



JIK INDUSTRIES LIMITED



***17th Annual Report
2007-2008***



JIK INDUSTRIES LIMITED

CORPORATE INFORMATION

BOARD OF DIRECTORS

Shri R.G.Parikh	- Chairman & Managing Director
Shri R.V. Iyer	- Special Director (BIFR)
Shri N. C. Gandhre	- Nominee Director (MA- BOI) <i>w.e.f. 28.07.2008</i>
Shri S.V.Shah	- Nominee Director (MA- BOI) <i>from. 12.09.2007 to 27.07.2008</i>
Shri S.C. Gurav	- Independent Director
Shri K.K. Kotadia	- Independent Director
Shri R.H.Parihar	- Independent Director

COMPANY SECRETARY

Shri Prakash B. Chavan

AUDITORS

M/s Motilal & Associates
Chartered Accountants, Mumbai

REGD. OFFICE

Pada No. 3, Balkum, Thane – 400608.
Phone: +91-022-25340063, 25426349

ADMINISTRATIVE OFFICE

1,2,3 & 16, Gundecha Chambers,
N.M. Road, Fort,
Mumbai- 400023
Phone: +91-22-22633313
Fax: +91-22-22676633
E-mail: admin@jik.co.in
Website: http://www.jik.co.in

REGISTRAR & TRANSFER AGENT

Sharex Dynamic (India) Pvt.Ltd.
Unit No. 1, Luthra Industrial Premises,
Andheri –Kurla Road, Safed Pool,
Andheri (East), Mumbai- 400072.
Phone: +91-22-2851 5606/5644
Fax : +91-22- 2851 2885

LISTING

Bombay Stock Exchange Limited
National Stock Exchange of India Limited

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JIK INDUSTRIES LIMITED

DIRECTORS' REPORT

To the Members,

Your Directors present here with 17th Annual Report together with the Audited Statements of Accounts of the Company, for the 18 months period ended 31st December, 2008. Four years after making reference with the Hon'ble Board for Industrial and Financial Reconstruction (BIFR), under the Sick Industrial Companies (Special Provisions) Act, 1985, your Directors have pleasure to report that the Scheme of Rehabilitation has been approved by the Hon'ble BIFR on 26th August, 2008.

OPERATIONS

The performance of the Company still remains impacted by the several accidents that took place in previous years. However, the company is confident that it is on path to recovery and is currently in process of raising fresh funds and new investments to enable it to achieve new parameters in production with advanced technology considering the present market scenario.

FINANCE

The Company is expected to return to operational profitability due to several measures taken by the management. The Company has settled total dues of eleven secured creditors and hopes to settle the only remaining secured creditor at the earliest so as to have zero secured liability. The Company has kept all the options open such as potential tie-up /JVs and fresh investments to achieve its goals.

PUBLIC DEPOSIT

The Company did not accept any fixed deposit from public during the year under report.

DIRECTORS

Shri S.C. Gurav, Director retires by rotation at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment.

Shri S. V. Shah was appointed as Nominee Director by Monitoring Agency, Bank of India from 12.09.2007 to 27.07.2008. Shri Niteen C. Gandhre has been Nominated w.e.f. 28.07. 2008.

The Board of Directors placed on record its appreciation for the valuable contribution made by Shri S.V. Shah during his tenure.

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

AUDITORS

M/s. Motilal & Associates., Chartered Accountants, Statutory Auditors of the Company hold office until the conclusion of the forthcoming Annual General Meeting and are recommended for re-appointment. The Company has received a certificate from them to the effect that their re-appointment, if made, would be within the limit prescribed under Section 224(1B) of the Companies Act, 1956.

SUBSIDIARY COMPANIES

The Company has two subsidiaries, viz. I.A. & I.C. Pvt. Ltd., and Shah Pratap Industries Pvt. Ltd.

A statement pursuant to section 212 of the Companies Act, 1956 relating to the subsidiaries is attached to the Accounts.

