send a scanned copy (PDF/JPG format) of the relevant Board Resolution/Authority Letter, etc., together with an attested specimen signature of the duly authorised signatory(ies) who are authorized to vote, to the Scrutinizer through email on mferraocs@gmail.com with a copy marked to evoting@nsdl.co.in.
- (B) In case of Members receiving Physical Copy of the Notice of the AGM (for members whose email IDs are not registered with the Company / Depository Participants(s) or requesting Physical copy).
- i. Initial password is provided at the bottom of the Attendance Slip for the AGM EVEN(Remote e-voting Event Number) USER ID PASSWORD ii. Please follow all the steps from Sl. No.
- ii. (ii) to Sl.No.(xii) above, to cast vote.
- VI. In case of any queries, you may refer to the Frequently Asked Questions (FAQs) for Members and remote e-voting user manual for Members available at the "Downloads" section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call on toll free no. 180-0-222-990
- VII. If you are already registered with NSDL, you can use your existing User ID and Password for casting your vote.
- VIII. You can also update your mobile number and e-mail ID in the user profile details of the folio which may be used for sending future communication(s).
- IX. The voting rights of Members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut of date of August 05, 2016.  
NOTE : The cut-off date shall not be earlier than 7 days before the date of general meeting.
- X. Any person, who acquires share of the Company and become member of the Company after dispatch of the notice and holding shares as of the cut-off date i.e 5th August, 2016, may obtain the Login ID and Password by sending a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) or Issuer/RTA.
- XI. A Member may participate in the AGM even after exercising his right to vote through remote e-voting but shall not be allowed to vote again at the AGM.
- XII. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting as well as voting at the AGM through ballot paper.
- XIII. Mr. Pradip Damania, Cost & management Accountant (Membership No: 8625, COP No. 101607) has been appointed as the Scrutinizer for providing facility to the members of the Company to scrutinize the voting and remote e-voting process in a fair and transparent manner.  
NOTE : The Facility for Voting shall be decided by the company. i.e. "remote e-voting" or "Ballot Paper" or "Polling Paper".
- XIV. The Scrutinizer shall after the conclusion of voting at the general meeting, will first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witness not in the employment of the Company and shall make, not later than three days of the conclusion of the AGM a consolidated Scrutinizer's Report of the votes cast in favour or against, if any, to the Chairman of the Company or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.
- The results declared along with the report of the Scrutinizer shall be placed on the Company's website [www.jik.co.in](http://www.jik.co.in) and on the website of NSDL immediately after the declaration of result by the Chairman or a person authorized by him in writing. The results shall also be immediately forwarded to the Stock Exchanges where the company shares are listed.

**By Order of the Board**

Place: Thane.  
Date: July 01, 2016

**Kirti J Damle**  
**Company Secretary**

**EXPLANATORY STATEMENT PURSUANT TO THE PROVISIONS OF SECTION 102(1) OF THE COMPANIES ACT, 2013.**

**Item No. 4**

At the Annual General Meeting of the Company held on November 4, 2011, members had approved the appointment and terms of remuneration of Mr. Rajendra G. Parikh as the Managing Director of the Company for a period of five years from April 1, 2011.

On the recommendation of the Nomination and Remuneration Committee, the Board of Directors of the Company (the Board), at its meeting held on July 01, 2016, has reappointed Mr. Rajendra G. Parikh as a Managing Director (MD) of the Company for a period of five years from April 1, 2016, subject to the approval of the Members and other approvals, if necessary.

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

Mr. Rajendra G. Parikh is BA Hons., Diploma in Administrative and Management. He has eight years of experience in business before starting the Company as promoter and has over 26 years of experience in the industry and business operations. He holds 89,00,900 equity shares of the Company.

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

**A. Tenure of Appointment:**

The appointment of the Managing Director (MD) is for a period of 5 years with effect from April 1, 2016.

**B. Nature of Duties:**

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

**A) Basic Salary (Rs./Month):** 2.00 Lakhs

**B) House Rent Allowance:** Allowances to the extent 50% of the basic salary.

**C) Perquisites and allowances:** In addition to the above salary and House Rent Allowance, he shall be entitled to the following perquisites and allowances:

- i) Gas, electricity, water, furnishing and other amenities, repairs, house maintenance expenses, servant(s), cook(s), security guard(s), etc., at his residence;
- ii) Club Fees: Fees of clubs, subject to a maximum of three clubs.
- iii) Leave travel concession: For self and family once in a year incurred in accordance with the rules of the company;
- iv) Facility of car with driver;
- v) Servant: Reimbursement of servant's salary, subject to a maximum of three servants.
- vi) Watchman: Reimbursement of watchman's salary, subject to a maximum of two watchmen.
- vii) Allowances and other perquisites: Special allowance and/ or any other allowances or perquisites as determined by the nomination & remuneration committee.

The above perquisites and allowances shall be evaluated as per income-tax rules & Companies Act, 2013 wherever applicable. In the absence of any such rules, these shall be evaluated at actual cost.

**D) Other Benefits:**

- i) Contribution to provident fund, pension/superannuation/ gratuity fund schemes in accordance with the Company's rules and regulations in force from time to time;
- ii) One month's leave with full salary for every 11 months of service. Leave accumulated but not availed will be allowed to be encashed. Leave encashment at the end of the tenure will be as per the rules of the Company;
- iii) Reimbursement of actual medical expenses incurred in India and abroad for self and family including

## JIK INDUSTRIES LIMITED

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- hospitalization expenses, treatment expenses and in case of medical treatment abroad, the air fare, boarding/lodging, travel, etc., for self and family and attendant;
- iv) Medical/Personal accident/ Life Insurance Travel/insurance: Actual premium to be paid by the Company for self & family;
  - v) Telephone: Free telephone facility at residence including mobile phone & other suitable communication facilities.

**E) Commission:** In addition to the above, an amount by way of commission calculated at a rate not exceeding 1% of the net profits of the Company, subject to a ceiling of 36 months' salary and subject also to the overall ceilings laid down in section 197 read with section 198 of the Companies Act, 2013.

**F) Minimum remuneration:** Notwithstanding anything to the contrary contained herein, where, in any financial year during the currency of the tenure of Mr. R G Parikh, the Company has no profits or its profits are inadequate, the Company will pay remuneration to the maximum as laid down in Section II of Part II of Schedule V to the Companies Act, 2013 as minimum remuneration.

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

Except Mr. Rajendra G Parikh, none of the Directors, Key Managerial Personnel and/ or their relatives are, in any way, concerned or interested, financially or otherwise, in the Resolution at Item No. 4 of the accompanying Notice.

### Item No. 5

On the recommendation of the Nomination and Remuneration Committee, the Board of Directors of the Company (the Board), at its meeting held on February 13, 2016, has appointed Mr. Surendra C Gurav as a Executive Director & CFO of the Company for a period of five years from March 1, 2016, subject to the approval of the Members and other approvals, if necessary.

Mr. Gurav is having more than decade of experience in accounts and finance and also, he is with the Company since 2004 and he has been Chairman of the Audit Committee. So, the Nomination and Remuneration Committee believe that it would be beneficial to the Company to appoint him as Chief Financial Officer.

(a) The principal terms and conditions of appointment of Mr. S C Gurav as a CFO are as follows:

(b)

Name of the Director	Mr. Surendra C Gurav
Tenure	5 years
Designation	Executive Director and Chief Financial Officer
Salary inclusive of all allowances	Rs. 20,000 per month
Minimum Remuneration	Where in any financial year during the currency of tenure of the company has no profits or its profits are inadequate, the company will pay remuneration by way of salary and perquisites not exceeding the limits prescribed by the Act.

Except Mr. Surendra C Gurav, none of the Directors, Key Managerial Personnel and/ or their relatives are, in any way, concerned or interested, financially or otherwise, in the Resolution at Item No. 5 of the accompanying Notice.



**24<sup>th</sup> ANNUAL REPORT 2015 - 2016**

<b>Name of the Director</b>	Rajendra Parikh	Surendra Gurav
<b>Date of Appointment</b>	10/05/1990	31/01/2004
<b>Qualification</b>	BA Hons., Diploma in Administrative and Management	Diploma in Instrumental Engineering
<b>Experience</b>	Eight years of experience in business before starting the Company as promoter and has over 26 years of experience in the industry and business / operations	More than a decade of experience in Accounts. He is having almost 15 years of experience in engineering business.
<b>Directorships held in other public Companies</b>	1	No
<b>Chairmanship/ Memberships of the committees of the Board of other public Companies</b>	NIL	NIL
<b>No. of shares held in the Company</b>	8900900	NIL

**Registered Office:**  
Pada No. 3, Balkum,  
Thane (West), Thane – 400608

**By order of the Board**

**Place:** Thane  
**Date:** July 01, 2016

**Kirti J Damle**  
**Company Secretary**

# JIK INDUSTRIES LIMITED

## Directors' Report

To the Members,

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

### State of the Company's Affairs:

#### FINANCIAL RESULTS

Standalone Financial Information of JIK Industries Limited is as follows:

(Rs. in lakhs)

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

#### DIVIDEND

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

#### DEPOSITS

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

#### MANAGEMENT DISCUSSION AND ANALYSIS

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

#### CONSOLIDATION OF FINANCIAL STATEMENTS

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

**REVISION IN FINANCIAL STATEMENTS**

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

**SUBSIDIARY AND ASSOCIATES COMPANIES**

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

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

**DIRECTORS**

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

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

**NUMBER OF MEETINGS OF THE BOARD**

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

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

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

**DECLARATION BY INDEPENDENT DIRECTORS**

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

Following are the Non-Executive Independent Directors:

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

**MEETING OF INDEPENDENT DIRECTORS**

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

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

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

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

**KEY MANAGERIAL PERSONNEL**

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

## JIK INDUSTRIES LIMITED

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

### FAMILARIZATION PROGRAMME

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

### RECONSTITUTION OF COMMITTEES

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

#### Audit Committee

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

#### Stakeholder Relationship Committee

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

#### Nomination and Remuneration Committee

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

### COMMENT ON AUDITOR'S REPORT

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

### COMMENT ON SECRETARIAL AUDIT REPORT

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

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

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

### PARTICULAR OF LOAN AND INVESTMENT

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

**RISK MANAGEMENT**

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

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

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

**INTERNAL CONTROL SYSTEM AND THEIR ADEQUACY**

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

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

**CORPORATE SOCIAL RESPONSIBILITY (CSR)**

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

**CONTRACT AND ARRANGEMENT WITH RELATED PARTIES**

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

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

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

**COMMITTEES OF THE BOARD**

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

**Company has following Committees of the Board**

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

**BOARD EVALUATION**

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

**REMUNERATION POLICY**

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

**REMUNERATION FOR THE CEO AND MANAGING DIRECTOR**

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

## **JIK INDUSTRIES LIMITED**

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### **CORPORATE GOVERNANCE**

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

### **WHISTLEBLOWER POLICY**

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

### **SEXUAL HARASSMENT POLICY**

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

### **CODE OF CONDUCT**

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

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

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

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

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

### **AUDITORS**

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

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

### **SECRETARIAL AUDIT REPORT**

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

### **EXTRACT OF ANNUAL RETURN**

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

### **REVIVAL AND REHABILITATION**

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

## 24<sup>th</sup> ANNUAL REPORT 2015 - 2016

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

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

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

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

### PARTICULARS OF EMPLOYEE

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

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

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

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

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

### DIRECTORS' RESPONSIBILITY STATEMENT

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

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

### CASH FLOW STATEMENT

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

### DEMATERIALISATION OF SHARES

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

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

## JIK INDUSTRIES LIMITED

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### LISTING OF SECURITIES OF COMPANY

The equity shares of your Company continue to be listed on The Bombay Stock Exchange Limited and the National Stock Exchange of India Limited. The Annual Listing Fees are paid.

### ACKNOWLEDGEMENT

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

**For and on behalf of the Board**

Place: Thane  
Dated: July 01, 2016

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

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### Annexure A

Form No. MGT-9

### EXTRACT OF ANNUAL RETURN

as on the financial year ended on 31.03.2016

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

#### I. REGISTRATION AND OTHER DETAILS

- i) CIN:- L65990MH1990PLC056475
- ii) Registration Date: 10/05/1990
- iii) Name of the Company: JIK INDUSTRIES LIMITED
- iv) Category / Sub-Category of the Company: Company limited by shares
- v) Pada No.3 Balkum Village, Thane (West) – 400 608.  
Phone: +91-22-25426356 - 60  
Fax: +91-22-25426349  
E-mail: admin@jik.co.in  
Website: <http://www.jik.co.in>
- vi) Whether listed company Yes / No: **Yes**
- vii) Name, Address and Contact details of Registrar and Transfer Agent, if any:  
Sharex Dynamic (India) Pvt. Ltd.: Unit No.1, Luthra Industrial Premises,  
Andheri – Kurla Road, Safed Pool, Andheri (East), Mumbai-400072.  
Phone: +91-22-2851 5606/5644, Fax: +91-22-2851 2885



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**24<sup>th</sup> ANNUAL REPORT 2015 - 2016**

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

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

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

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

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

## JIK INDUSTRIES LIMITED

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

#### i) Category-wise Share Holding

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

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

**24<sup>th</sup> ANNUAL REPORT 2015 - 2016**

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

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

## JIK INDUSTRIES LIMITED

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

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

**24<sup>th</sup> ANNUAL REPORT 2015 - 2016**

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

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

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

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

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

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

## JIK INDUSTRIES LIMITED

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

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

### V. INDEBTEDNESS

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

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

## VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

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

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

## B. Remuneration to other directors:

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

## JIK INDUSTRIES LIMITED

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

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



**Annexure B - Secretarial Audit report**

**Form No. MR-3**

**SECRETARIAL AUDIT REPORT**

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

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

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

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

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

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

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

## JIK INDUSTRIES LIMITED

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

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

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

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

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

**I further report that:**

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

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

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**24<sup>th</sup> ANNUAL REPORT 2015 - 2016**

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

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

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

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

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

Place : Mumbai  
Date : 1st July 2016

**Annexure-I**

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

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

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

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

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

Place : Mumbai  
Date : 1st July 2016

## **JIK INDUSTRIES LIMITED**

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### **Annexure-II**

List of Applicable laws to the Company:

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

**For Dharendra Maurya & Associates  
Company Secretaries**

**Dhirendra R. Maurya  
Proprietor**

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

Place : Mumbai  
Date : 1st July 2016

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

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

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

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

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

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

#### **Disclaimer**

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

**For Dharendra Maurya & Associates  
Company Secretaries**

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

Place : Mumbai  
Date : 1st July 2016

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**24<sup>th</sup> ANNUAL REPORT 2015 - 2016**

**ANNEXURE C - TO DIRECTORS' REPORT**

Statement pursuant to Section 134 of the Companies Act, 2013

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

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

**Consumption per unit of production:**

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

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

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

Technology Imported:

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

**Annexure D.**

**FOREIGN EXCHANGE EARNINGS & OUTGOING:**

**Total Foreign Exchange used and Earned:**

(Rs. in Lakhs)

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

# JIK INDUSTRIES LIMITED

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## MANAGEMENT DISCUSSIONS AND ANALYSIS

### **FORWARD LOOKING STATEMENT:**

Statements in the Management Discussion and Analysis describing the Company's objectives, projections, estimates, expectations may be 'forward-looking statements'; within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could influence the Company's operations include economic developments within the country, demand and supply conditions in the industry, changes in Government regulations, tax laws and other factors such as litigation and labour relations. etc.

