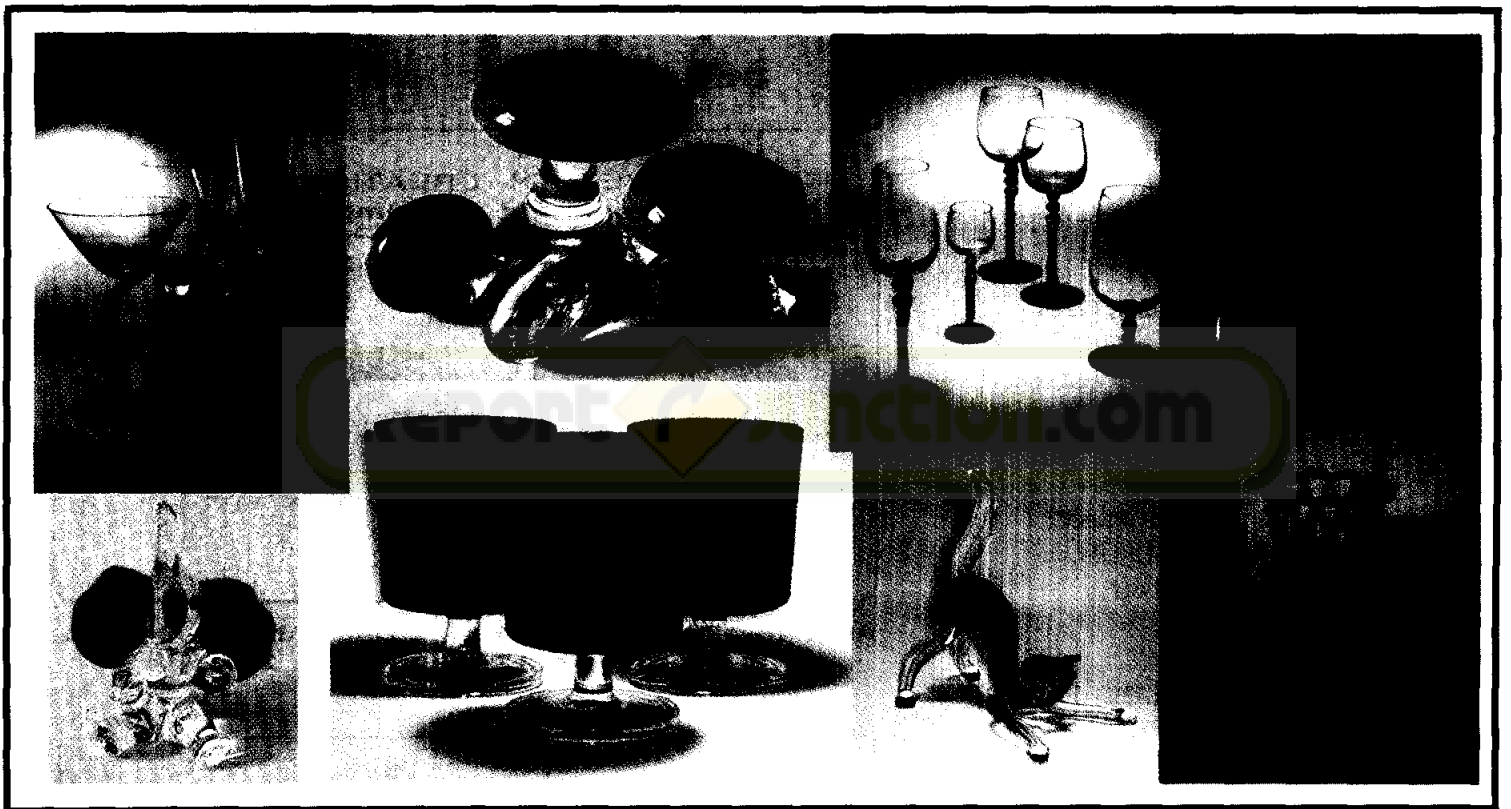


JiK Industries Limited



11TH ANNUAL REPORT

BOARD OF DIRECTORS

Shri R. G. PARIKH
Chairman
Shri M. P. THAKKER
Shri C. H. GOSALIA
Shri G. S. SALIAN

COMPANY SECRETARY

Shri S. D. BHURKE

BANKERS

BANK OF INDIA
DEVELOPMENT CREDIT BANK LTD.
UNITED BANK OF INDIA
UNION BANK OF INDIA

SOLICITORS

KANTILAL UNDERKAT & CO.