Pursuant to the Rehabilitation Scheme sanctioned by the Hon'ble BIFR, the Company has been exempted from the provisions of section 212(8) of the Companies Act, 1956. The copy of the Balance Sheet, Profit & Loss Account, Report of the Board of Directors and Auditors of the subsidiaries have not been attached with the Balance Sheet of the Company. These documents will be made available upon request by any member of the Company or of the subsidiaries interested in obtaining the same. The Annual Accounts of the subsidiary Companies will also be available for inspection during business hours at the Registered Office of the Company. However, the financial data of the subsidiaries have been furnished under 'Details of Subsidiaries' forming part of the Annual Report. Further, pursuant to Accounting Standard (AS -21) issued by the Institute of Chartered Accountants of India, Consolidated Financial Statements presented by the Company in this Annual Report includes financial information of its subsidiaries.

UNCONSOLIDATED FINANCIAL STATEMENTS

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

BRU (Bombay Relief Undertaking)

The Company has received Order from Government of Maharashtra dated 19th June, 2008 by which the Company has been declared "Relief Undertaking" for a period of one year from that date.

CORPORATE GOVERNANCE

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

The Management Discussion and Analysis Report for the period under review as stipulated in Clause 49 of the Listing Agreement with Stock Exchanges is presented separately in the Annual Report.

PARTICULARS OF EMPLOYEE

The Company does not have any employee falling within the scope of Section 217(2A) of the Companies Act, 1956, read with Companies (Particulars of the Employees) Rules, 1975.

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

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

RESPONSIBILITY STATEMENT

Pursuant to Section 217(2AA) of the Companies Act, 1956, the Directors hereby confirm that:

- in the preparation of the annual accounts, the applicable accounting standards had been followed and there is no material departure;
- appropriate accounting policies have been selected and applied consistently and have made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st December, 2008 and of the loss of the Company for the period ended on that date;
- proper and sufficient care has been taken for maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956, for safeguarding of the assets of the Company and for preventing and detecting fraud and other irregularities;
- the annual accounts for 18 months period ended 31st December, 2008 have been prepared on a 'going concern basis'.

INFORMATION UNDER LISTING AGREEMENT WITH STOCK EXCHANGES

DEMATERIALISATION OF SHARES

The shares of the Company are traded in dematerialized form and are available for trading under the National Securities Depository Limited (NSDL) and the Central Depository Services (India) Limited (CDSL).

As on 31st December, 2008 a total of 77,23,726 equity shares of the Company, which form 31.80 % of the equity share capital, stand dematerialized.

LISTING OF SECURITIES OF COMPANY

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

The listing fee for the year 2008-09 has been paid to both the exchanges.

ACKNOWLEDGEMENT

The Directors acknowledge the cooperation and support of all the Banks/FI, Bank of India (Monitoring Agency), government agencies and thank them for their continued support.

The Directors also wish to place on record their appreciation for the contribution made by the employees at all level.

FOR AND ON BEHALF OF THE BOARD

Place : Mumbai

Date: 26th March, 2009

R.G. Parikh
Chairman & Managing Director



ANNEXURE I – TO DIRECTORS' REPORT

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

FORM – A (see Rule 2)

Form of Disclosure of particulars with respect to Conservation of Energy

	2007-2008 (For 18 months)	2006-2007 (For 12 months)
A. Power and fuel consumption		
1. Electricity :		
(a) Purchased		
Units (KWH)	11950	NIL
Total Amount (Rs)	2,35,374	NIL
Rate per Unit (Avg)	3.68	NIL
(b) Own generation		
(i) Through diesel generator :		
Units (KWH)	3684	24795
Units per Ltr. Of Diesel oil	4.30	4.25
Cost per unit (Rs.)	9.51	9.15
2. Coal (specify quality and where used	Nil	Nil
3. Furnace Oil/Gas	Nil	Nil
4. Others/Internal Generation	Nil	Nil

B. Consumption per unit of production:

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

FORM – B

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

The Company has not taken any Research & Development Activity.

1. 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:
Not applicable

C. FOREIGN EXCHANGE EARNINGS & OUTGOING:

Total Foreign Exchange used and Earned:

	2007-2008 For 18 months	(Rs. in Lakh) 2006-2007 For 12 months
i. Total foreign exchange used	0.73	0.74
ii. Total foreign exchange earned	NIL	NIL

FOR AND ON BEHALF OF THE BOARD

Place : Mumbai
Date: 26th March, 2009

R.G. Parikh
Chairman & Managing Director

Management Discussions and Analysis

The Management of the Company is pleased to present this report covering the activities of the Company for the eighteen months period ended December 31, 2008.