The reports contains forward looking statements recognized by word 'plans', 'expects', 'will', 'estimates' and so on. All statement that deal with expectation or projection about the future, but not limited to company's strategy for growth, product development, market position, expenditure and financial results are forward looking statement. Since these are based on certain assumptions and expectation about the future events, the company cannot guarantee that these are accurate and will be realized.

### **INDUSTRY STRUCTURE AND DEVELOPMENTS:**

Reflecting the trends of overall economy, the year was not favorable. Therefore needless to say, the financial year 2015 - 16 has been challenging for the Company.

### **COMPANY OVERVIEW:**

The company is in the business of manufacturing, marketing and trading of crystal, glass and allied products. The company expects to continue to expand its processes to improve its product mix to cater to changing and challenging business environment and customer needs.

### **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 and encash such opportunities.

### **OUTLOOK:**

It will be a challenging year with every efforts being made to tap existing opportunities. Company intend to expand and its evaluating various options. The Company is in the process of rehabilitation and revival.

As restructuring of business and production facility has been taken up by your company will have good impact in the coming years.

### **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 been taking necessary steps to moderate the challenges.

### **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:**

We believe that people are the most valuable assets of the Company as they contribute to the achievement of business objectives. Human resource policies of the Company though business focused, are employee friendly, clear and concise, thereby providing employees with appropriate opportunities to grow professionally and personally. Scalable recruitment and human resource management process enables the Company to attract and retain high caliber employees.

### **DISCUSSION ON FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE.**

The Company registered negative growth during the financial year ended March 31, 2016. The Company is committed to improved the performance in the current year.

### **MATERIAL DEVELOPMENTS IN HUMAN RESOURCES / INDUSTRIAL RELATIONS FRONT, INCLUDING NUMBER OF PEOPLE EMPLOYED**

During the year under review cordial relationships were maintained between the management and the employees.

## CORPORATE GOVERNANCE REPORT

Pursuant to Regulation 34(3) read with schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a report on Corporate Governance is given below:

**1. COMPANY'S PHILOSOPHY:**

The Company's philosophy on Corporate Governance is based on the principle of full disclosure, fairness, equity, transparency and accountability in the various aspect of its functioning, leading to the protection of the stakeholders' interest and an enduring relationship with stakeholders. The management's commitment to these principles is reinforced through the adherence of all Corporate Governance practices embodied in regulation 34 (3) of SEBI Listing Obligations and Disclosure Requirements) Regulations, 2015. The Company has also adopted the Code of Conduct for the Directors and senior management personnel. The Company also has Code for Prevention of Insider Trading for Directors and the designated employees of the Company.

**2. BOARD OF DIRECTORS**

**2.1 Composition of the Board:**

The current strength of the Board of Directors of the Company is six. The Board has an optimum blend of executive and non-executive directors. Chairman and Managing Director and Chief Financial Officer are the two Executive Directors and four non-executive Directors including one woman Director. The number of Independent Directors on the Board is in conformity with the requirement of Regulation 17(1)(b) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. 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.

**2.2 Board Meetings:**

During the year six Board Meetings were held on May 25, 2015, July 25, 2015, August 29, 2015, August 31, 2015, November 14, 2015 and February 13, 2016. 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 outside Directorship in public Limited Companies	No. of Membership/ chairmanship in other Board Committees	No. of Shares held in the Company as at 31.03.2016
		Board Meetings	Last AGM			
Shri. Rajendra G. Parikh	CMD	6	Yes	1		8900900
Shri. Surendra C. Gurav	ED & CFO*	5	Yes	-	-	Nil
Shri. Manoj P. Unadkat	NEID	3	No	-	-	66
Shri. Vijay P. Panikar	NEID	3	Yes	-	-	15230
Shri. Arvind M Shah	NEID	6	Yes	-	-	Nil
Smt. Rajeshri D Patel	NEID	6	Yes	1	-	Nil

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

\***ED & CFO:** Executive Director and Chief Financial Officer, NEID from 1st April, 2015 to February 29, 2016 with effect from March 01, 2016.

Every Director currently on the Board of the Company has personally attended at least one Board / Committee of Directors' Meeting in the financial year 2015-16.

Certificates have also been obtained from the Independent Directors confirming their position as Independent Directors on the Board of the Company in accordance with Section 149 of the Companies Act, 2013 read with Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In terms of Schedule V(C)(2)(e) and Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, none of the Directors are related to each other.

## JIK INDUSTRIES LIMITED

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### **Orientation of newly elected directors and updation strategy**

Newly elected directors are given a presentation on the functioning of the Company. The Company keeps the Board and other stakeholders updated on the happenings of the Company.

All other events and happenings of important in the sector are reported to the Board on a continuous basis.

### **Code of Conduct for Board of Directors and Senior Management**

The Company has adopted a Code of Conduct for Board of Directors and Senior Management (the Code). The Code has been communicated to the Directors and the members of Senior Management. The Code has also been posted on the Company's website at [www.jik.co.in](http://www.jik.co.in). All Board members and senior management have confirmed compliance with the Code for the year ended 31st March, 2016. The Annual Report contains a declaration to this effect signed by the Managing Director of the Company.

### **3. AUDIT COMMITTEE:**

The purpose of the audit committee is to ensure the objectivity, credibility and correctness of the Company's financial reporting and disclosure processes, internal controls, risk management policies and processes, tax policies, compliance and legal requirements and associated matters.

The terms of reference of the Audit Committee are broadly as under:

- Overseeing of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible;
- Reviewing, with the management, the annual financial statements and Auditor's Report thereon before submission to the Board for approval, with particular reference to:
  - ❖ Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of Section 134 of the Companies Act, 2013;
  - ❖ Disclosure of any related party transactions;
  - ❖ Qualifications in the draft audit report.
- Reviewing, with the management, the quarterly financial statements before submission to the Board for approval.
- Approval or any subsequent modification of transactions of the Company with related parties;
- Evaluation of internal financial controls and risk management systems;
- Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
- Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
- To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
- To review the functioning of the Whistle Blower mechanism;
- To approve appointment of CFO after assessing the qualifications, experience & background, etc. of the candidate.
- Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.
- Any other matter that may be referred by the Board from time to time.

Due to change in designation of Mr. Surendra C Gurav, previous Chairman of Audit Committee, the Audit Committee has been re-constituted.

The members of the Audit Committee are Mr. Arvindkumar M Shah, Mr. Manoj P Unadkat and Mr. Rajendra G Parikh.

Mr. Arvindkumar M Shah is the Chairman of the Audit Committee.

Mrs. Kirti J Damle, Company Secretary acts as the Secretary to the Audit Committee.

During the year four Audit Committee Meetings were held on May 25, 2015, July 25, 2015, November 14, 2015 and February 13, 2016. The Company Secretary acts as the Secretary of the Committee.



## 24<sup>th</sup> ANNUAL REPORT 2015 - 2016

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	ED & CFO	Chairman*	3
2	Shri. Arvindkumar M Shah	NEID	Chairman**	4
3	Shri. Manoj P. Unadkat	NEID	Member	3
4	Shri. Rajendra G. Parikh	CMD	Member	4

\*Chairman of the Committee only till February 29, 2016. NEID from 01/04/2015 to 29/02/2016.

\*\*New Chairman of the Committee with effect from March 01, 2016.

#### 4. NOMINATION & REMUNERATION COMMITTEE:

The broad terms of reference of the Nomination and Remuneration Committee (NRC) are as follows:

- Appointment / re-appointment of Managing Director / Executive Director.
- Review the performance of the Managing Director / Executive Director after considering the Company's performance.
- Recommend to the Board remuneration including Salary, Perquisites and Performance Bonus to be paid to the Company's Managing Director / Executive Director.
- Review of the Remuneration Policy of the company in line with market trends to attract and retain the right talent.
- Review and approval of revision in remuneration of Top Management Executives of the Company.
- Grant of Employees Stock Options to Designated Employees.
- Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees.
- Formulation of criteria for evaluation of Independent Directors and the Board.
- Devising a policy on Board diversity
- Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal. The Company has disclosed the remuneration policy and the evaluation criteria.

Due to change in designation of Mr. Surendra C Gurav, the Nomination and Remuneration Committee has been re-constituted.

Mrs. Rajeshri D Patel, Independent Director is the Chairman of the Committee. The Committee met only once in a year on February 13, 2016.

The composition of the Nomination and Remuneration Committee is given below:

Sr. No.	Name of Members	Category	Designation	No. of Meetings Attended
1	Shri. Surendra C Gurav	ED & CFO*	Chairman	Absent
2	Smt. Rajeshri D Patel	NEID	Chairman**	Appointed as on March 01, 2016
3	Shri. Manoj P. Unadkat	NEID	Member	Present
4	Shri. Rajendra G. Parikh	CMD	Member	Present

\*Chairman of the Committee only till February 29, 2016. NEID from 01/04/2015 to 29/02/2016.

\*\*Appointed as a Chairman of the Committee With Effect from March 01, 2016.

## JIK INDUSTRIES LIMITED

### Remuneration Policy:

The Company has adopted a Remuneration Policy for its Directors, Key Managerial Personnel and other employees. The Remuneration Policy has laid down the criteria for determining qualifications, positive attributes, independence of Director and Board diversity. The Policy lays down the factors for determining remuneration of Whole-time Directors, Non-Executive Directors, Key Managerial Personnel and other employees. The policy also lays down the evaluation criteria of the Independent Directors and the Board. The same is available on the website [www.jik.co.in](http://www.jik.co.in).

### 5. STAKEHOLDER RELATIONSHIP COMMITTEE

Due to change in designation of Mr. Surendra C Gurav, the committee has been re-constituted.

The Committee comprises of Mr. Arvindkumar Shah, Mrs. Rajeshri Patel and Mr. Rajendra G Parikh.

Mrs. Kirti Damle, Company Secretary is the Compliance Officer.

The Committee met on February 13, 2016 during the year ended 31<sup>st</sup> March, 2016.

Sr. No.	Name of Members	Category	Designation	No. of Meetings Attended
1	Shri. Surendra C. Gurav	ED & CFO	Chairman*	Absent
2	Smt. Rajeshri D Patel	NEID	Chairman**	Appointed as on March 01, 2016
3	Shri. Arvindkumar M Shah	NEID	Member	Appointed as on March 01, 2016
4	Shri. Manoj P. Unadkat	NEID	Member\$	Present
5	Shri. Rajendra G. Parikh	CMD	Member	Present

\*Chairman of the Committee only till February 29, 2016. NEID from 01/04/2015 to 29/02/2016.

\*\*Appointed as Chairman of the Committee with effect from March 01, 2016.

\$Ceased to be a member of the committee with effect from March 01, 2016.

Stakeholder relationship Committee deals with the matters relating to shareholders/investors grievances and its redressal and transfer of shares. During the year ended 31<sup>st</sup> March, 2016, six complaints were received from the shareholders. The complaints of shareholders were resolved. There was no outstanding complaint as on 31<sup>st</sup> March, 2016.

### 6. ANNUAL GENERAL MEETING

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

Financial Year	Venue	Date	Time	Special Resolution Passed
2014-15	Registered Office: Pada No. 3, Balkum, Thane 400608	30.09.2015	3.30 P.M.	Yes
2013-14	Know IT Hall,305,Krupa Chamber, Gokhale Road, Naupada, Thane (W)-400602	20.12.2014	9.30 A.M.	No
2012-13	Golden Swan Country Club, Off Pokhran Road No. 1, Yeoor Hills, Thane-400 602	12.10.2013	2.30 P.M.	Yes

**7. DISCLOSURE**

- 1) 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.

**2) Related Party Transactions**

All transactions entered into with the Related Parties as defined under the Companies Act, 2013 and Regulation 23 of SEBI (Listing Obligations and Disclosure Requirements) Regulations during the financial year were in the ordinary course of business and on arm's length basis and do not attract provisions of Section 188 of the Companies Act, 2013.

None of the transactions with any of the related parties were in conflict with the interest of the Company. Transactions with the related parties are disclosed in Note No B (7) to the 'Notes on Accounts' annexed to the Financial Statements for the year under review.

- 3) Details of non-compliance by the Company, penalties, strictures imposed on the Company by Stock Exchange or SEBI or any statutory authority, on any matter related to capital markets, during the last three years: NA

**4) Vigil mechanism and Whistle Blower Policy:**

The Company has a Whistle blower Policy in place. The Company's portal provides a very effective means for the employees to communicate freely with the Managing Director. The Company's employees can also directly meet the Managing Director and express their grievances/concerns.

The Whistle Blower Policy of the Company has been posted on the website of the Company, [www.jik.co.in](http://www.jik.co.in).

**5) Disclosure of Accounting Treatment**

In the preparation of the financial statements, the Company has followed the Accounting Standards referred to in Section 133 of the Companies Act, 2013. The significant accounting policies which are consistently applied are set out in the Notes to the Financial Statements.

**6) Details of compliance with mandatory requirements and adoption of the non-mandatory requirements;**

All the mandatory requirements have been complied with as stated in this report on Corporate Governance. The Company has not adopted non-mandatory requirements stated in SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

**7) Material Subsidiaries**

The Policy for determining material subsidiaries is posted on the website of the Company at [www.jik.co.in](http://www.jik.co.in).

**8) CEO/CFO Certification**

A certification from the CEO and CFO as specified in Part B of Schedule II in terms of Regulation 17(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations was placed before the Board Meeting held on May 30, 2016 to approve the Audited Annual Accounts for the year ended 31st March, 2016.

**9) Risk Management**

The Company has a Risk Management Framework in place, the details of which are provided in the Directors' report.

**10) MEANS OF COMMUNICATION**

1. Quarterly/half yearly /yearly results are normally published in English and local language newspapers as specified by SEBI and as required under LODR. The audited annual accounts are posted to every member of the company. Quarterly shareholding and quarterly/half yearly/yearly results submitted to the stock exchanges are posted on the website of the company: <http://www.jik.co.in>.
2. The email id for investors/shareholders grievances is [cosec@jik.co.in](mailto:cosec@jik.co.in).
3. The Stock Exchanges are notified of any important developments that may materially affect the working of the Company.
4. No presentations were made to any institutional investors or analysts etc.
5. 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.