AUDITORS

BHARAT BAKSHI & ASSOCIATES

REGD. OFFICE & SHARE DEPT.

16, GUNDECHA CHAMBERS,
NAGINDAS MASTER ROAD, FORT,
MUMBAI - 400 023.

TEL NO. : +91-22-263 3313

FAX NO. : +91-22-267 6633

E-MAIL ADDRESS : jrp@vsnl.com

FACTORIES

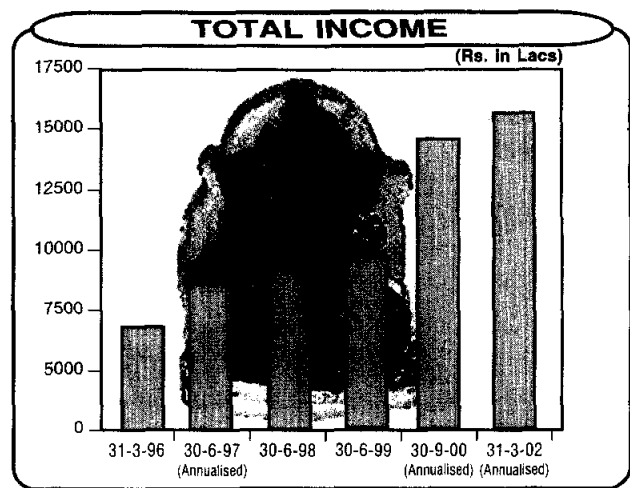
CRYSTAL GLASS PLANT
PADA NO. 3, BALKUM,
THANE - 400 608

CHEMICAL RECYCLING PLANT

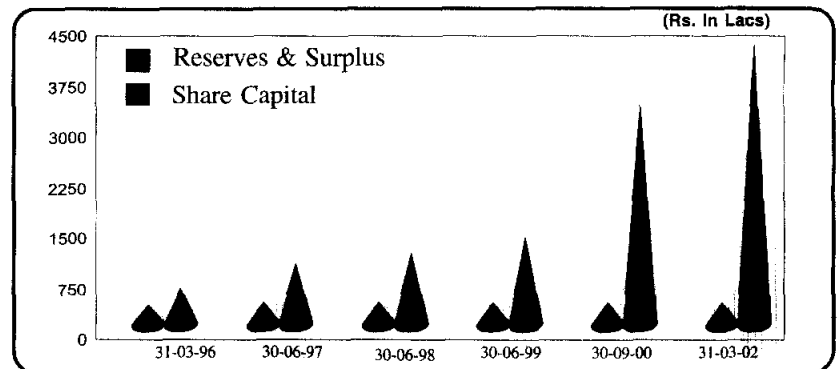
VIJAYGAD, TALUKA WADA,
DIST. THANE.

LISTING

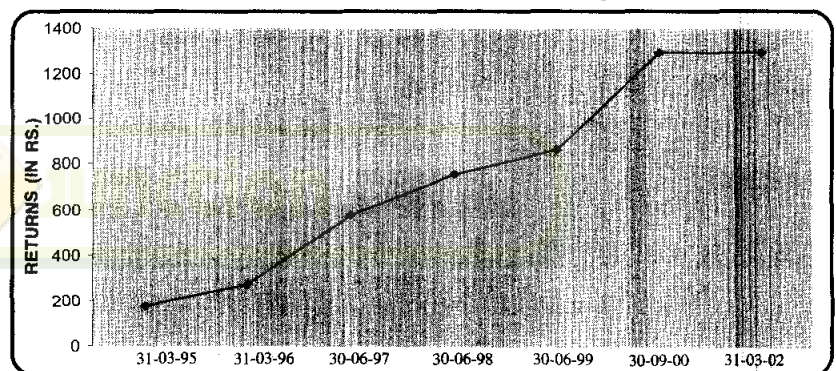
THE STOCK EXCHANGE, MUMBAI
NATIONAL STOCK EXCHANGE OF
INDIA LIMITED
THE STOCK EXCHANGE, AHMEDABAD