Industry structure and development

Worldwide recessionary trends is likely to affect the crystalwares and allied products markets. High labour cost in European Market in this segment had affected these market.

Newer technology have emerged in fuel savings & better productivity in the industry.

Opportunities and Threats

The situation in this segment of industry in Europe gives an opportunity for the company to penetrate these markets as the Company would be price competitive and had been in the export markets. In the domestic markets there are not many brands to compete in these products.

In view of recessionary trends, threats consist of an overall downturn in luxury goods segment.

Segment-wise product-wise performance

The Company operates in one segment only.

Outlook

The long term outlook for the business of the Company looks positive and ever growing. The Management is fairly confident of enhancing operational performance and profitability in the full financial year.

Risk Management

In view of the settlement achieved with majority of Banks/Institutes, the Company will be shifting plant and implement new parameters in view of the present market conditions. As there has been delay in obtaining new technology because of various constrains faced by the Company, the operations will take some time to stabilize. Even though Hon'ble BIFR has given the direction to the Insurance Company, the Company has yet to receive the claim from the Insurance Company.

Internal Control Systems and their adequacy

The Company has adequate systems of internal controls covering all financial and operational activities. The internal controls are designed to provide reasonable assurance with regard to maintaining proper accounting controls, protecting assets from unauthorized losses and ensuring reliability of financial and operational information and proper compliance with regulations.

Human Resources Management

The Company has harmonious employee relations and there is close interaction between the management and employees to facilitate smooth functioning of the organizational activities. Human resources are being recognized as one of the critical area to the success of the organization.

Caution Statement

Statements in this report on 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 depending upon economic conditions, government policies and other incidental factors.

The Company assures no responsibility in respect of the forward-looking statements herein, which may undergo changes in future on the basis of subsequent development, information or events.



CORPORATE GOVERNANCE REPORT
(As required by clause 49 of the Listing Agreement)

1. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

JK Industries Limited (hereinafter referred to as "the company") is committed to corporate transparency and lays emphasis on business ethics in all its dealings. The Company's philosophy on Corporate Governance envisages an attainment of transparency, accountability and equity in all facets of its operations.

The Company is complying with all the mandatory provisions on Corporate Governance as per regulatory requirements.

2. BOARD OF DIRECTORS
2.1 Composition of the Board

The current strength of the Board of Directors of the Company is six which includes one Chairman & Managing Director, one Special Director of Hon'ble BIFR, one Nominee Director of Bank of India (Monitoring Agency) and three Non- Executive Independent Directors. The Company did not have any pecuniary relationship or transaction with Non- Executive Directors.

2.2.1 Board Meetings and attendance:

Twelve Board Meetings were held during 18 months period ended December 31, 2008 and the gap between two Board meetings did not exceed 4 months. The date on which the meetings were held are as follows:

Sr. No.	Date of Meeting	Board Strength	No. of Directors Present
1	2nd July, 2007	5	4
2	27th September, 2007	6	3
3	12th October, 2007	6	5
4	7th December, 2007	6	5
5	28th January, 2008	6	5
6	12th February, 2008	6	4
7	18th March, 2008	6	4
8	28th April, 2008	6	4
9	28th July, 2008	6	5
10	19th September, 2008	6	5
11	16th October, 2008	6	5
12	10th November, 2008	6	5

2.2.2 Directors' attendance record at Board Meetings and their other Directorships and Committee Memberships are as follows:

Name	Category	No. of Board Meeting held during the period when the Director was on the Board	Number of Board Meeting attended	Attendance at the last AGM	No. of Other Directorship #	No. of Membership of Board Committee	No. of Board Committee for which Chairman
Mr. R.G. Parikh	Promoter, CMD	12	10	Yes	2	1	1
Mr. S. C. Gurav	NEID	12	12	Yes	Nil	1	2
Mr. R. H. Parihar	NEID	12	1	No	Nil	3	---
Mr. K. Kotadia	NEID	12	10	Yes	2	2	---
Mr. R.V. Iyer	SD	12	12	No	3	1	1
Mr. S.V. Shah*	ND	7	6	No	Nil	Nil	----
Mr. Niteen C Gandhre**	ND	4	4	No	Nil	1	----

CMD: Chairman and Managing Director

NEID: Non Executive Independent Director

Directorships in Private Companies are not included.