## JIK INDUSTRIES LIMITED

### 11) GENERAL SHAREHOLDERS INFORMATION:

Annual General Meeting

Day, Date and Time: Friday, August 12, 2016 at 5.00 p.m.

Venue: Golden Swan Country club, off Pokhran Road No. 1, Yeoor Hills, Thane (w) 400602.

### Reporting in the financial calendar 2016 - 2017

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

### Book closure date

The Book Closure is August 06, 2016 to August 12, 2016 (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	National Stock Exchange of India Limited Exchange Plaza, Plot No. C/1, G. Block, Bandra - Kurla Complex, Bandra (East), Mumbai - 400 051
Stock Code: 511618	Stock Code: JIKIND

The Company has paid Annual Listing Fees to the above Stock Exchanges.

### Market price data

High/Low during each month of the 12 months period ended 31st March, 2016, on the Bombay Stock Exchange Limited and National Stock Exchange of India Limited.

Month	JIK Share Price [BSE]		BSE Sensex		JIK Share Price [NSE]		NSE Nifty	
	High Price (Rs.)	Low Price (Rs.)	High	Low	High Price	Low Price	High	Low
Apr-15	1.05	0.85	29094.61	26897.54	1.02	1.02	8581.67	8468.15
May-15	1.07	0.88	28071.16	26423.99	0.92	0.9	8348.58	8241.17
Jun-15	0.92	0.73	27968.75	26307.07	0.94	0.92	8246.44	8144.50
Jul-15	0.98	0.67	28578.33	27416.39	0.91	0.9	8520.34	8434.20
Aug-15	1.02	0.81	28417.59	25298.42	0.825	0.825	8377.26	8260.11
Sep-15	0.93	0.71	26471.82	24833.54	0	0	7884.64	7753.14
Oct-15	0.84	0.68	27618.14	26168.71	0.85	0.85	8210.98	8135.54
Nov-15	0.75	0.59	26824.3	25451.42	0.85	0.85	7927.98	7847.73
Dec-15	1.03	0.78	26256.42	24867.73	0.85	0.84	7838.23	7763.59
Jan-16	1.14	0.83	26197.27	23839.76	0.94	0.91	7602.29	7488.25
Feb-16	1.16	0.87	25002.32	22494.61	0.97	0.94	7267.96	7149.50
Mar-16	0.96	0.75	25479.62	23133.18	0.85	0.8	7584.45	7489.28

**24<sup>th</sup> ANNUAL REPORT 2015 - 2016****Distribution of shareholding as on 31<sup>st</sup> March, 2016**

Range	No. of holders	% of holders	Total Share	% of Shareholding
UPTO TO 100	9869	65.61	338062	0.47
101 TO 200	1359	9.03	213252	0.29
201 TO 500	1249	8.030	464406	0.64
501 TO 1000	862	5.73	741054	1.02
1001 TO 5000	1115	7.41	2746428	3.78
5001 TO 10000	265	1.76	2046213	2.82
10001 TO 100000	277	1.84	7817300	10.76
100001 TO ABOVE	47	0.31	58274236	80.22
<b>T O T A L</b>	<b>15043</b>	<b>100.00</b>	<b>72640951</b>	<b>100.00</b>

**Shareholding pattern as on 31<sup>st</sup> March, 2016**

Sr. No.	Category of Shareholder	No. of Shares	Percentage
1	Promoters & Associates	33135697	45.65
2	Financial Institutions / Banks	556367	0.73
3	Insurance Companies	14470	0.02
4	Central or State Government	312621	0.43
5	Indian Public	38621796	53.17
	<b>Total</b>	<b>72640951</b>	<b>100.00</b>

**Pledge of Shares of Promoters & Promoter Group as on 31<sup>st</sup> March, 2016**

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

**Details of complaints / queries received and redressed during April 1, 2015 to 31<sup>st</sup> March, 2016.**

Number of shareholders complaints / queries received	6
Number of shareholders complaints / queries redressed	6
Number of shareholders complaints / queries pending	0

**Registrars and transfer agents**

In compliance of SEBI requirements, Sharex Dynamic (India) Private Limited has been appointed the as 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 31st March, 2016, 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).

## **JIK INDUSTRIES LIMITED**

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### **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 31st March, 2016, a total of 71362339 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 and are in physical form.

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

The Company has not issued any GDRs /ADRs.

### **Other Disclosures:**

Due to non-receipt of Ben pos from CDSL and NSDL, the Company has filed its Shareholding Pattern and Reconciliation of Share Capital Report for the quarter ended March 31, 2016 in the month of May 2016 instead of April 2016. The Company has paid fine for delay in submission of shareholding pattern.

### **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

### **Mrs. Kirti Damle**

#### **Compliance Officer**

#### **JIK Industries Limited**

Regd Office: Pada No. 3, Balkum,  
Thane - 400 608.  
Tel: +91 22 2542 6356 - 60  
Fax: +91 22 2542 6349

**For and on behalf of the Board**

Place: Thane  
Date: July 01, 2016

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

**DECLARATION OF CEO**

As provided under Regulation 26 (3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, confirm that the Board Members and Senior Management of the Company have confirmed compliance with Code of Conduct, as applicable to them, for the year ended March 31, 2016.

Place: Thane  
Date: May 30, 2016

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

**CEO/CFO CERTIFICATION**

We, the undersigned, Chairman & Managing Director and Executive Director & Chief Financial Officer of JIK Industries Limited, to the best of our knowledge and belief hereby certify that:

- a. We have reviewed the financial statements and Cash Flow Statement for the year ended March 31, 2016 and that to the best of our knowledge and belief;
  - i. these statements do not contain any materially untrue statements or omit any material fact or contain statements that might be misleading;
  - ii. these statements together present a true and fair view of the Company's affairs are in compliance with existing Accounting Standards, applicable laws and regulations.
- b. To the best of our knowledge and belief, no transactions entered into by the Company during the year ended March 31, 2016 are fraudulent, illegal or violate the Company's code of conduct.
- c. We accept the 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.
- d. We have indicated to the Auditors and Audit Committee:
  - i) significant changes, if any, in internal control over financial reporting during the year;
  - ii) significant changes, if any, in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
  - iii) instances of significant fraud of which they have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control systems over financial reporting.

Place: Thane  
Date: May 30, 2016

**Rajendra G Parikh**  
**Chairman and Managing Director**

**Surendra C Gurav**  
**Executive Director and CFO**

## **JIK INDUSTRIES LIMITED**

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### **CERTIFICATE OF COMPLIANCE WITH THE CORPORATE GOVERNANCE REQUIREMENTS UNDER SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015**

To the members of JIK Industries Limited

We have examined the compliance of conditions of corporate governance by JIK Industries Limited ('the Company') for the year ended 31, 2016 as stipulated Chapter IV of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 pursuant to the Listing Agreement of the Company with Stock Exchanges.

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

In our opinion and to the best of our information and according to the explanation given to us, we certify that the Company has complied in all material respects with the conditions of Corporate Governance as stipulated in Chapter IV of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 pursuant to the Listing Agreement of the Company with Stock Exchanges..

We state that such compliance is neither an assurance as to the future viability of the Company nor 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: May 30, 2016**

**M L JAIN  
PARTNER  
Membership No. 36811**



**Independent Auditor's Report**

To the Members of  
**JIK INDUSTRIES LIMITED**

**Report on the Standalone Financial Statements**

We have audited the accompanying Standalone financial statements of JIK INDUSTRIES LIMITED ("the Company") which comprise the Balance Sheet as at March 31, 2016, the Statement of Profit and Loss, Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

**Management's Responsibility for the Standalone Financial Statements**

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Standalone 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 principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, 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 Standalone financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. 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 the 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 financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, 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 on the Standalone financial statements.

**Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone 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, of the state of affairs of the Company as at March 31, 2016, and its Loss and its Cash Flow for the year ended on that date.

**Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), as amended, issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order.

2. As required by section 143 (3) of the Act, we report that:
  - a. we have sought and 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 it appears from our examination of those books;
  - c. the Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this Report are in agreement with the books of account

## JIK INDUSTRIES LIMITED

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- d. in our opinion, the aforesaid Standalone financial statements comply with the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e. On the basis of written representations received from the directors as on March 31, 2016 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2016 from being appointed as a director in terms of Section 164 (2) of the Act.
- f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
- g. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
  - i) The Company has disclosed the impact of pending litigations on its financial position in its financial statements - Refer Notes to Accounts to the financial statements;
  - ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
  - iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

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

Place: Mumbai  
Date :30/05/2016

**M L JAIN**  
Partner  
M. No. 036811

### **ANNEXURE TO THE AUDITORS' REPORT**

Issued by the Central Government under sub section 11 of section 143 of the Companies Act, 2013, (18 of 2013)

- The auditor's report on the accounts of a company to which this Order applies shall include a statement on the following matters, namely:-

- I.
  - a. The company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets;
  - b. Certain fixed assets have been physically verified by the management at reasonable intervals. No material discrepancies were noticed on such verification.
  - c. All the title deeds of immovable properties are held in the name of the company.
- ii. The physical verification of inventory has been conducted at reasonable intervals by the management. No material discrepancies were noticed on such verification;
- iii. In Our opinion and according to the information and explanations given to us during the course of the audit, the company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Thus, paragraph 3(iii) is not applicable to the company.
- iv. In Our opinion and according to the information and explanations given to us during the course of the audit, the company has not entered in any transaction that attract the provisions of section 185 and 186 of the Companies Act, 2013.
- v. The company has not accepted any deposits from the public; thus paragraph 3(v) is not applicable to the company.
- vi. The maintenance of cost records has not been specified to the company by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013.
- vii.
  - a. The company is regular in depositing undisputed statutory dues including provident fund, service tax, duty of customs, duty of excise, cess and any other statutory dues to the appropriate authorities, except the dues as stated under:

**24<sup>th</sup> ANNUAL REPORT 2015 - 2016**

**Statement of Arrears of Statutory Dues Outstanding for More than Six Months**

Name of the statute	Nature of the dues	Period to which Amount relates	Amount (In Lacs.)
Sales Tax Act.1956	Sales Tax	2002-03	0.86
Sales Tax Act.1956	Sales Tax	2005-06	2.17
MVAT Act 2002	Value Added Tax	2013-14	0.40
		2014-15	0.52
		2015-16	0.23
ESIC Act. 1948	ESIC	2010-11	0.28
		2014-15	0.57
Profession Tax Act.1975	Profession Tax	2014-15	0.75
		2015-16	0.50
Income Tax Act.1961	TDS	2014-15	0.61
	TDS	2015-16	0.47

b.The dues of income tax that have not been deposited on account of any dispute, are indicated below:

Name of the statute	Nature of dues	Amount (In Lacs)	Period which the amount relates	Forum where disputes pending
Income Tax Act.1961	Income Tax	39.67	1995-96 (*)	Income Tax Appellate Tribunal, Mumbai.
Income Tax Act.1961	Income Tax	156.70	2000-01	Commissioner of Income Tax, Mumbai City II.
Income Tax Act.1961	Income Tax	372.69	2001-02	Commissioner of Income Tax, Mumbai City II.
Income Tax Act.1961	Income Tax	0.10	2004-05 (#)	Income Tax Appellate Tribunal, Mumbai.
Income Tax Act.1961	Income Tax	2259.15	2005-06 (#)	Commissioner of Income Tax(Appeal)/ITAT Mumbai
Income Tax Act.1961	Income Tax	0.10	2005-06 (#)	Income Tax Appellate Tribunal, Mumbai.
Income Tax Act.1961	Income Tax	0.10	2006-07 (#)	Income Tax Appellate Tribunal, Mumbai.
Income Tax Act.1961	Income Tax	273.44	2007-08 (#)	Commissioner of Income Tax(Appeal)/ITAT Mumbai
Income Tax Act.1961	Income Tax	0.10	2007-08 (#)	Income Tax Appellate Tribunal, Mumbai.
Income Tax Act.1961	Income Tax	768.16	2008-09 (#)	Commissioner of Income Tax(Appeal)/ITAT Mumbai
Income Tax Act.1961	Income Tax	0.10	2008-09 (#)	Income Tax Appellate Tribunal, Mumbai.
Income Tax Act.1961	Income Tax	4005.12	2009-10 (#)	Commissioner of Income Tax(Appeal)/ITAT Mumbai
Income Tax Act.1961	Income Tax	0.10	2009-10 (#)	Income Tax Appellate Tribunal, Mumbai.
Income Tax Act.1961	Income Tax	4156.14	2010-11 (#)	Commissioner of Income Tax(Appeal)/ITAT Mumbai
Income Tax Act.1961	Income Tax	0.10	2010-11 (#)	Income Tax Appellate Tribunal, Mumbai.

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

(#) ITAT (Mumbai) vide its order dated 18.02.2016 has allowed the penalty appeal's for the F.Y's 2004-05 to 2010-11 (each having a demand of Rs 10,000/-). Order giving effect for the same is awaited.

viii. Company has not defaulted in repayment of loans or borrowing to a financial institution, bank, Government or dues to debenture holders, except for the non payment of 4 installments to Government of Maharashtra as per the scheme of Hon'ble BIFR, the details of which are given below.

## JIK INDUSTRIES LIMITED

Particulars ( Name of Lenders)	Amount of Default	Period of Default
Development Cor. Of Konkan Ltd	256038	30.06.2012
	256038	30.06.2013
	256038	30.06.2014
	256038	30.06.2015
Sales Tax Deferment Loan	396910	30.06.2012
	396910	30.06.2013
	396910	30.06.2014
	396910	30.06.2015

The above defaults are continuing as on the Balance sheet date.