SHARE CAPITAL / RESERVES & SURPLUS



WEALTH CREATION Value of Investment in Company's Shares



**An investment of Rs. 100 in December, 1994
is worth Rs. 1290 in March, 2002**

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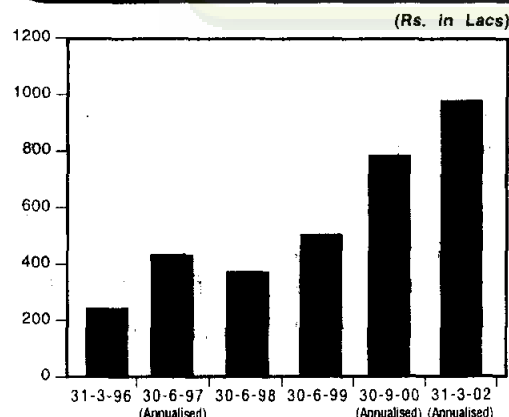
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FINANCIAL HIGHLIGHTS

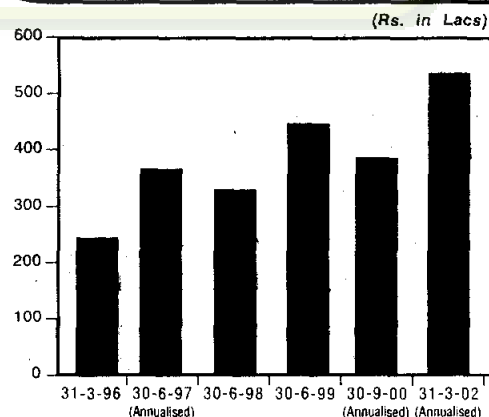
(Rs. in lacs)

	Period Ended 31-03-02 (18 Months)	Period Ended 30-09-00 (15 Months)	Year Ended 30-06-99	Year Ended 30-06-98	Period Ended 30-06-97 (15 Months)	Year Ended 31-03-96
Sales / Income from Operations	23519.55	18050.18	10401.49	9193.90	10797.08	6798.70
Other Income	5.70	76.64	1.40	40.28	2.92	2.71
Total Income	23525.25	18126.82	10402.89	9234.18	10800.00	6801.41
Total Expenditure	22077.57	17138.83	9902.52	8861.87	10272.85	6562.65
Net Profit before tax and Extraordinary items	1447.68	987.99	500.37	372.31	527.15	238.76
Taxation	654.63	500.42	57.80	39.10	64.12	NIL
Net Profit before Extraordinary Items	793.05	487.57	442.57	333.21	463.03	238.76
Extraordinary Items	NIL	551.25	NIL	NIL	NIL	NIL
Net Profit after Extraordinary Items	793.05	1038.82	442.57	333.21	463.03	238.76
Net Worth	4503.49	3716.08	2843.09	2122.58	1706.58	832.94
Dividend (%)	20	30	27	25	25	18
Book Value Per Share (Re. 1 paid up)	11.54	10.04	8.56	6.39	5.14	2.77
Debt Equity Ratio		0.84 : 1		Earning Per Share (On Re.1/-)		2.02

NET PROFIT BEFORE TAX
(Before Extra Ordinary Items)



NET PROFIT AFTER TAX
(Before Extra Ordinary Items)



DIRECTORS' REPORT

To,
The Members,

Your Directors have pleasure in presenting the Eleventh Annual Report, together with the audited accounts of the Company, for the 18 months period ended 31st March, 2002.

1. FINANCIAL RESULTS

PARTICULARS	2000-2002 (18 Months)	(Rs. in Lacs) 1999-2000 (15Months)
Sales/Income from Operations	23519.55	18050.18
Other Income	5.70	76.64
Profit Before Tax and Extra Ordinary Item	1447.68	987.99
Provision for Taxation – Current Tax	626.95	500.42
– Deferred Tax	27.68	—
Profit Before Extra Ordinary Item	793.05	487.57
Extra Ordinary Item	—	551.25
Profit for the period	793.05	1038.82
Balance brought forward	345.92	831.27
Prior Period Adjustment	(187.51)	—
Profit available for appropriation	951.46	1870.09
APPROPRIATION :		
Transferred to General Reserve	80.00	104.00
Transferred to Capital Redemption Reserve	100.00	1184.56
Interim Dividend on Equity Shares	77.14	99.69
Preference Dividend	10.27	110.75
Tax on Dividend	8.92	25.17
Surplus carried to Balance Sheet	675.13	345.92

2. DIVIDEND

The Board has paid an interim dividend on Equity Shares @ 20% for the period ended 31st March, 2002.