* Mr. S.V. Shah was appointed as a Nominee Director by Monitoring Agency Bank of India during the period from 12.09.2007 to 27.07.2008

**Mr. Niteen C. Gandhre, has been appointed as a Nominee Director by Monitoring Agency, Bank of India on 28.07. 2008.


2.2.3. INFORMATION REQUIRED TO BE FURNISHED UNDER THE LISTING AGREEMENT

As required under the Listing Agreement, the particulars of Director who is proposed to be re-appointed are given below.

1. Name	— Mr. Surendra C. Gurav
Age	— 45 years
Qualification	— Dip. in Instrumentation
No. of shares held in the Company	— Nil
Experience	— 18 years
Outside Directorship	— Nil
Chairmanship/ Membership of the Board / Committees	Audit Committee ... Chairman
JK Industries Limited	Remuneration Committee... Member
	Shareholders/Investor
	Grievances/Share transfer
	Committee ... Chairman

3. COMMITTEES OF DIRECTORS OF THE BOARD
3.1 Audit Committee:

- Brief description of terms of reference**

The terms of reference of this Committee are wide enough to cover the matters specified for audit committee in Clause 49 of the Listing Agreement as well as in section 292A of the Companies Act, 1956.

- Composition of the Audit Committee and attendance of members**

The Audit Committee consist of Mr. Surendra C. Gurav as Independent Non-Executive Director, Chairman of the Committee, Independent Non-Executive Director Mr. Ramesh H. Parihar Independent Non-Executive Director, Mr. Kartik Kotadia Independent Non-Executive Director and Mr. R.V. Iyer Special Director of Hon'ble BIFR as members.

The Chairman of the Committee had attended the last Annual General Meeting.

The Company Secretary acts as the Secretary of the Committee. The Managing Director Shri R.G. Parikh is permanent invitee to the meeting of the Audit Committee.

The Minutes of the Audit Committee Meetings are noted at the Board Meeting.

The Audit Committee met six times during the 18 months period ended December 31, 2008 and the gap between two meetings did not exceed 4 months.

Sr. No.	Date of Meeting	Committee Strength	No. of Members
1	27 th September, 2007	4	2
2	12 th October, 2007	4	3
3	28 th January, 2008	4	3
4	28 th April, 2008	4	3
5	28 th July, 2008	4	3
6	16 th October, 2008	4	3

The attendance of the Members were as under:—

Sr. No.	Name of Members	Position	No. of Meeting held during 18 months period	No. of Meeting attended
1	Mr. Surendra C. Gurav	Chairman	6	6
2	Mr. Ramesh H. Parihar	Member	6	1
3	Mr. Kartik Kotadia	Member	6	4
4	Mr. R.V. Iyer	Member	6	6

Subsidiary Companies

The Audit Committee also reviewed the financial statements of the subsidiary companies.

3.2 Remuneration Committee

- Brief description of terms of reference**

The terms of reference of the remuneration committee inter alia consists of formulating a remuneration policy of the Company and review HR policies.

- Composition of Remuneration Committee and attendance of members**

The Remuneration Committee comprises of two Non-executive and Independent Directors i.e. Mr. Surendra C. Gurav and Mr. Ramesh H. Parihar and Chairman of the Committee is Mr. R.G. Parikh, Chairman and Managing Director of the Company.

The Committee did not meet during the 18 months period ended December 31, 2008.

- Remuneration of Directors**

Mr. Rajendra G. Parikh has waived remuneration payable to him as Managing Director vide letter dated 15th June, 2006.

Mr. R.V. Iyer was paid total sitting fees of Rs. 1,85,000/-.

The Non- Executive Independent Directors do not draw remuneration from the Company. Also except Mr. R.V. Iyer no sitting fees is being paid for attending meetings of the Board /Committee.

3.3 Shareholders'/Investors' Grievance Committee

- Brief description of terms of reference**

The Board of Directors of the Company has constituted the Investor Grievance Committee. The Committee specifically redresses the grievances of the shareholders. The term of reference of shareholders Grievance Committee inter-alia consider the following matters:-

To approve transfer, transmission, sub-division and issue of duplicate/re-materialization of shares and for redressal of investors complaints.