- ix. The company has not raised any moneys by way of initial public offer or further public offer (including debt instruments) and no term loans were obtained during the year under review.
- x. During the ordinary course of audit we have not come across any offence involving fraud that has been or is being committed by the company or any offence involving fraud committed that has been or is being committed against the Company by its officers or employees of the company;
- xi. Based upon the audit procedures performed and the information and explanations given by the management, the managerial remuneration has been paid or provided in accordance with the provisions of section 197 read with Schedule V to the Companies Act.
- xii. The Company is not a Nidhi Company hence the provisions of the Nidhi Company and the Nidhi Rules, 2014 is not applicable to the company.
- xiii. All transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013, where applicable, and the details have been disclosed in the Financial Statements etc., as required by the applicable accounting standards;
- xiv. Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review, thus requirement of section 42 of the Companies Act, 2013 is not applicable to the company.
- xv. Company has not entered into any non-cash transactions with directors or persons connected with him. Thus the provisions of section 192 of Companies Act, 2013 are not applicable to the company;
- xvi. Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

**For Motilal & Associates  
Chartered Accountants  
Registration No.:106584W**

Place : Mumbai  
Date : 30th May, 2016

**M L Jain**  
Partner  
M. No. 036811

## 24<sup>th</sup> ANNUAL REPORT 2015 - 2016

### ANNEXURE B TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF JIK INDUSTRIES LIMITED

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of JIK INDUSTRIES LIMITED ("the Company") as of March 31, 2016 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

#### Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

#### Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. 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.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

#### Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

#### Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

#### Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For Motilal & Associates  
Chartered Accountants  
(Firm's Registration No. 106584W)

M L Jain  
Partner  
Membership No. 036811

Place: Mumbai  
Date: 30th May, 2016

## JIK INDUSTRIES LIMITED

JIK INDUSTRIES LIMITED  
BALANCE SHEET AS AT 31ST MARCH, 2016

(Rupees)

	Note No.	As at 31.03.2016	As at 31.03.2015
<b>I EQUITY AND LIABILITIES</b>			
(1) <b>Shareholders' funds</b>			
(a) Share Capital	1	726,409,510.00	726,409,510.00
(b) Reserves and Surplus	2	(1,459,601,403.12)	(1,334,275,119.92)
		(733,191,893.12)	(607,865,609.92)
(2) <b>Non-current liabilities</b>			
(a) Long-Term Borrowings	3	652,946.00	1,305,894.00
(b) Long Term Provisions	4	404,879.00	351,993.00
		1,057,825.00	1,657,887.00
(3) <b>Current liabilities</b>			
(a) Short-Term Borrowings	5	27,621,172.82	23,266,868.90
(b) Trade Payables	6	364,573.32	364,815.32
(c) Other Current Liabilities	7	961,098,684.39	910,717,511.80
(d) Short Term Provisions	8	44,987.00	39,110.00
		989,129,417.53	934,388,306.02
		256,995,349.41	328,180,583.10
<b>II ASSETS</b>			
(1) <b>Non-current assets</b>			
(a) Fixed Assets			
Tangible Assets	9	1,687,421.00	2,809,824.00
(b) Non-Current Investments	10	246,431,719.10	248,910,877.00
(c) Deferred Tax Assets (Net)	11	-	68,000,848.00
(d) Long-Term Loans and Advances	12	6,325,677.70	6,325,677.70
		254,444,817.70	326,047,226.70
(2) <b>Current assets</b>			
(a) Inventories	13	742,545.31	1,409,194.44
(b) Trade Receivables	14	10,391.00	12,686.00
(c) Cash and Cash Equivalents	15	185,134.40	485,114.96
(d) Short-Term Loans and Advances	16	1,612,461.00	226,361.00
		2,550,531.71	2,133,356.40
		256,995,349.41	328,180,583.10
<b>Summary of Significant Accounting Policies</b>	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  
Partner  
M. No. 36811

R.G.PARIKH  
Chairman & Managing Director

S. C. GURAV  
Exec. Director & CFO

K.J. DAMLE  
Company Secretary

Place: Mumbai  
Dated: 30th May, 2016

Place : Thane  
Dated : 30th May, 2016

**24<sup>th</sup> ANNUAL REPORT 2015 - 2016**

**JIK INDUSTRIES LIMITED**  
**STATEMENT OF PROFIT AND LOSS FOR THE PERIOD ENDED 31ST MARCH, 2016**

(Rupees)

	Note No.	As at 31.03.2016	As at 31.03.2015
<b>I REVENUE</b>			
Revenue From Operations (Gross)		5,083,573.00	7,639,554.00
Other Income	17	26,438.00	212,438.00
<b>Total Revenue</b>		<b>5,110,011.00</b>	7,851,992.00
<b>II EXPENDITURE</b>			
Cost of Materials Consumed	18	130,565.00	342,932.03
Purchases of Stock-in-Trade	19	102,392.00	130,922.00
Changes in Inventories of Finished Goods, Work-in-Progress & Stock-in-Trade	20	659,959.13	(283,405.29)
Employee Benefits Expenses	21	8,736,688.00	5,744,443.00
Finance Cost	22	-	-
Depreciation and Amortization		1,124,803.00	882,886.00
Other Expenses	23	119,681,887.07	1,583,779,017.33
<b>Total Expenditure</b>		<b>130,436,294.20</b>	1,590,596,795.07
<b>III Profit/(Loss) before exceptional &amp; extraordinary items &amp; tax</b>		<b>(125,326,283.20)</b>	(1,582,744,803.07)
Exceptional Items		-	-
Profit before extraordinary Items and tax		(125,326,283.20)	(1,582,744,803.07)
Extraordinary Items	24	-	47,861,949.50
<b>IV Profit before tax</b>		<b>(125,326,283.20)</b>	(1,630,606,752.57)
Tax expenses			
(1) Current Tax		-	-
(2) Deferred Tax		-	-
<b>V Profit/(Loss) for the year</b>		<b>(125,326,283.20)</b>	(1,630,606,752.57)
<b>Earning per equity share</b>			
Equity Shares - (Basic & Diluted) Before Extra Ordinary Items		(1.73)	(21.79)
'A' Equity Shares - (Basic & Diluted) Before Extra Ordinary Items		(2.45)	(31.00)
Equity Shares - (Basic & Diluted) After Extra Ordinary Items		(1.73)	(22.45)
'A' Equity Shares - (Basic & Diluted) After Extra Ordinary Items		(2.45)	(31.94)
<b>Summary of Significant Accounting Policies</b>	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**  
 Partner  
 M. No. 36811

**R.G.PARIKH**  
 Chairman & Managing Director

**S. C. GURAV**  
 Exec. Director & CFO

**K.J. DAMLE**  
 Company Secretary

**Place:** Mumbai  
**Dated:** 30th May, 2016

**Place :** Thane  
**Dated :** 30th May, 2016

## JIK INDUSTRIES LIMITED

JIK INDUSTRIES LIMITED

Notes Forming Part of the Financial Statements

(Rupees)

	As at 31.03.2016	As at 31.03.2015
<b>Note 1 - Share Capital</b>		
<b>Authorised</b>		
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
<b>Issued, Subscribed &amp; Paid Up :</b>		
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 31.03.2016		As at 31.03.2015	
	No. of Shares	Amount	No. of Shares	Amount
<b>Equity Shares:</b>				
At the beginning of the period	72635845	726,358,450.00	72635845	726,358,450.00
Issued during the period	-	-	-	-
Outstanding at the end of the period	72635845	726,358,450.00	72635845	726,358,450.00
<b>'A' Ordinary Equity Shares</b>				
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 31.03.2016		As at 31.03.2015	
	No. of Shares	Amount	No. of Shares	Amount
Mr. Rajendra G. Parikh	8,900,900	12.25	8,900,900	12.25
Jagruti Securities Ltd	11,000,000	15.14	13,500,000	18.59
Mrs. Jagruti R. Parikh*	11,758,785	16.19	9,258,785	12.75

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



**24<sup>th</sup> ANNUAL REPORT 2015 - 2016**

	As at 31.03.2016	As at 31.03.2015
<b>Note 2 - Reserves &amp; Surplus</b>		
(a) Shares/Securities Premium		
As per last Balance Sheet	<b>820,685,087.18</b>	820,685,087.18
Add : Received during the Year	-	-
	<b>820,685,087.18</b>	820,685,087.18
(b) Capital Reserve	<b>4,980,910.00</b>	4,980,910.00
(c) Capital Redemption Reserve	<b>128,456,000.00</b>	128,456,000.00
(d) Share Forfeiture	<b>438,000.00</b>	438,000.00
(e) State Subsidy	<b>3,250,000.00</b>	3,250,000.00
(f) General Reserve	<b>8,255,859.00</b>	8,255,859.00
(g) Surplus/(Deficit) in the statement of Profit & Loss		
As per last Balance Sheet	<b>(2,300,340,976.10)</b>	(668,677,005.53)
Add : Profit / (Loss) for the year	<b>(125,326,283.20)</b>	(1,630,606,752.57)
Less : Carrying Amount of Fixed Assets whose life has expired as on 01.07.2014	-	1,057,218.00
	<b>(2,425,667,259.30)</b>	(2,300,340,976.10)
	<b>(1,459,601,403.12)</b>	(1,334,275,119.92)

	As at 31.03.2016	As at 31.03.2015
<b>Note 3 - Long-Term Borrowings</b>		
<b>Unsecured Loans</b>		
Interest Free Sales Tax Loan:		
(a) Development Corporation of Kokan Ltd	<b>256,034.00</b>	512,072.00
(b) Sales Tax Deferment Loan	<b>396,912.00</b>	793,822.00
	<b>652,946.00</b>	1,305,894.00

**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 installments starting from 30th June 2010 without any interest and penalty in term of sanctioned Scheme of BIFR".

	As at 31.03.2016	As at 31.03.2015
<b>Note 4 - Long Term Provisions</b>		
Gratuity Payable	<b>404,879.00</b>	351,993.00
	<b>404,879.00</b>	351,993.00
<b>Note 5 - Short Term Borrowings</b>		
Loan From Related Party	<b>24,356,152.60</b>	20,596,752.60
Others	<b>280.22</b>	58,324.30
Unsecured Loans		
Interest Free Sales Tax Loan:		
(a) Development Corporation of Kokan Ltd	<b>1,280,190.00</b>	1,024,152.00
(b) Sales Tax Deferment Loan	<b>1,984,550.00</b>	1,587,640.00
	<b>27,621,172.82</b>	23,266,868.90

**Note:**

The Company is yet to make payment of 4 annual installments of Interest free Sales Tax deferral/loan as stated in Note 3(1) above

## JIK INDUSTRIES LIMITED

	As at 31.03.2016	As at 31.03.2015
<b>Note 6 - Trade Payables</b>		
Due to Micro, Small and Medium Enterprises	-	-
Other Trade Payables	364,573.32	364,815.32
	<b>364,573.32</b>	<b>364,815.32</b>
<b>Note 7 - Other Current Liabilities</b>		
Statutory Dues	942,030,197.14	895,927,083.14
Advance From Trade Receivables	14,780,000.00	12,484,360.00
Expenses Payable	4,288,487.25	2,306,068.66
	<b>961,098,684.39</b>	<b>910,717,511.80</b>
<b>Note 8 - Short Term Provisions</b>		
Provision for Employee Benefits	44,987.00	39,110.00
Gratuity	44,987.00	39,110.00

(Rupees)

Particulars	Gross Block			Depreciation / Amortization			Impairment Loss			Amount Adjusted Against Retained Earnings	Net Block	
	As at 31-03-2015 (Rs)	Additions/ Adjustments (Rs)	As at 31-03-2016 (Rs)	Up-to 31-03-2015 (Rs)	Additions/ Adjustments (Rs)	As at 31-03-2016 (Rs)	Up-to 31-03-2015 (Rs)	Additions/ Adjustments (Rs)	As at 31-03-2016 (Rs)		As at 31-03-2015 (Rs)	As at 31-03-2016 (Rs)
<b>Tangible Assets</b>												
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	91,964,041.28	-	93,061,254.28	24,486,488.00	-	24,486,488.00	-	1,010,275.00	2,107,488.00
Laboratory Equipment	381,847.10	-	381,847.10	294,090.10	-	294,090.10	80,247.00	-	80,247.00	7,510.00	-	-
Moulds	8,383,621.32	-	8,383,621.32	8,383,621.32	-	8,383,621.32	-	-	-	-	-	-
Electrical Installations	11,611,791.28	2,400.00	11,614,191.28	8,578,856.28	-	8,580,486.28	2,732,549.00	-	2,732,549.00	286,467.00	14,688.00	13,919.00
Air Conditioner	654,091.86	-	654,091.86	486,871.86	-	506,572.86	5,218.00	-	5,218.00	108,094.00	34,207.00	53,808.00
Computer	7,610,086.76	-	7,610,086.76	7,523,639.76	-	7,529,998.76	-	-	-	80,088.00	-	6,359.00
Office Equipment	1,340,687.47	-	1,340,687.47	1,005,475.47	-	1,005,475.47	30,125.00	-	30,125.00	305,087.00	-	-
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	11,633,077.09	-	11,633,077.09	1,813,573.00	-	1,813,573.00	269,072.00	-	-
<b>Total</b>	<b>186,590,562.50</b>	<b>2,400.00</b>	<b>186,592,962.50</b>	<b>153,575,320.50</b>	<b>-</b>	<b>154,706,123.50</b>	<b>29,148,200.00</b>	<b>-</b>	<b>29,148,200.00</b>	<b>1,057,218.00</b>	<b>1,887,421.00</b>	<b>2,809,624.00</b>
Previous Year	186,576,562.50	14,000.00	186,590,562.50	152,692,434.50	-	153,575,320.50	29,148,200.00	-	29,148,200.00	1,057,218.00	2,809,624.00	4,735,928.00

	As at 31.03.2016	As at 31.03.2015
<b>Note 10 - Non-Current Investments</b>		
<b>Non-Trade Long Term Investments in Equity Unquoted (at cost / fair value)</b>		
The Malad Sahakari Bank Ltd 4900 (4900) Equity Shares of Rs.10/-each	49,000.00	49,000.00
Jagati Publication Ltd 2916657(2916657) Equity Shares of Rs.10/-each	238,290,877.00	438,592,830.00
Subsidiary Companies Shah Pratap Industries Pvt. Ltd. 10210 (10210) Equity Shares of Rs. 100/-each	1,021,000.00	25,525,000.00
Glassworks Trading Pvt. Ltd. 1,000,000.00	1,000,000.00	1,000,000.00
100000 (100000) Equity Shares of Rs.10/-each I.A & I.C. Pvt. Ltd.	8,550,000.00	213,750,000.00
855000 (855000) Equity Shares of Rs.10/-each	248,910,877.00	678,916,830.00
Less : Provision for Diminution in Value of Investments	2,479,158.00	430,005,953.00
	<b>246,431,719.00</b>	<b>248,910,877.00</b>

**24<sup>th</sup> ANNUAL REPORT 2015 - 2016**

<b>Note 11 - Deferred Tax Assets (Net)</b>	<b>As at 31.03.2016</b>	<b>As at 31.03.2015</b>
<b>Deferred Tax Assets</b>		
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
<b>Deferred Tax Liabilities</b>		
Difference between book and tax depreciation	6,774,416.00	6,774,416.00
Total (B)	6,774,416.00	6,774,416.00
	-	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) has been Written Off during the current year by the company.