Taking into account the Company's own requirement's for funds for future growth and keeping in view the Interim Dividend paid, Directors do not recommend any final dividend.

3. DIRECTORS

Shri M. A. Pai, Chairman of the Board, Shri N. Ganga Ram, Shri M. V. Shah, Shrimati J. R. Parikh, Shri P. V. Shah and Shri M. M. Parikh, resigned from the Board.

The Directors place on record their appreciation of the invaluable contributions made, during their tenure as Directors on the Board of Directors of the Company.

Board did not fill-up the causal vacancy caused by the resignations of Directors of the Company.

Shri R. G. Parikh, has been elected as Chairman of the Board.

Shri C. H. Gosalia and Shri G. S. Salian resigned as Executive Directors. However, they continue as Directors of the Company.

The new Committees of Directors, constituted as per clause 49 of the listing agreement:

a) AUDIT COMMITTEE :

Audit Committee comprises of the following Non-Executive Independent Directors and Non-Executive Director of the Board.

Name of Director	Status
1. Shri C. H. Gosalia, Chairman	— Non-Executive Independent Director
2. Shri M. P. Thakker	— Non-Executive Independent Director
3. Shri R. G. Parikh	— Non-Executive Director

Shri S. D. Bhurke, Company Secretary, is Secretary of the Committee.

b) REMUNERATION COMMITTEE

Remuneration Committee comprises of the following Non-Executive Independent Directors and Non-Executive Director of the Board.

Name of Director	Status
1. Shri R. G. Parikh, Chairman	— Non-Executive Director
2. Shri C. H. Gosalia	— Non-Executive Independent Director
3. Shri M. P. Thakker	— Non-Executive Independent Director

c) SHAREHOLDERS/INVESTORS' GRIEVANCES COMMITTEE

Shareholders/Investors' Grievances Committee comprises of the following Non-Executive Independent Directors and Non-Executive Director of the Board.

Name of Director	Status
1. Shri M. P. Thakker, Chairman	— Non-Executive Independent Director
2. Shri C. H. Gosalia	— Non-Executive Independent Director
3. Shri R. G. Parikh	— Non-Executive Director

Shri S. D. Bhurke, Company Secretary, is the Compliance Officer.

Directors retire by Rotation

In accordance with the requirement of the Companies Act, 1956 and the Company's Articles of Association, Shri M. P. Thakker and Shri R. G. Parikh, are due to retire by rotation at the forthcoming Annual General Meeting and being eligible, they offer themselves for re-appointment.

4. FIXED DEPOSITS

Fixed Deposits from public/shareholders as at March 31, 2002 were Rs.1197.01 lacs and the unclaimed deposits as on that date were Rs.12.17 lacs.

5. AUDITORS

The Auditors M/s. Bharat Bakshi & Associates, Chartered Accountants, retire at the conclusion of ensuing Annual General Meeting. The Audit Committee of the Board recommends the re-appointment of M/s. Bharat Bakshi & Associates, Chartered Accountants, as Auditors for the further period of one year.

6. INFORMATION PURSUANT TO SECTION 217 OF THE COMPANIES ACT, 1956

No employee, employed by the Company throughout the financial period 2000-2002 or part of the period has drawn remuneration of Rs. 12,00,000 or more per annum or Rs. 1,00,000 or more per month. Accordingly the Company has no information to give under Section 217(2A) of the Companies Act, 1956 read with the Company's (Particulars of Employees) Rules, 1975.

7. ENERGY, TECHNOLOGY & FOREIGN EXCHANGE

Information required to be given pursuant to Section 217(1) (e) of the Companies Act, 1956, read with Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988, is annexed hereto and forms part of the Report.

8. REPORT ON CORPORATE GOVERNANCE

A detailed report on Corporate Governance has been included separately in the Annual Report.