Mr. Prakash B. Chavan is the Compliance Officer nominated for this purpose under Clause 47(a) of the Listing Agreement.

- Composition of Shareholders'/Investors' Grievance Committee and attendance of members**

The Chairman of the Committee is a Non-Executive Independent Director. The composition of the Committee and their attendance at the Committee meetings held during the 18 months period ended December 31, 2008 are as under

Sr. No.	Name of Members	Position	No. of Meeting held during 18 months period	No. of Meeting attended
1	Mr. Surendra C. Gurav	Chairman	52	52
2	Mr. Ramesh H. Parihar	Member	52	5
3	Mr. Kartik Kotadia	Member	52	52

During the 18 months period ended December 31, 2008, 10 complaints were received from the shareholders. There was no outstanding complaint as on December 31, 2008 .

3.4 Asset Sale Committee

- Brief description of terms of reference**

The Board of Directors of the Company has constituted the Asset Sale Committee. The terms of reference of the Asset Sale Committee inter alia consist of dealing with matter relating to sale of assets which is



no more useful to the Company.

Composition of Asset Sale Committee and attendance of members

The composition of the Committee and their attendance at the Committee meetings held during the 18 months period ended December 31, 2008 are as under :

Sr. No.	Name of Members	Position	No. of Meeting held during 18 months period	No. of Meeting attended
1	Mr. R.V. Iyer	Chairman	1	1
2	Mr. Niteen C. Gandhre	Member	1	1
3	Mr. Rajendra G. Parikh	Member	1	1

The Committee met once during the 18 months period ended December 31, 2008.

The Company Secretary acts as the Secretary of the Committee.

The Minutes of the Asset Sale Committee Meeting are noted at the Board Meeting.

4. INFORMATION ON GENERAL MEETINGS

4.1 Annual General Meeting

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

Financial Year	Venue	Date	Time	Special Resolution Passed
2006-07	Pada No. 3, Balkum, Thane (W), Thane - 400 608	10.11.2007	9.30 A.M.	None
2005-06	Pada No. 3, Balkum, Thane (W), Thane - 400 608	11.12.2006	9.30 A.M.	Yes
2004-05	Pada No. 3, Balkum, Thane (W), Thane - 400 608	07.11.2005	9.30 A.M.	None

4.2 Extra Ordinary General Meeting

In addition to Annual General Meeting, the Company holds Extra Ordinary General Meetings of the Shareholders as and when need arises.

The last 3 Extra Ordinary General Meeting of the Company were held as under:

Date	Venue	Whether any special resolution passed
10 th June, 2006 9.30 AM	Pada No. 3, Balkum, Thane (West), Thane - 400 608	Yes
18 th November, 2004 9.30 AM	"Conference Hall", Oriten Service Apartment, Chandivali Studio Road, D.P.Road No. 2, Andheri (East), Mumbai - 400 072	Yes
10 th June, 2004 9.30 AM	"Cultural Hall", Y.B. Chavan Centre, General J. Bhosale Marg, Sachivalaya Gymkhana, Nariman Point, Mumbai - 400 021	Yes

4.3 Postal ballot

During the 18 months period ended December 31, 2008, no resolution was put through postal ballot nor any resolution is proposed to be passed through postal ballot at the ensuing Annual General Meeting.

5. CODE OF CONDUCT:

In line with the amended Clause 49 of the listing agreement, the Company adopted a Code of Conduct and ethics for its Directors and Senior Executives. All the Board Members and Senior Management personnel have affirmed compliance with the Code of Conduct for the 18 months period ended December 31, 2008. The Code of Conduct of the Company has been posted on the website at <http://www.jik.co.in> for general viewing.

6. DISCLOSURE

i. Related Party Transactions

In terms of the Accounting Standard (AS) 18, "Related Party Disclosures" issued by the Institute of Chartered Accountants of India, the Company has identified the related parties covered therein and details of transactions with such related parties have been disclosed in the Note No. 14 to Schedule O - Notes to Accounts of the Annual Report for the 18 months period ended 31st December, 2008.