	<b>As at 31.03.2016</b>	<b>As at 31.03.2015</b>
<b>Note 12 - Long-Term Loans and Advances</b>		
Capital Advances	-	-
To Subsidiaries	-	967,044.00
Deposits	139,038.70	139,038.70
Advances to employees	-	-
Other Loans and Advances	-	44,505,812.00
Advance Tax	1,394,802.00	1,394,802.00
Cenvat Receivable	4,791,837.00	4,791,837.00
	6,325,677.70	51,798,533.70
Less : Written-Off	-	45,472,856.00
	6,325,677.70	6,325,677.70
<b>Note 13 - Inventories</b>		
1. Raw Materials	<b>8,287.97</b>	14,977.97
2. Work-In-Process	-	15,938.41
3. Finished Goods	<b>724,924.34</b>	1,362,976.06
4. Stores, Spares & Consumables	<b>9,333.00</b>	15,302.00
	<b>742,545.31</b>	1,409,194.44
<b>Note 14 - Trade Receivables</b>		
(Unsecured, Considered Good)		
Outstanding For More Than Six Months	<b>10,391.00</b>	10,391.00
Others	-	2,295.00
(Unsecured, Considered Doubtful)		
Outstanding For More Than Six Months	-	257,268,209.70
Others	-	-
	<b>10,391.00</b>	257,280,895.70
Less : Provision for Bad & Doubtful Debts	-	257,268,209.70
	<b>10,391.00</b>	12,686.00
<b>Note 15 - Cash and Cash Equivalents</b>		
Balance with banks	<b>25,010.39</b>	12,316.65
Cash on hand	<b>160,124.01</b>	472,798.31
	<b>185,134.40</b>	485,114.96
<b>Note 16 - Short-Term Loans and Advances Others</b>		
Prepaid Expenses	<b>25,211.00</b>	16,361.00
Advance to Trade Payable	<b>1,500,000.00</b>	5,693,812.50
Advance for Expenses	<b>87,250.00</b>	60,000.00
	<b>1,612,461.00</b>	5,770,173.50
Less : Written Off	-	5,543,812.50
	<b>1,612,461.00</b>	226,361.00

## JIK INDUSTRIES LIMITED

<b>Note 17 - Other Income</b>		
Misc Income	26,438.00	-
Interest Income	-	212,438.00
	<b>26,438.00</b>	<b>212,438.00</b>
<b>Note 18 - Cost of materials consumed</b>		
Inventory at the beginning of period	14,977.97	185,910.00
Add : Purchases	123,875.00	172,000.00
	<b>138,852.97</b>	<b>357,910.00</b>
Less : Inventory at the end of the period	8,287.97	14,977.97
Cost of Material Consumed	<b>130,565.00</b>	<b>342,932.03</b>
	<b>As at 31.03.2016</b>	<b>As at 31.03.2015</b>
<b>Note 19 - Purchases of Stock-in-Trade</b>		
Purchases	102,392.00	130,922.00
	<b>102,392.00</b>	<b>130,922.00</b>
<b>Note 20 - Changes in inventories of Finished Goods, Work-in-Progress &amp; Stock-in-Trade</b>		
<u>Inventories at the end of the period</u>		
Finished Goods	724,924.34	1,362,976.06
Work-In-Progress	-	15,938.41
Stock-in-Trade	9,333.00	15,302.00
	<b>734,257.34</b>	<b>1,394,216.47</b>
<u>Inventories at the beginning of the period</u>		
Finished Goods	1,362,976.06	1,083,062.77
Work-In-Progress	15,938.41	17,678.41
Stock-in-Trade	15,302.00	10,070.00
	<b>1,394,216.47</b>	<b>1,110,811.18</b>
(Increase)/Decrease in Stock	<b>659,959.13</b>	<b>(283,405.29)</b>
<b>Note 21 - Employee Benefits Expenses</b>		
(a) Salaries & Wages	8,674,318.00	5,712,355.00
(b) Contribution to Provident & other Funds	1,200.00	16,980.00
(c) Gratuity	58,763.00	12,870.00
(d) Staff welfare Expenses	2,407.00	2,238.00
	<b>8,736,688.00</b>	<b>5,744,443.00</b>
<b>Note 22 - Finance Costs</b>		
Interest Expences	-	-
	-	-
<b>Note 23 - Other Expenses</b>		
Rent,Rates & Taxes	-	85,484.00
Conveyance	38,064.00	23,858.00
Printing & Stationery	175,633.00	155,133.00
Postage & Courier Service Charges	174,215.00	141,529.96
Membership,Subscription,Periodicals & Registration	9,279.00	6,669.00
Telephone,Telex & Fax Charges	71,973.50	95,742.75
Travelling Expenses	-	11,879.00
Advertisement & Publicity	54,513.00	62,573.00
Bank Charges	13,752.14	9,835.91
Insurance Charges	1,901.00	18,093.00
Business Promotion & Entertainment	6,201.00	51,741.00
Transportation,Clearing & Forwarding Charges	104,540.00	42,690.00
Electricity Charges	-	198,315.34
Power & Fuel Charges	671,527.75	380,195.85
Packing Materials, Stores,Spares & Consumables	151,003.00	180,016.00
Value Added Tax	268,495.00	72,381.00
Repairs,Maintenance & Operating Expenses	86,126.00	39,128.00
Miscellaneous Expenses	84,655.00	66,329.00
Listing Fees	497,117.00	342,347.00
Security Charges	159,253.00	116,920.00
Service/Processing Charges	376,156.00	379,832.22
Auditor's Remuneration	351,934.00	257,529.00
Computer Expenses/Software Charges	20,155.00	11,250.00

**24<sup>th</sup> ANNUAL REPORT 2015 - 2016**

Provision for Bad & Doubtful Debts	-	257,268,209.70
Sundry Balances Written Off/Back	<b>(401,826.32)</b>	121.60
Legal, Professional & Consultancy Charges	<b>614,355.00</b>	754,980.00
Deferred Tax Assets Written Off	<b>68,000,848.00</b>	-
Provision For Diminution In Value Of Investments	<b>2,479,158.00</b>	430,005,953.00
Prior Period Expenses	<b>45,672,859.00</b>	893,000,281.00
	<b>119,681,887.07</b>	1,583,779,017.33
<b>Note 24 - Extraordinary Items</b>		
Expenses	-	51,016,668.50
Income	-	(3,154,719.00)
	-	47,861,949.50

**Note 25 - Notes for Financial Statements for the period ended 31st March 2016**

**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 133 of the Companies Act, 2013.

**2. Fixed Assets:**

Fixed assets are stated at cost or revalued amount, as the case may be, less accumulated depreciation / amortization and impairment losses, if any. Cost comprises of purchase price 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 up to 30th June, 2014. Subsequently, in accordance with the Companies Act, 2013, the Company has computed depreciation with reference to the useful life of respective assets as specified in Schedule II of the Act. Depreciation on assets added/disposed off during the year 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. In case of impairment, depreciation is provided on the revised carrying amount of the assets over its remaining useful life.

**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.

Provision for diminution in value of Long-term Investments is made as there is a decline, other than temporary, in the value of investments and the carrying amount is reduced to recognize the decline. The resultant investments are carried at Book Value or Face Value whichever is applicable. Hence, adhering to the prudence norm generally followed, the investments are shown at such written down value.

**6. 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 purpose has been written-off as damaged stock.

## JIK INDUSTRIES LIMITED

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### 7. Purchases And Sales:

- a) Purchases are recorded net of cenvat credit and VAT set off.
- 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.

### 8. Taxation:

Income tax expense comprises current tax, deferred tax charge or release. 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;

- a) Provident fund on actual liability basis.
- b) 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:

#### 1) Contingent Liabilities not provided for:

	Current Period	Previous Year
a) Disputed Income Tax Demand	310,165,682	310,205,682
b) Sales Tax Demand	16,942,118	16,942,118
c) Other Matters	782,500	782,500

#### 2) 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 year under review as certified by M/s. VHV Finance & Consultancy Services.

#### 7) Related Parties Disclosures

##### l) Relationships:

- (a) Subsidiary Companies:
  - I. A. & I. C. Pvt. Limited (IAIC)
  - Shah Pratap Industries Pvt. Limited (SPIL)

**24<sup>th</sup> ANNUAL REPORT 2015 - 2016**

- Glassworks Trading Pvt. Limited (GTPL)  
(b) Key Management Personnel: (KMP)

Shri. Rajendra G. Parikh (RGP)

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
		IAIC	SPIL	GTPL	RGP
1.	Rent Paid	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (85,484)
2.	Reimbursement of Expenses	986 (4,063)	- (-)	- (1,000)	62,354 (2,95,413)
3.	Loans & Advances Receivable / Payable by Company				
	- Loan Repaid/(-) Loan Taken	16,757 (15,000)	- (-)	- (-)	-37,59,400 (-21,50,600)
	- Loan Recovered/(-) Loan Given	- (-)	- (-)	- (2,000)	- (-)
	- Amounts Written Off / Back	- (27,64,719)	- (74,281)	- (8,92,763)	- (-)

- 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 March 31, 2016	Maximum Amount Due
1.	I. A. & I. C. Pvt. Limited	- (-)	-17,357 (-27,83,782)
2.	Shah Pratap Industries Pvt. Limited	- (-)	- (74,281)
3.	Glassworks Trading Pvt. Limited	- (-)	- (9,25,763)
4.	Rajendra G. Parikh	-2,43,56,153 (-2,05,96,753)	-2,43,56,153 (-2,05,96,753)

**8) Earnings per Share:  
(A) Basic & Diluted**

	March 31,2016	March 31,2015
a. Net Profit/(Loss) After Tax before Extraordinary item	(125,326,283)	(1,582,744,803)
b. Weighted average Number of Equity Shares	72,635,845	72,635,845
c. Weighted average Number of 'A' Ordinary Equity Shares	5,106	5,106
d. Share of Profit/(Loss) for Equity Shares	(125,313,751)	(1,582,586,529)
e. Share of Profit/(Loss) for 'A' Ordinary Equity Shares	(12,533)	(158,274)
f. Earnings Per Equity Share in Rupees (FV Rs. 10/-) (d/b)	(1.73)	(21.79)
g. Earnings Per 'A' Ordinary Equity Share in Rupees (FV Rs. 10/-) (e/c)	(2.45)	(31.00)

## JIK INDUSTRIES LIMITED

### (B) Basic & Diluted

	March 31, 2016	March 31, 2015
a. Net Profit/(Loss) After Tax after Extraordinary item	(125,326,283)	(1,630,606,753)
b. Weighted average Number of Equity Shares	72,635,845	72,635,845
c. Weighted average Number of 'A' Ordinary Equity Shares	5,106	5,106
d. Share of Profit/(Loss) for Equity Shares	(125,313,751)	(1,630,443,692)
e. Share of Profit/(Loss) for 'A' Ordinary Equity Shares	(12,533)	(163,061)
f. Earnings Per Equity Share in Rupees (FV Rs.10/-) (d/b)	(1.73)	(22.45)
g. Earnings Per 'A' Ordinary Equity Share in Rupees (FV Rs.10/-) (e/c)	(2.45)	(31.94)

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 Period (Rupees)	Previous Year (Rupees)
10) Earning in foreign currency: a) Exports (FOB)	-	96,000
11) Expenditure in foreign currency: (on payment basis) (net of tax, where applicable) a) Travelling	-	-
12) Value of Imported & indigenous material consumed:		
	%	%
Raw Materials:		
Indigenous	1,23,875 100.00	1,57,022 45.79
Imported	- -	1,85,910 54.21
	1,23,875 100.00	3,42,932 100.00

	Current Period (Rupees)	Previous Year (Rupees)
13) Auditors Remunerations (including Service tax, where applicable)		
a) Statutory Audit	2,49,840	1,76,405
b) Internal Audit	34,136	19,326
b) Tax Audit	-	28,090
c) Certification & tax matters, etc.	67,958	33,708
	<b>3,51,934</b>	<b>2,57,529</b>
14) Prior Period Expenses		
a) MVAT	4,56,72,859	-
b) E.S.I.C.	-	27,533
c) Income Tax	-	89,29,72,748
	<b>4,56,72,859</b>	<b>89,30,00,281</b>

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. As the Company's net-worth has been completely eroded as on 31st March, 2015, the Company has become a sick industrial undertaking in terms of The Sick Industrial Companies (Special Provision) Act, 1985. A reference in respect of the same has been made and filed with the Board for Industrial and Financial Reconstruction as per the provisions of Section 15 of the Sick Industrial Companies (Special Provisions) Act, 1985 & has been registered by the Board and the Operating Agency (O.A) has been appointed.



## 24<sup>th</sup> ANNUAL REPORT 2015 - 2016

- 16) Deferred Tax Assets of Rs. 6,80,00,848/- have been written off during the year and no further Deferred Tax Asset has been recognized during the year as there is virtual certainty that in near future taxable income will not be available, against which such Deferred Tax Asset can be realized.
- 17) Respective e-forms with ROC are pending for increase of authorised share capital due to litigation of non-implementation of Hon'ble BIFR orders by Ministry of Corporate Affairs & Others for which Hon'ble Bombay High Court has directed MCA & others to consider the matter and inform accordingly to which their reply is awaited since long period.
- 18) Provision for Unrealizable Debts and Sundry balances has made 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.
- 19) At present Long-term Investments in shares of M/s Jagati Publications Ltd stand in the name of subsidiaries viz. M/s I.A & I.C Pvt Ltd & M/s Shah Pratap Industries Pvt Ltd 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.
- 20) 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 had filed a petition in Hon'ble Bombay High Court against the insurance company. Hon'ble High Court vide its order dated 3rd February, 2014 granted Decree in favour of the Company. The Insurance Company has deposited the entire decreed amount of Rs. 7.38 Crs in court and preferred an appeal against the said order.
- 21) During the year, the management based on the opinion of experts, reviewed the position of contingent liability relating to VAT demands and as a matter of prudence has recognized tax demands amounting to Rs 4.57 Crs., pending the ongoing appellate proceedings reaching the finality. The management will periodically review the position based on subsequent appellate proceedings and are hopeful of substantial reliefs there from. With the review as on 31st March, 2016 the position of contingent liability stands as stated above in Point No. 1 stated above.
- 22) The previous year figures have been regrouped /reclassified wherever considered necessary.