9. DIRECTORS' RESPONSIBILITY STATEMENT

In accordance with the provisions of Section 217(2AA) of the Companies Act, 1956 as amended, the Board confirms -

- i) That in the preparation of the accounts, relating to the 18 month period ended 31st March, 2002, the applicable accounting standards had been followed along with proper explanation relating to material departures.
- ii) That 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 period and of the profit of the Company for that period.
- iii) That the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- iv) That the Directors had prepared the accounts for the aforesaid period on a going concern basis.

10. ACKNOWLEDGEMENT

The Directors thank the Company's customers, suppliers, bankers, financial institutions and shareholders for their consistent support to the Company. The Directors also sincerely acknowledge the significant contributions made by all the employees for their dedicated services to the Company.

On behalf of the Board

Place : Mumbai
Date : 29th June, 2002

R. G. PARIKH
CHAIRMAN



ANNEXURE - TO DIRECTORS' REPORT**PARTICULARS REQUIRED UNDER THE COMPANIES (DISCLOSURE OF PARTICULARS IN THE REPORT OF BOARD OF DIRECTORS) RULES, 1988.****A. CONSERVATION OF ENERGY**

- (a) Energy conservation measures taken :

The Company is in the process of finding better measures to save energy.

- (b) Additional investments and proposals, if any, being implemented for reduction of consumption of energy : N.A.

- (c) Impact of measures at (a) and (b) above for reduction of energy consumption and consequent impact on the cost of production of goods : N.A.

- (d) Total Energy Consumption and Energy Consumption per unit of production as per Form A in respect of industries specified in the Schedule:

FORM - A

(Disclosure of particulars with respect to Conservation of Energy)

A. POWER AND FUEL CONSUMPTION

	2000-2002 Current Period (18 Months)	1999-2000 Previous Period (15 Months)
1. Electricity :		
(a) Purchased		
Unit (KWH)	552,819	418,706
Total Amount (Rs.)	2,761,204.79	2,234,594.22
Rate per unit (Avg)	4.99	5.33
(b) Own generation		
(i) Through diesel generator :		
Units (KWH)	8768	19527
Units per Ltr. Of Diesel oil	4.48	4.35
Cost per unit (Rs.)	5.06	3.63
(ii) Through steam turbine/generator :		
Units	Nil	Nil
Units per Ltr. Of fuel	Nil	Nil
Oil/Gas	Nil	Nil
Cost/Units	Nil	Nil
2. Coal		
Quantity (Tonnes)	Nil	Nil
Total Cost	Nil	Nil
Average Cost	Nil	Nil
3. Furnace Oil/Gas :		
a) Propane gas/Liquified Petroleum Gas		
Qty. (M.T.)	619.25	536.88
Total Cost (Rs.)	12,763,329.57	8,916,658
Average Rate (Rs.)/Kg.	20.61	16.61
b) Light Diesel Oil		
Qty. (Ltr.)	51,900.00	20,000.00
Total Cost (Rs.)	667,071.95	2,17,884.00
Average Rate (Rs.)/Ltr.	12.85	10.89

4. Others/Internal Generation :

Distillate residue	Nil	Nil
Quantity in M. T.	Nil	Nil
Total Cost (not ascertained)	Nil	Nil
Rate per unit	Nil	Nil

B. CONSUMPTION PER UNIT OF PRODUCTION

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

B. TECHNOLOGY ABSORPTION

e) Efforts made in technology absorption as per Form B :

FORM B

(Disclosure of particulars with respect to Technology Absorption)

RESEARCH AND DEVELOPMENT (R & D)**1. Specific area in which R & D is carried out by the Company :**

The Company is continuously analysing and developing new products. .

2. Benefits derived as a result of the above R&D :

The Company has been able to launch new products.

3. Future Plan of Action :

The Company will continue the above activities to achieve perfection.

4. Expenditure on R & D :

The Company has in-house modern laboratory, hence expense are very negligible.

TECHNOLOGY ABSORPTION, ADAPTATION AND INNOVATION :

(i) The Company's innovation in its design department has enabled it to bring about a blend of Swedish technology with Indian designs for its crystal glass division.

(ii) Benefit derived as a result of the above efforts :

The above innovations has enabled the Company to develop better range of products.

(iii) 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 : N.A.