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

ii. There were no instances of non-compliance by the Company, penalties, strictures imposed on the company by Stock Exchanges or SEBI or any statutory authority on any matter related to the capital market during the last three years.

iii. Disclosure of Accounting Treatment

The financial statements have been prepared in accordance with applicable Accounting Standards and relevant presentational requirement of the Companies Act, 1956 and are based on the historical cost convention.

iv. The Company is regularly complying with all the mandatory requirements of Clause 49 of the Listing Agreement regarding Board Composition, Code of Conduct, Audit Committee, quarterly and annual disclosures etc. The Company has adopted the non-mandatory requirement of remuneration committee.

v. The Company does not have a Whistle Blower Policy. However, no personnel of the company has been prevented from reporting to the Management any misconduct observed by her/ him.

vi. Shareholding of the Non-Executive Directors

The shareholding of the Non-Executive Directors of the Company as on 31.12.2008 are as under:

Sr. No.	Name of Director	No. of Equity Shares
1	Mr. Surendra C. Gurav	Nil
2	Mr. Ramesh H. Parihar	1500
3	Mr. Kartik K. Kotadia	Nil
4	Mr. R.V. Iyer	Nil
5	Mr. Niteen C. Gandhre	Nil

7. MEANS OF COMMUNICATION:

i. Half-yearly reports of the company are not sent to each household of the shareholders. Shareholders were intimated through the press and the Company's website <http://www.jik.co.in> about the quarterly performance



JIK INDUSTRIES LIMITED

and financial results of the Company.

- ii. The quarterly un-audited financial results and annual audited financial results are generally published in the English and Vernacular news papers. These results are published in Free Press Journal and Navshakti. The results are sent to the stock exchanges on which the Company is listed in the prescribed format so as to enable the respective stock exchanges to put the same on their own Website.
- iii. The Stock Exchanges are notified of any important developments that may materially effect the working of the Company.
- iv. The Company results and official news release are displayed on the Company's website <http://www.jik.co.in>
- v. No presentations were made to any institutional investors or analysts etc.
- vi. A Management Discussion and Analysis Report, which forms a part of the Annual Report, is given by means of a separate Annexure and is attached to the Directors Report.

8. GENERAL SHAREHOLDERS INFORMATION:

Detailed information in this regard provided in the shareholder information section forms part of this Annual Report.

8.1 Annual General Meeting

Date and Time: 23rd June, 2009 at 9.30 a.m.

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

8.2 Financial calendar

Financial Year: 1st Jan 2009 to 31st December, 2009

Results: 1st Quarter Results – April, 2009

2nd Quarter Results - July, 2009

3rd Quarter Results - October 2009

Audited Annual Results – March, 2010

8.3 Book closure date

The Book Closure is from 20.06.2009 to 23.06.2009 (both the days inclusive).

8.4 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

The Company has paid Annual Listing Fees for the year 2008-2009 to the above Stock Exchanges.

8.5 Stock code

Bombay Stock Exchange Limited: 511618

National Stock Exchange of India Limited: JIKIND

8.6 Market price data

High/Low during each month of the 18 months period ended December 31, 2008, on the Bombay Stock Exchange Limited and National Stock Exchange of India Limited

Month	Bombay Stock Exchange Limited		National Stock Exchange of India Limited	
	High (Rs.)	Low (Rs.)	High (Rs.)	Low (Rs.)
July 2007	10.60	8.23	10.50	8.25
Aug 2007	9.90	7.72	9.85	7.80
Sept 2007	9.68	7.90	9.65	7.90
Oct 2007	9.40	7.34	9.10	7.45
Nov 2007	10.00	6.85	10.05	6.80
Dec 2007	15.12	8.51	15.50	8.55
Jan 2008	19.60	8.43	19.50	8.45
Feb 2008	10.55	7.80	10.65	7.75
Mar 2008	8.17	5.15	8.20	5.15
Apr 2008	7.46	6.34	7.50	6.25
May 2008	6.64	5.20	6.60	5.20
June 2008	5.73	4.04	5.55	4.00
July 2008	4.50	3.28	4.75	3.25
Aug 2008	4.90	3.40	5.20	3.35
Sept 2008	4.60	2.79	4.40	2.90
Nov 2008	12.28	4.25	12.30	6.45
Dec 2008	15.00	8.40	14.60	9.50

8.7 Details of complaints / queries received and redressed during 1st July, 2007 to 31st December, 2008

Number of shareholders complaints / queries received	10
Number of shareholders complaints / queries redressed	10
Number of shareholders complaints / queries pending	NIL

8.8 Registrars and transfer agents

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

Sharex Dynamic (India) Private Limited

Unit No. 1, Luthra Industrial Premises,

Andheri –Kurla Road, Safed Pool, Andheri (East), Mumbai- 400072.