The accompanying notes are an integral part of the financial statements

**FORMOTILAL & ASSOCIATES**  
Chartered Accountants  
Registration No.: 106584W

For and on behalf of Board

**M L JAIN**  
Partner  
M. No. 36811

**R. G. PARIKH**  
Chairman & Managing Director

**S. C. GURAV**  
Exec. Director & CFO

**K.J. DAMLE**  
Company Secretary

**Place: Mumbai**  
**Dated: 30th May, 2016**

**Place: Thane**  
**Dated: 30th May, 2016**

## JIK INDUSTRIES LIMITED

### Cash Flow Statement for the period ended March 31, 2016

	YEAR ENDED 31.03.2016	PERIOD ENDED 31.03.2015
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net Profit/(Loss) Before Tax and Extra-ordinary Items	(125,326,283)	(1,582,744,803)
Adjustment for :		
Interest & Finance Charges (Net)	-	-
Depreciation	1,124,803	882,886
Deferred Tax Assets Written Off	68,000,848	-
Provision for Diminution in Value of Investments	2,479,158	430,005,953
<b>OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES</b>	<b>(53,721,474)</b>	<b>(1,151,855,964)</b>
Adjustments for:		
Trade Receivables, Loans & Advances	(1,383,805)	308,632,208
Inventories	666,649	(112,473)
Trade Payables & Other Liabilities	54,141,050	891,444,938
<b>CASH USED FOR OPERATING ACTIVITIES</b>	<b>(297,581)</b>	<b>48,108,709</b>
Extra-ordinary Item	-	(47,861,950)
<b>NET CASH FROM/(USED) OPERATING ACTIVITIES</b>	<b>(297,581)</b>	<b>246,759</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of Fixed Assets (Net)	(2,400)	(14,000)
Purchase of Investments	-	-
<b>NET CASH FROM/(USED) IN INVESTING ACTIVITIES</b>	<b>(2,400)</b>	<b>(14,000)</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Secured/Unsecured Loans	-	-
Interest & Financing Charges (Net)	-	-
<b>NET CASH FROM/(USED) IN FINANCING ACTIVITIES</b>	<b>-</b>	<b>-</b>
<b>NET INCREASE/(DECREASE) IN CASH OR CASH EQUIVALENTS</b>	<b>(299,981)</b>	<b>232,759</b>
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF THE YEAR</b>	<b>485,115</b>	<b>252,356</b>
<b>CASH AND CASH EQUIVALENTS AT END OF THE YEAR</b>	<b>185,134</b>	<b>485,115</b>

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

#### FOR AND ON BEHALF OF THE BOARD

Place : Thane

**R. G. PARIKH**

**S.C.GURAV**

**K.J. DAMLE**

Dated : 30th May, 2016

Chairman & Managing Director

Exec. Director & CFO

Company Secretary

#### AUDITORS CERTIFICATE

We have examined the attached cash flow statement of JIK Industries Limited for the period ended March 31, 2016. The statement has been prepared by the Company 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 : 30th May, 2016

**M L JAIN**  
Partner  
M. No. 36811

**24<sup>th</sup> ANNUAL REPORT 2015 - 2016**

**Form AOC - 1**

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

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

**Part "A": Subsidiaries**

(Rupees)

1.	Sl. No.	1	2	3
2.	Name of the subsidiary	I.A. & I.C Pvt. Limited	Shah Pratap Industries Pvt. Limited	Glass Works Trading Pvt. Limited
3.	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	-	-	-
4.	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries.	NA	NA	NA
5.	Share capital	8718000.00	1080000.00	1000000.00
6.	Reserves & surplus	(168419405.13)	(71077085.14)	(1053510.80)
7.	Total assets	479975.87	60180.86	2128.48
8.	Total Liabilities	160181381.00	70057266.00	55639.28
9.	Investments	72000.00	-	-
10.	Turnover	-	-	-
11.	Profit before taxation	(60815.08)	(19460.72)	(20516.29)
12.	Provision for taxation	-	-	-
13.	Profit after taxation	(60815.08)	(19460.72)	(20516.29)
14.	Proposed Dividend	-	-	-
15.	% of shareholding	98.07%	94.54%	100%

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

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

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

**For and on behalf of Board**

Place: Thane  
Date: 30th May, 2016

**R. G. PARIKH**  
Chairman & Managing Director

**S. C. GURAV**  
Exe. Director & CFO

**K.J. DAMLE**  
Company Secretary

# **JIK INDUSTRIES LIMITED**

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## **INDEPENDENT AUDITORS' REPORT**

### **TO THE MEMBERS OF JIK INDUSTRIES LIMITED**

#### **REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS**

We have audited the accompanying consolidated financial statements of **JIK INDUSTRIES LIMITED** (hereinafter referred to as "the Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group"), comprising of the Consolidated Balance Sheet as at March 31, 2016, the Consolidated Statement of Profit and Loss, the Consolidated Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

#### **MANAGEMENT'S RESPONSIBILITY FOR THE CONSOLIDATED FINANCIAL STATEMENTS**

The Holding Company's Board of Directors is responsible for the preparation of these consolidated financial statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as "the Act") 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 the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, 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, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

#### **AUDITOR'S RESPONSIBILITY**

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. While conducting the audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. 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 the 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 financial control relevant to the Holding Company's preparation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on whether the Holding Company has an adequate internal financial controls system over financial reporting in place and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in sub-paragraph (a) of the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

#### **OPINION**

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated 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, of the consolidated state of affairs of the Group as at March 31, 2016, and their consolidated profit/loss and their consolidated cash flows for the year ended on that date.

#### **OTHER MATTERS**

We did not audit the financial statements / financial information of 3 subsidiaries, namely I.A & I.C. Pvt Ltd., Shah Pratap Industries Pvt Ltd. and Glassworks Trading Pvt Ltd., whose financial statements / financial information reflect total assets of Rs. 5,42,285/- as at March 31, 2016, total revenues of Rs. 19,715/- and net cash flows amounting to Rs.6,194/- for the year ended on that date, as considered in the consolidated financial statements. These financial statements / financial information have been audited by another auditor whose reports have been furnished to us by the Management and our

## 24<sup>th</sup> ANNUAL REPORT 2015 - 2016

opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and our report in terms of sub-sections (3) and (11) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries, is based solely on the reports of another auditor, namely M/s Bharat J. Jain & Co.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements / financial information certified by the Management.

### REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1. As required by the Companies (Auditor's Report) Order, 2015 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, based on the comments in the auditors' reports of the Holding company, subsidiary companies, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report, to the extent applicable, that:
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
  - (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.
  - (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
  - (d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
  - (e) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
    - i. The consolidated financial statements disclose the impact of pending litigations, if any, on the consolidated financial position of the Group - Refer Note to the consolidated financial statements
    - ii. The Group did not have any material foreseeable losses on long-term contracts including derivative contracts.
    - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company, and its subsidiary companies.

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

Place: Mumbai  
Date :30/05/2016

**M L JAIN**  
Partner  
M. No. 36811

## **JIK INDUSTRIES LIMITED**

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### **ANNEXURE TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE CONSOLIDATED FINANCIAL STATEMENTS OF JIK INDUSTRIES LIMITED**

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended March 31, 2016, We have audited the internal financial controls over financial reporting of JIK INDUSTRIES (hereinafter referred to as "the Holding Company") and its subsidiary companies, which are companies incorporated in India, as of that date.

#### **Management's Responsibility for Internal Financial Controls**

The respective Board of Directors of the of the Holding company, its subsidiary companies, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

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

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the ICAI and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. 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.

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

#### **Meaning of Internal Financial Controls Over Financial Reporting**

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that

- (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and
- (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

**Inherent Limitations of Internal Financial Controls Over Financial Reporting**

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

**Opinion**

In our opinion, the Holding Company, its subsidiary companies, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

**Other Matters**

Our aforesaid reports under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting insofar as it relates to 3(three) subsidiary companies namely, I.A & I.C. Pvt Ltd., Shah Pratap Industries Pvt Ltd. and Glassworks Trading Pvt Ltd, which are companies incorporated in India, is based on the corresponding reports of the auditors of such companies incorporated in India.

**For Motilal & Associates  
Chartered Accountants  
(Firm's Registration No. 106584W)**

Place: Mumbai  
Date :30/05/2016

**M L JAIN**  
Partner  
M. No. 36811

## JIK INDUSTRIES LIMITED

**JIK INDUSTRIES LIMITED**  
**CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2016**

(Rupees)

		Note No.	As at 31.03.2016	As at 31.03.2015
<b>I</b>	<b>EQUITY AND LIABILITIES</b>			
(1)	<b>Shareholders' funds</b>			
	(a) Share Capital	1	726,409,510.00	726,409,510.00
	(b) Reserves and Surplus	2	(1,699,969,998.11)	(1,574,364,328.90)
			(973,560,488.11)	(847,954,818.90)
(2)	<b>Minority Interest</b>		(1,406.08)	(180,000.00)
(3)	<b>Non-current liabilities</b>			
	(a) Long-Term Borrowings	3	652,946.00	1,305,894.00
	(b) Other Long Term Liabilities	4	230,000,000.00	230,000,000.00
	(c) Long Term Provisions	5	404,879.00	351,993.00
			231,057,825.00	231,657,887.00
(4)	<b>Current liabilities</b>			
	(a) Short-Term Borrowings	6	27,628,946.10	23,266,868.90
	(b) Trade Payables	7	364,573.32	364,815.32
	(c) Other Current Liabilities	8	9,61,385,197.39	910,902,839.80
	(d) Short Term Provisions	9	44,987.00	39,110.00
			989,423,703.81	934,573,634.02
			246,919,634.62	318,096,702.12
<b>II</b>	<b>ASSETS</b>			
(1)	<b>Non-current assets</b>			
	(a) Fixed Assets			
	Tangible Assets	10	1,843,380.83	2,965,783.83
	(b) Goodwill on Consolidation		-	-
	(c) Non-Current Investments	11	235,885,719.00	238,364,877.00
	(d) Deferred Tax Assets (Net)	12	-	68,000,848.00
	(e) Long-Term Loans and Advances	13	6,546,477.70	6,546,477.70
			244,275,577.53	315,877,986.53
(2)	<b>Current assets</b>			
	(a) Inventories	14	742,545.31	1,409,194.44
	(b) Trade Receivables	15	10,391.00	12,686.00
	(c) Cash and Cash Equivalents	16	231,673.78	525,460.15
	(d) Short-Term Loans and Advances	17	1,659,447.00	271,375.00
			2,644,057.09	2,218,715.59
			246,919,634.62	318,096,702.12
	<b>Summary of Significant Accounting Policies</b>	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**  
Partner  
M. No. 36811

**R.G.PARIKH**  
Chairman & Managing Director

**S. C. GURAV**  
Exec. Director & CFO

**K.J. DAMLE**  
Company Secretary

**Place:** Mumbai  
**Dated:** 30th May, 2016

**Place:** Thane  
**Dated:** 30th May, 2016



**24<sup>th</sup> ANNUAL REPORT 2015 - 2016**

**JIK INDUSTRIES LIMITED**  
**CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE PERIOD ENDED 31ST MARCH, 2016**

(Rupees)

	Note No.	As at 31.03.2016	As at 31.03.2015
<b>I REVENUE</b>			
Revenue From Operations (Gross)		<b>5,083,573.00</b>	7,639,554.00
Other Income	<b>18</b>	<b>46,153.00</b>	232,340.00
<b>Total Revenue</b>		<b>5,129,726.00</b>	7,871,894.00
<b>II EXPENDITURE</b>			
Cost of Materials Consumed	<b>19</b>	<b>130,565.00</b>	342,932.03
Purchases of Stock-in-Trade	<b>20</b>	<b>102,392.00</b>	130,922.00
Changes in Inventories of Finished Goods, Work-in-Progress & Stock-in-Trade	<b>21</b>	<b>659,959.13</b>	(283,405.29)
Employee Benefits Expenses	<b>22</b>	<b>8,736,688.00</b>	5,744,443.00
Finance Cost	<b>23</b>	-	-
Depreciation and Amortization		<b>1,124,803.00</b>	882,886.00
Other Expenses	<b>24</b>	<b>119,802,394.16</b>	1,584,006,384.25
<b>Total Expenditure</b>		<b>130,556,801.29</b>	1,590,824,161.99
<b>III Profit/(Loss) before exceptional &amp; extraordinary items &amp; tax</b>		<b>(125,427,075.29)</b>	(1,582,952,267.99)
Exceptional Items		-	-
Profit before extraordinary Items and tax		<b>(125,427,075.29)</b>	(1,582,952,267.99)
Extraordinary Items	<b>25</b>	-	90,160,568.50
<b>IV Profit before tax</b>		<b>(125,427,075.29)</b>	(1,673,112,836.49)
Tax expenses		-	-
(1) Current Tax		-	-
(2) Deferred Tax		-	-
<b>V Profit for the year (before adjustment of Minority Interest)</b>		<b>(125,427,075.29)</b>	(1,673,112,836.49)
Minority Interest in Profit / (Loss)		<b>178,593.92</b>	(537,516.35)
<b>VI Profit for the year</b>		<b>(125,605,669.21)</b>	(1,672,575,320.14)
Earning per equity share			
Equity Shares - (Basic & Diluted) Before Extra Ordinary Items		<b>(1.73)</b>	(21.78)
'A' Equity Shares - (Basic & Diluted) Before Extra Ordinary Items		<b>(2.46)</b>	(30.99)
Equity Shares - (Basic & Diluted) After Extra Ordinary Items		<b>(1.73)</b>	(23.02)
'A' Equity Shares - (Basic & Diluted) After Extra Ordinary Items		<b>(2.46)</b>	(32.76)
<b>Summary of Significant Accounting Policies</b>	<b>26</b>		
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**  
 Partner  
 M. No. 36811

**R.G.PARIKH**  
 Chairman & Managing Director

**S. C. GURAV**  
 Exec. Director & CFO

**K.J. DAMLE**  
 Company Secretary

**Place:** Mumbai  
**Dated:** 30th May, 2016

**Place:** Thane  
**Dated:** 30th May, 2016

## JIK INDUSTRIES LIMITED

### JIK INDUSTRIES LIMITED

#### Notes Forming Part of the Financial Statements

(Rupees)

	As at 31.03.2016	As at 31.03.2015
<b>Note 1 - Share Capital</b>		
<b>Authorised</b>		
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
<b>Issued, Subscribed &amp; Paid Up :</b>		
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 31.03.2016		As at 31.03.2015	
	No. of Shares	Amount	No. of Shares	Amount
<b>Equity Shares:</b>				
At the beginning of the period	72635845	726,358,450.00	72635845	726,358,450.00
Issued during the period	-	-	-	-
Outstanding at the end of the period	72635845	726,358,450.00	72635845	726,358,450.00
<b>'A' Ordinary Equity Shares</b>				
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

	As at 31.03.2016		As at 31.03.2015	
	No. of Shares	% Holding	No. of Shares	% Holding
Mr. Rajendra G. Parikh	8,900,900	12.25	8,900,900	12.25
Jagruti Securities Ltd	11,000,000	15.14	13,500,000	18.59
Mrs. Jagruti R. Parikh*	11,758,785	16.19	9,258,785	12.75

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

**24<sup>th</sup> ANNUAL REPORT 2015 - 2016**

	As at 31.03.2016	As at 31.03.2015
<b>Note 2 - Reserves &amp; Surplus</b>		
(a) Shares/Securities Premium		
As per last Balance Sheet	847,725,361.58	847,725,361.58
Add : Received during the Year	-	-
	<b>847,725,361.58</b>	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) Surplus/(Deficit) in the statement of Profit & Loss		
As per last Balance Sheet	(2,567,470,459.48)	(1,025,719,398.84)
Add : Profit / (Loss) for the year	(125,605,669.21)	(1,672,575,320.14)
Less : Carrying Amount of Fixed Assets whose life has expired as on 01.07.2014	-	1,650,144.00
Less : Impairment of Goodwill	-	96,762,580.15
Less : Adjustment for Provision for Diminution in value of investments	-	(229,774,500.00)
Add : Losses of Minority to be absorbed		(537,516.35)
	<b>(2,693,076,128.69)</b>	<b>(2,567,470,459.48)</b>
	<b>(1,699,969,998.11)</b>	<b>(1,574,364,328.90)</b>