C. FOREIGN EXCHANGE EARNINGS & OUTGO :

Disclosure relating to export, initiatives taken to increase export, development of new export markets for products and services and export plans :

The Company is continuously exploring avenues to increase exports.

TOTAL FOREIGN EXCHANGE USED AND EARNED :

	2000-2002 (18 Months)	(Rs. in Lacs) 1999-2000 (15 Months)
i. Total foreign exchange used	312.18	102.26
ii. Total foreign exchange earned	35.05	286.25

On behalf of the Board

Place : Mumbai
Date : 29th June, 2002

R. G. PARIKH
CHAIRMAN



MANAGEMENT DISCUSSION AND ANALYSIS REPORT :**1. Industry Structure and Development :**

For the Company, it has been a rewarding period, amidst adversities and challenging environment. The Company has achieved good performance during the period ended 31st March, 2002.

The Company continues to implement its strategy of widening the customer base in each segment of its activities.

2. Opportunity and Threats :

The Company has various business segments and all having new challenges. The Company has been focusing attention on making more value added products and developing new market in India and abroad.

Instability and uncertainty in economy in general all over the world may affect the industry.

3. Segment-wise or product-wise performance

It has been dealt within the notes to the accounts.

4. Outlook

The Company is exploring the opportunities for widening its areas of operations in Western Union Money Transfer business. The Company has entered into an agreement with US based Company to retail its Aria brand of crystals from showrooms in United States.

The Company is focussed on continuous improvement and has planned for restructuring of its activities.

5. Risks & concerns

Over all recession in the country and slow down of economy in the world has affected the domestic market as well as international market. The Company is making continuous effort and exploring new areas and avenues of business.

6. Internal control systems & their adequacy

The Company has an adequate system of internal controls. The Annual Audit plan and proper reporting is made before finalisation of accounts of the Company. The Audit committee of the Board comprising of two independent Directors and one non-executive director was formed to monitor and review proper accounting system.

7. Discussion on financial performance with respect to operational performance.

The Company has achieved operating profit (PBIT) of Rs.1714.80 lacs for 18 months ended 31st March, 2002 as compared to Rs.1158.39 lacs for the 15 months ended 30th September, 2000.

8. Human Resource Management

Industrial relations during the period remained satisfactory. The Company is continuously upgrading the skills and effectiveness at all levels through training and development programmes. The system has been established for reviewing the performance of the employees and seek their views for improving human relations.

CAUTIONARY STATEMENT

Statements in the Management Discussion and Analysis, describing the Company's objectives, projections and estimates, are forward-looking statements and progressive within the meaning of applicable security laws and regulations. Actual results may vary from those expressed or implied, depending upon economic conditions, Government Policies and other incidental factors.

REPORT ON CORPORATE GOVERNANCE

The Corporate Governance Code introduced by Securities and Exchange Board of India ("SEBI") as adopted by incorporating a new clause No. 49 in the Listing Agreement of the Stock Exchange and also by applicable provisions of the Companies (Amendment) Act, 2000. has been implemented by the Company effective from 31st March, 2002.

The Company has taken necessary steps to comply with all the requirement of the guidelines of Corporate Governance as would be applicable to it.

1. BOARD OF DIRECTORS AS ON 31ST MARCH, 2002

The Board comprised of eight Directors, of whom three were Executive Directors, and five were Non-Executive Directors. The Chairman of the Board was a Non - Executive Independent Director.

a) Composition of the Board for the period October, 2000 to March, 2002 :

Name of Director		Status
Shri M. A. Pai	- Chairman	Non-Executive Independent Director
Shri R. G. Parikh	- Vice Chairman (Promoter Director)	Non-Executive Director
Shrimati J. R. Parikh		Non-Executive Director
Shri M. P. Thakker		Non-Executive Independent Director
Shri P. V. Shah		Non-Executive Independent Director
Shri C. H. Gosalia		Executive Director
Shri G. S. Saliyan		Executive Director
Shri M. M. Parikh		Executive Director

Note :

During the period Shri N. Ganga Ram and Shri M. V. Shah, Directors had resigned w.e.f. 18th October, 2001.

b) Board Meetings :

The meetings of the Board of Directors are scheduled well in advance. The notice convening the meeting and the detailed agenda is sent at least seven days in advance to all the Directors. The Board meets at least once a quarter to review the quarterly performance and financial results.