	As at 31.03.2016	As at 31.03.2015
<b>Note 3 - Long-Term Borrowings</b>		
<b>Unsecured Loans</b>		
Interest Free Sales Tax Loan:		
(a) Development Corporation of Kokan Ltd	256,034.00	512,072.00
(b) Sales Tax Deferment Loan	396,912.00	793,822.00
	<b>652,946.00</b>	<b>1,305,894.00</b>

**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".

	As at 31.03.2016	As at 31.03.2015
<b>Note 4 - Other Long Term Liabilities</b>		
From Others	230,000,000.00	230,000,000.00
	<b>230,000,000.00</b>	<b>230,000,000.00</b>
<b>Note 5 - Long Term Provisions</b>		
Gratuity Payable	404,879.00	351,993.00
	<b>404,879.00</b>	<b>351,993.00</b>
<b>Note 6 - Short Term Borrowings</b>		
Loan From Related Party	24,356,152.60	20,596,752.60
Others	8,053.50	58,324.30
<b>Unsecured Loans</b>		
Interest Free Sales Tax Loan:		
(a) Development Corporation of Kokan Ltd	1,280,190.00	1,024,152.00
(b) Sales Tax Deferment Loan	1,984,550.00	1,587,640.00
	<b>27,628,946.10</b>	<b>23,266,868.90</b>

**Note:**

The Company is yet to make payment of 4 annual installments of Interest free Sales Tax deferral/loan as stated in Note 3(1) above

## JIK INDUSTRIES LIMITED

	As at 31.03.2016	As at 31.03.2015
<b>Note 7 - Trade Payables</b>		
Due to Micro, Small and Medium Enterprises	-	-
Other Trade Payables	<b>364,573.32</b>	364,815.32
	<b>364,573.32</b>	364,815.32
<b>Note 8 - Other Current Liabilities</b>		
Statutory Dues	<b>942,030,197.14</b>	895,927,083.14
Advance From Trade Receivables	<b>14,780,000.00</b>	12,484,360.00
Expenses Payable	<b>4,575,000.25</b>	2,491,396.66
	<b>961,385,197.39</b>	910,902,839.80
<b>Note 9 - Short Term Provisions</b>		
Provision for Employee Benefits		
Gratuity	<b>44,987.00</b>	39,110.00
	<b>44,987.00</b>	39,110.00

(Rupees)

### Note 10 - Fixed Assets

Particulars	Gross Block			Depreciation			Impairment Loss			Amount Adjusted Against Retained Earnings	Net Block	
	As at 31-03-2015 (Rs)	Additions/ Adjustments (Rs)	Deductions Adjustments (Rs)	As at 31-03-2016 (Rs)	Up-to 31-03-2015 (Rs)	For The Period (Rs)	As at 31-03-2016 (Rs)	Up-to 31-03-2015 (Rs)	Additions/ Adjustments (Rs)		As at 31-03-2016 (Rs)	As at 31-03-2015 (Rs)
<b>Tangible Assets</b>												
Land & Site												
Development	6,360,825.84	-	-	6,360,825.84	5,576,615.81	-	5,576,615.81	-	-	-	784,209.83	784,209.83
Factory Building	19,625,903.46	-	-	19,625,903.46	19,032,756.46	-	19,032,756.46	-	-	592,847.00	-	-
Plant & Machinery	118,558,017.28	-	-	118,558,017.28	91,954,041.28	1,097,213.00	93,061,254.28	24,486,488.00	24,486,488.00	-	1,010,275.00	2,107,488.00
Laboratory Equipment	381,847.10	-	-	381,847.10	294,090.10	-	294,090.10	80,247.00	80,247.00	7,510.00	-	-
Moulds	8,383,621.32	-	-	8,383,621.32	8,383,621.32	-	8,383,621.32	-	-	-	-	-
Electrical Installations	1,611,791.28	2,400.00	-	11,614,191.28	8,578,856.28	1,630.00	8,580,486.28	2,732,549.00	2,732,549.00	286,467.00	14,689.00	13,919.00
Air Conditioner	654,091.86	-	-	654,091.86	486,971.86	19,601.00	506,572.86	5,218.00	5,218.00	108,094.00	34,207.00	53,808.00
Computer	7,662,586.76	-	-	7,662,586.76	7,576,060.76	6,359.00	7,582,419.76	-	-	80,167.00	-	6,359.00
Office Equipment	1,340,688.47	-	-	1,340,688.47	1,005,476.47	-	1,005,476.47	30,125.00	30,125.00	305,087.00	-	-
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	11,633,076.09	-	11,633,076.09	1,813,573.00	1,813,573.00	269,972.00	-	-
<b>Total</b>	<b>190,345,537.33</b>	<b>2,400.00</b>	<b>-</b>	<b>190,347,937.33</b>	<b>156,581,409.50</b>	<b>1,124,803.00</b>	<b>157,706,212.50</b>	<b>29,148,200.00</b>	<b>29,148,200.00</b>	<b>1,650,144.00</b>	<b>1,843,380.83</b>	<b>2,965,783.83</b>
Previous Year	190,341,537.33	14,000.00	-	190,345,537.33	155,698,523.50	882,886.00	156,581,409.50	29,148,200.00	-	29,148,200.00	1,650,144.00	2,965,783.83

	As at 31.03.2016	As at 31.03.2015
<b>Note 11 - Non-Current Investments</b>		
Non-Trade Long Term Investments in Equity Unquoted (at cost / fair value)		
The Malad Sahakari Bank Ltd 4900 (4900) Equity Shares of Rs.10/-each	<b>49,000.00</b>	49,000.00
The Saraswat Co-Op. Bank Ltd 2500 (2500) Equity Shares of Rs.10/-each	<b>25,000.00</b>	25,000.00
Jagati Publication Ltd 2916657(2916657) Equity Shares of Rs.10/-each	<b>238,290,877.00</b>	438,592,830.00
Less : Provision for Diminution in Value of Investments	<b>238,364,877.00</b>	438,666,830.00
	<b>2,479,158.00</b>	200,301,953.00
	<b>2,35,885,719.00</b>	238,364,877.00
<b>Note 12 - Deferred Tax Assets (Net)</b>		
Deferred tax assets	-	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.

**24<sup>th</sup> ANNUAL REPORT 2015 - 2016**

	As at 31.03.2016	As at 31.03.2015
<b>Note 13 - Long-Term Loans and Advances</b>		
Deposits	359,838.70	377,838.70
Advances to employees	-	-
Other Loans and Advances	-	86,088,756.00
Balance with Statutory / Government Authorities	6,186,639.00	6,186,639.00
	<b>6,546,477.70</b>	92,653,233.70
Less : Written Off	-	86,106,756.00
	<b>6,546,477.70</b>	6,546,477.70
<b>Note 14 - Inventories</b>		
1. Raw Materials	8,287.97	14,977.97
2. Work-In-Process	-	15,938.41
3. Finished Goods	724,924.34	1,362,976.06
4. Stores, Spares & Consumables	9,333.00	15,302.00
	<b>742,545.31</b>	1,409,194.44
<b>Note 15 - Trade Receivables</b>		
(Unsecured)		
Outstanding For More Than Six Months	10,391.00	10,391.00
Others	-	2,295.00
(Unsecured, Considered Doubtful)		
Outstanding For More Than Six Months	-	257,268,209.70
Others	-	-
	<b>10,391.00</b>	257,280,895.70
Less : Provision for Bad & Doubtful Debts	-	257,268,209.70
	<b>10,391.00</b>	12,686.00
<b>Note 16 - Cash and Cash Equivalents</b>		
Cash on hand	206,449.98	512,074.08
Balance with banks	25,223.80	13,386.07
	<b>231,673.78</b>	525,460.15
<b>Note 17 - Short-Term Loans and Advances</b>		
Prepaid Expenses	25,211.00	16,361.00
Advance Income Tax/TDS	-	-
Others	134,236.00	105,014.00
Advance to Trade Payable	1,500,000.00	5,693,812.50
	<b>1,659,447.00</b>	5,815,187.50
Less : Written Off	-	5,543,812.50
	<b>1,659,447.00</b>	271,375.00
<b>Note 18 - Other Income</b>		
Misc Income	26,438.00	-
Interest Received	19,715.00	232,340.00
	<b>46,153.00</b>	232,340.00
<b>Note 19 - Cost of materials consumed</b>		
Inventory at the beginning of period	14,977.97	185,910.00
Add : Purchases	123,875.00	172,000.00
	<b>138,852.97</b>	357,910.00
Less : Inventory at the end of the period	8,287.97	14,977.97
Cost of Material Consumed	<b>130,565.00</b>	342,932.03
<b>Note 20 - Purchases of Stock-in-Trade</b>		
Purchases	102,392.00	130,922.00
	<b>102,392.00</b>	130,922.00

## JIK INDUSTRIES LIMITED

	As at 31.03.2016	As at 31.03.2015
<b>Note 21 - Changes in inventories of Finished Goods, Work-in-Progress &amp; Stock-in-Trade</b>		
Inventories at the end of the period		
Finished Goods	724,924.34	1,362,976.06
Work-In-Progress	-	15,938.41
Stock-in-Trade	9,333.00	15,302.00
	<b>734,257.34</b>	<b>1,394,216.47</b>
Inventories at the beginning of the period		
Finished Goods	1,362,976.06	1,083,062.77
Work-In-Progress	15,938.41	17,678.41
Stock-in-Trade	15,302.00	10,070.00
	<b>1,394,216.47</b>	<b>1,110,811.18</b>
(Increase)/Decrease in Stock	<b>659,959.13</b>	<b>(283,405.29)</b>
<b>Note 22 - Employee Benefits Expenses</b>		
(a) Salaries & Wages and Bonus	8,674,318.00	5,712,355.00
(b) Contribution to Provident & other Funds	1,200.00	16,980.00
(c) Gratuity	58,763.00	12,870.00
(d) Staff welfare Expenses	2,407.00	2,238.00
	<b>8,736,688.00</b>	<b>5,744,443.00</b>
<b>Note 23 - Finance Costs</b>		
Interest Paid	-	-
	-	-
<b>Note 24 - Other Expenses</b>		
Rent,Rates & Taxes	62,913.00	148,686.00
Conveyance	38,064.00	23,858.00
Printing & Stationery	175,633.00	155,133.00
Postage & Courier Service Charges	174,215.00	141,529.96
Membership,Subscription,Periodicals & Registration	9,279.00	6,669.00
Telephone,Telex & Fax Charges	71,973.50	95,742.75
Travelling Expenses	-	11,879.00
Advertisement & Publicity	54,513.00	62,573.00
Bank Charges	14,988.23	14,909.83
Insurance Charges	1,901.00	18,093.00
Business Promotion & Entertainment	6,201.00	51,741.00
Transportation,Clearing & Forwarding Charges	104,540.00	42,690.00
Electricity Charges	-	198,315.34
Power & Fuel Charges	671,527.75	380,195.85
Packing Materials, Stores,Spares & Consumables	151,003.00	180,016.00
Value Added Tax	268,495.00	72,381.00
Repairs,Maintenance & Operating Expenses	86,126.00	39,128.00
Miscellaneous Expenses	99,455.00	94,438.00
Listing Fees	497,117.00	342,347.00
Service/Processing Charges	376,156.00	379,832.22
Security Charges	159,253.00	116,920.00
Auditor's Remuneration	389,992.00	287,529.00
Computer Expenses/Software Charges	20,155.00	11,250.00
Provision for Bad & Doubtful Debts	-	257,268,209.70
Sundry Balances Written Off/Back	(401,826.32)	121.60
Provision For Diminution In Value Of Investments	2,479,158.00	430,076,453.00
Legal,Professional & Consultancy Charges	617,855.00	785,462.00
Deferred Tax Assets Written Off	68,000,848.00	-
Prior Period Expenses	45,672,859.00	893,000,281.00
	<b>119,802,394.16</b>	<b>1,584,006,384.25</b>
<b>Note 25 - Extraordinary Items</b>		
Expenses	-	91,650,568.50
Income	-	(1,490,000.00)
	-	901,60,568.50

**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 133 of the Companies Act, 2013.

**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 and unrealized profits or losses on balances remaining within the Group. The difference between the cost of investment in the subsidiary over the company's portion of Equity of the subsidiary is recognized in the financial statements as Goodwill or Capital Reserves.

**3. Fixed Assets:**

Fixed assets are stated at cost or revalued amount, as the case may be, less accumulated depreciation / amortization and impairment losses, if any. Cost comprises of purchase price 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 up to 30th June, 2014. Subsequently, in accordance with the Companies Act, 2013, the Company has computed depreciation with reference to the useful life of respective assets as specified in Schedule II of the Act. Depreciation on assets added/disposed off during the year 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. In case of impairment, depreciation is provided on the revised carrying amount of the assets over its remaining useful life.

**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.

Provision for diminution in value of Long-term Investments is made as there is a decline, other than temporary, in the value of investments and the carrying amount is reduced to recognize the decline. The resultant investments are carried at Book Value or Face Value whichever is applicable. Hence, adhering to the prudence norm generally followed, the investments are shown at such written down value.

**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.

## JIK INDUSTRIES LIMITED

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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. 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

The Consolidated Financial statement for the period ended March 31, 2016 includes audited financial statements of subsidiaries viz. I.A. & I.C. Pvt. Ltd, Shah Pratap Industries Pvt. Ltd and Glassworks Trading Pvt. Ltd for the year ended March 31, 2016.

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.



**24<sup>th</sup> ANNUAL REPORT 2015 - 2016**

3. Additional Information as mandated by Schedule III of Companies Act, 2013

Name of the Entity	Net Assets i.e. Total Assets minus Total Liabilities		Share in Profit or Loss	
	As % of Consolidated Net Assets	Amount	As % of Consolidated Profit or Loss	Amount
<b>Parent</b> JKI Industries Ltd.	82	-797178004	100	-125326283
<b>Subsidiaries</b>				
- Indian				
I.A. & I.C. Pvt. Ltd.	11	-108808360	0	-60472
Shah Pratap Industries Pvt. Ltd.	7	-66508550	0	-18398
Glassworks Trading Pvt. Ltd.	0	-1065573	0	-20516
- Foreign	N.A.	N.A.	N.A.	N.A.
Minority Interests in all subsidiaries Associates (Investment as per the equity method)	0	-1406	0	-1406
- Indian	N.A.	N.A.	N.A.	N.A.
- Foreign	N.A.	N.A.	N.A.	N.A.
Joint Ventures (as per pro-portionate consolidation/ investment as per the equity method)				
- Indian	N.A.	N.A.	N.A.	N.A.
- Foreign	N.A.	N.A.	N.A.	N.A.
<b>Total</b>	<b>100</b>	<b>-973561894</b>	<b>100</b>	<b>-125427076</b>

4. Contingent Liabilities not provided for:

	<b>Current Period</b>	<b>Previous Year</b>
a. Disputed Income Tax Demand	582,297,015	582,779,387
b. Sales Tax Demand	16,942,118	16,942,118
c. Other Matters	782,500	782,500

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

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

7. Debit and Credit balances are subject to confirmation and reconciliation.

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

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

10. Related Parties Disclosures

i) Relationships:

(a) Key Management Personnel: (KMP)

Shri. Rajendra G. Parikh

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

ii) Detail A Transaction with Related Parties:

## JIK INDUSTRIES LIMITED

Sr.No.	Nature of transaction	KMP
	<b>Transation Min. Shri. R. G. Parikh</b>	<b>Rs.</b>
1.	Rent Paid	-
		(85,484)
2.	Loan Repaid/ (-) Loan Taken	-37,59,400
		(-21,50,600)

11. Earning per Share:

### (A) Basic & Diluted

	March 31,2016	March 31,2015
a. Net Profit/(Loss) After Tax before Extraordinary item	(125,605,669)	(1,582,414,752)
b. Weighted average Number of Equity Shares	72,635,845	72,635,845
c. Weighted average Number of 'A' Ordinary Equity Shares	5,106	5,106
d. Share of Profit/(Loss) for Equity Shares	(125,593,109)	(1,582,256,510)
e. Share of Profit/(Loss) for 'A' Ordinary Equity Shares	(12,561)	(158,241)
f. Earning Per Equity Share in Rupees (FV Rs.10/-) (d/b)	(1.73)	(21.78)
g. Earning Per 'A' Ordinary Equity Share in Rupees (FV Rs.10/-) (e/c)	(2.46)	(30.99)

### (B) Basic & Diluted

	March 31,2016	March 31,2015
a. Net Profit/(Loss) After Tax after Extraordinary item	(125,605,669)	(1,672,575,320)
b. Weighted average Number of Equity Shares	72,635,845	72,635,845
c. Weighted average Number of 'A' Ordinary Equity Shares	5,106	5,106
d. Share of Profit/(Loss) for Equity Shares	(125,593,109)	(1,672,408,063)
e. Share of Profit/(Loss) for 'A' Ordinary Equity Shares	(12,561)	(167,258)
f. Earning Per Equity Share in Rupees (FV Rs.10/-) (d/b)	(1.73)	(23.02)
g. Earning Per 'A' Ordinary Equity Share in Rupees (FV Rs.10/-) (e/c)	(2.46)	(32.76)

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

	Current Period (Rupees)	Previous Year (Rupees)
13. Earning in foreign currency:		
a) Exports (FOB)	-	96,000
14. Expenditure in foreign currency: (on payment basis) (net of tax, where applicable)		
a) Travelling.	-	-
15. Value of Imported & indigenous material consumed:		
	%	%
Raw Materials:		
Indigenous	1,23,875 100.00	1,57,022 45.79
Imported	- -	1,85,910 54.21
	1,23,875 100.00	3,42,932 100.00
16. Auditors Remunerations (including Service tax, where applicable)		
	Current Period (Rupees)	Previous Year (Rupees)
a) Statutory Audit		
b) Internal Audit	2,87,898	2,06,405
	34,136	19,326
c) Tax Audit	-	28,090
d) Certification & tax matters, etc.	67,958	33,708
	3,89,992	2,87,529

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**24<sup>th</sup> ANNUAL REPORT 2015 - 2016**

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**17. Prior Period Expenses**

	<b>Current Period (Rupees)</b>	<b>Previous Year (Rupees)</b>
a) Arrears Of Water Charges	-	-
b) MVAT	4,56,72,859	-
c) E.S.I.C.	-	27,533
d) Income Tax	-	89,29,72,748
	<b>4,56,72,859</b>	<b>89,30,00,281</b>

18. Board for Industrial and Financial Reconstruction (BIFR) has sanctioned the Rehabilitation Scheme of the company in terms of Section 19 (3) read with Section 18 (4) of SICA having scheme period 2008-2017. As the Company's net-worth has been completely eroded as on 31st March, 2015, the Company has become a sick industrial undertaking in terms of The Sick Industrial Companies (Special Provision) Act, 1985. A reference in respect of the same has been made and filed with the Board for Industrial and Financial Reconstruction as per the provisions of Section 15 of the Sick Industrial Companies (Special Provisions) Act, 1985 & has been registered by the Board and the Operating Agency (O.A) has been appointed .

19. Deferred Tax Assets of Rs. 6,80,00,848/- have been written off during the year and no further Deferred Tax Asset has been recognized during the year as there is virtual certainty that in near future taxable income will not be available, against which such Deferred Tax Asset can be realized.

20. During the year, the management of JIK Industries Limited (the Holding Company) based on the opinion of experts, reviewed the position of contingent liability relating to VAT demands and as a matter of prudence has recognized tax demands amounting to Rs 4.57 Crs., pending the ongoing appellate proceedings reaching the finality. The management will periodically review the position based on subsequent appellate proceedings and are hopeful of substantial reliefs there from. With the review as on 31st March, 2016 the position of contingent liability stands as stated above in Pt No. 4 above.

21. Respective e-forms of JIK Industries Limited (the Holding Company) with ROC are pending for increase of authorised share capital due to litigation of non-implementation of Hon'ble BIFR orders by Ministry of Corporate Affairs & Others for which Hon'ble Bombay High Court has directed MCA & others to consider the matter and inform accordingly to which their reply is awaited since long period.

22. Provision for Unrealizable Debts and Sundry balances has made 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.

23. Hon'ble BIFR has given order to The New India Assurance Co Ltd to settle the insurance claim filed by Jik Industries Limited (The Holding Company) due to fire at Chemical Waste Recycling Plant at Vijaygad, Tal. Wada. Further, the Company had filed a petition in Hon'ble Bombay High Court against the insurance company. Hon'ble High Court vide its order dated 3rd February, 2014 granted Decree in favour of the Company. The Insurance Company has deposited the entire decreed amount of Rs. 7.38 Crs in court and preferred an appeal against the said order.

24. The previous year figures have been regrouped/ reclassified wherever considered necessary.

The accompanying notes are an integral part of the financial statements

**FOR MOTILAL & ASSOCIATES** For and on behalf of Board  
**Chartered Accountants**  
**Registration No.:106584W**

**M L JAIN**  
Partner  
M. No. 36811

**R. G. PARIKH**  
Chairman & Managing Director

**S. C. GURAV**  
Exec. Director & CFO

**K.J. DAMLE**  
Company Secretary

**Place: Mumbai**  
**Dated: 30th May, 2016**

**Place: Thane**  
**Dated: 30th May, 2016**

## JIK INDUSTRIES LIMITED

### Consolidated Cash Flow Statement for the period ended March 31, 2016

	YEAR ENDED 31.03.2016	PERIOD ENDED 31.03.2015
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net Profit/(Loss) Before Tax and Extra-ordinary Items	(125,427,075)	(1,582,952,268)
Adjustment for :		
Interest & Finance Charges (Net)	-	-
Depreciation	1,124,803	882,886
Deferred Tax Assets Written Off	68,000,848	-
Provision for Diminution in Value of Investments	2,479,158	430,076,453
<b>OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES</b>	<b>(53,822,266)</b>	<b>(1,151,992,929)</b>
Adjustments for:		
Trade Receivables, Loans & Advances	(1,385,777)	349,245,948
Inventories	666,649	(112,473)
Trade Payables & Other Liabilities	54,902,956	893,232,208
<b>CASH USED FOR OPERATING ACTIVITIES</b>	<b>361,562</b>	<b>90,372,754</b>
Extra-ordinary Item	-	(90,160,569)
<b>NET CASH FROM/(USED) OPERATING ACTIVITIES</b>	<b>361,562</b>	<b>212,185</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of Fixed Assets (Net)	(2,400)	(14,000)
Purchase of Investments	-	-
<b>NET CASH FROM/(USED) IN INVESTING ACTIVITIES</b>	<b>(2,400.00)</b>	<b>(14,000)</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Secured/Unsecured Loans	(652,948)	-
Interest & Financing Charges (Net)	-	-
<b>NET CASH FROM/(USED) IN FINANCING ACTIVITIES</b>	<b>(652,948)</b>	<b>0</b>
<b>NET INCREASE/(DECREASE) IN CASH OR CASH EQUIVALENTS</b>	<b>(293,786)</b>	<b>198,185</b>
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF THE YEAR</b>	<b>525,460</b>	<b>327,275</b>
<b>CASH AND CASH EQUIVALENTS AT END OF THE YEAR</b>	<b>231,674</b>	<b>525,460</b>

#### FOR AND ON BEHALF OF THE BOARD

Place : Thane

Dated : 30th May, 2016

**R. G. PARIKH**

Chairman & Managing Director

**S.C.GURAV**

Exec. Director & CFO

**K.J. DAMLE**

Company Secretary

#### AUDITORS CERTIFICATE

We have examined the attached cash flow statement of JIK Industries Limited for the period ended March 31, 2016. The statement has been prepared by the Company in accordance with the requirement 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 : 30th May, 2016

**M L JAIN**

Partner  
M. No. 36811

**24<sup>th</sup> ANNUAL REPORT 2015 - 2016**

**Form No. MGT -11**

**PROXY FORM**

(Pursuant to Section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014)

**JIK INDUSTRIES LIMITED** (CIN : L65990MH1990PLC056475)  
Registered Office: Pada No. 3, Balkum, Thane (West) - 400 608  
Tel: 022-25426356 - 60 o Fax: 25426349  
E mail : admin@jik.co.in  
WEBSITE: www.jik.co.in

**24th ANNUAL GENERAL MEETING**

Name of the member (s):	
Registered Address:	
E-mail Id:	
Folio No. /DP ID/ Client ID:	

I/We, being the member(s) of ....., shares of the above named company, hereby appoint:

1	Name:	
	Address:	
	E-Mail Address:	
		Or failing him
2	Name:	
	Address:	
	E-Mail Address:	
		Or failing him
3	Name:	
	Address:	
	E-Mail Address:	

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 24th Annual General Meeting of the Company, to be held on Friday, August 12, 2016 at 5.00 p.m. at Golden Swan Country Club, off Pokharan Road No. 1, Yeoor Hills, Thane (w), 400602 and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution Number	Resolution
<b>ORDINARY BUSINESS</b>	
1	Adoption of Financial Statements for the year ended March 31, 2016.
2	Re-appointment of Shri Rajendra G. Parikh, who retires by rotation.
3	Appointment of M/s. Motilal & Associates, Chartered Accountants as the auditors of the Company.
<b>SPECIAL BUSINESS</b>	
4	Re-appointment of Mr. R G Parikh as Managing Director.
5	Appointment of Mr. S. C. Gurav as Executive Director & CFO.

Signed this ..... day of ..... 2016.

\_\_\_\_\_  
Signature of the member

\_\_\_\_\_  
Signature of the proxy holder(s)

Affix  
Revenue  
Stamp

**Notes:**

- This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.
- For the Resolutions, Explanatory Statement and Notes, please refer to the Notice of the 24th Annual General Meeting.

**JIK INDUSTRIES LIMITED**

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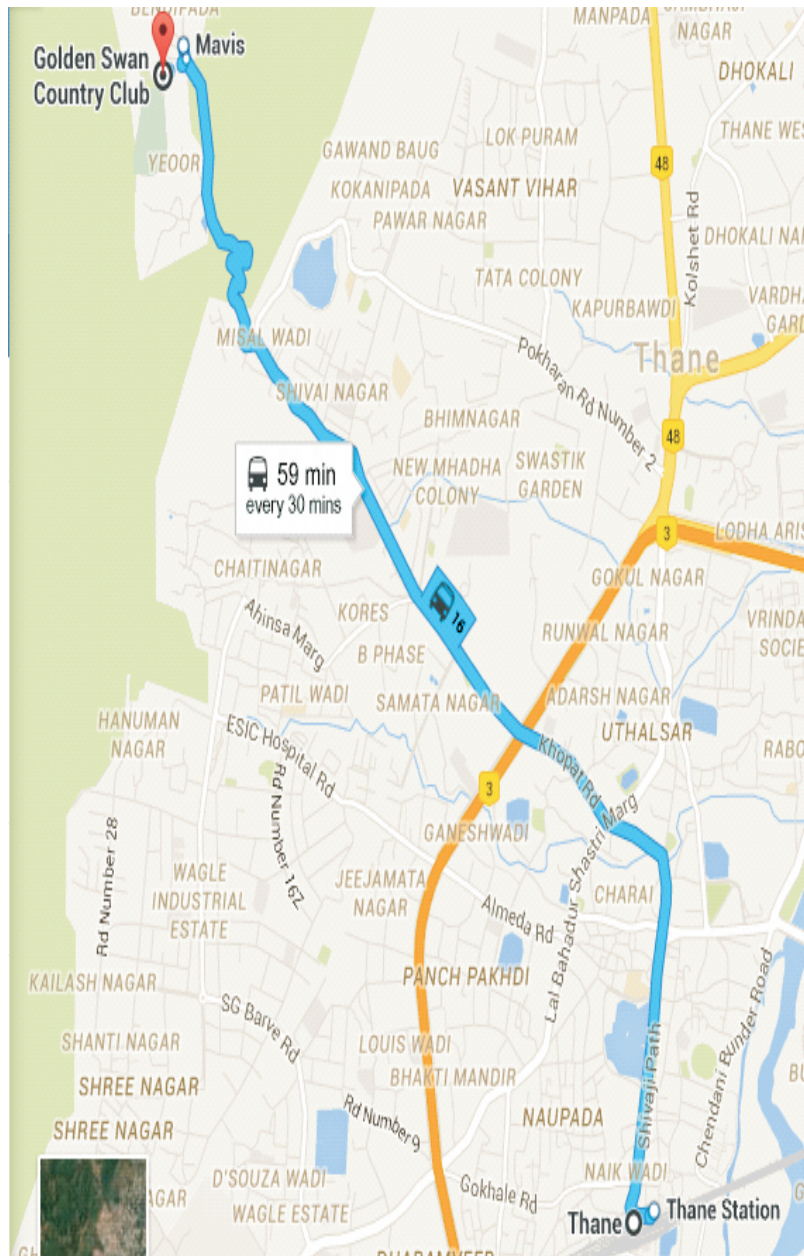
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LOCATION MAP



**JIK INDUSTRIES LTD**

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