Tel. Nos. 022-2851 5606/5644 Fax No. 022- 2851 2885

8.9. Share Transfer System

All valid share transfer are registered and duly transferred share certificates are despatched within the period prescribed under the Listing agreement.

8.10 Distribution of shareholding as on 31st December, 2008

No. of Shares	No. of holders	% of holders	Total Share	% of Amount
Up to 100	13331	82.41	434975	1.79
101 to 200	1464	9.05	219402	0.90
201 to 500	847	5.24	281068	1.16
501 to 1000	263	1.63	191607	0.79
1,001 to 5,000	220	1.36	445363	1.83
5,001 to 10,000	19	0.12	138370	0.57
10001 to 1,00,000	21	0.13	613065	2.52
1,00,001 & above	11	0.07	21960645	90.43
Total	16176	100.00	24284495	100.00



JIK INDUSTRIES LIMITED

8.11 Categories of shareholders as on 31st December, 2008

Sr. No.	Holding Pattern	No. of Shares	Percentage
1	Promoters & Associates	5286049	21.77%
2	Financial Institutions / Banks / Insurance / Mutual Funds	617519	2.54%
3	NRI/OCB	115868	0.48%
4	Private Corporate Bodies	16667195	68.63%
5	Indian Public	1597864	6.58%
Total		24284495	100.00%

Declaration of CEO

This is to certify that the Company has laid down Code of Conduct for all Board Members and Senior Management of the Company. Further certified that Members of the Board and Senior Management Personnel have affirmed their compliance with the Code for 18 months period ended December 31, 2008.

Place: Mumbai
Date: 26th March, 2009

R.G. Parikh
Chairman & Managing Director

8.12 Dematerialization of shares

The shares of the Company are compulsorily traded in dematerialized form and are available for trading on both the Depository Systems in India - National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) .

As on 31st December 2008, a total of 77, 23,726 equity shares of the Company, which forms 31.80% of the Equity Capital stands dematerialized.

Under the depository system, the ISIN allotted to the company's equity shares is: **INE 026B01049**

8.13 Reduction of Shares

As per the Order of the Hon'ble BIFR, the Company has completed the process of reduction in capital in the ratio of 10:1 as on Record Date 10/10/2008 and sale proceed of fractional shares distributed to the shareholders in proportion to their respective fractional entitlements.

8.14 Outstanding GDR/ADR or any convertible instrument:

The Company has not issued any GDRs /ADRs. The Fully Convertible Bonds were issued by the Company and the said Bonds had converted in to equity .There are no convertible Bonds outstanding as on date.

8.15 Location of manufacturing plant

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

8.16 Investors' correspondence may be address to:

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

For further assistance :

Mr. P.B.Chavan
Compliance Officer
JIK Industries Limited
1,2,3 & 16, Gundecha Chambers, Fort,
Nagindas Master Road, Fort, Mumbai-400023

9. Non mandatory Clauses

The Company has not adopted any of the non-mandatory requirement except the remuneration committee as mentioned in clause 2 of Annexure-1D of Clause 49 of the Listing Agreement.

10. Compliance Certificate of the Auditors

The Auditors' Certificate of Compliance of Corporate Governance as per Clause 49 of the Listing Agreement with Stock Exchange is annexed to the Directors' Report .

FOR AND ON BEHALF OF THE BOARD

Place: Mumbai
Date: 26th March, 2009

R.G. Parikh
Chairman & Managing Director



JIK INDUSTRIES LIMITED

CEO CERTIFICATION

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

- a. I have reviewed the financial statements and Cash Flow Statement for the 18 months period ended December 31, 2008 and that to the best of my 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 my knowledge and belief, no transactions entered into by the Company during the 18 months period ended December 31, 2008 are fraudulent, illegal or violative of the Company's code of conduct.
- c. I accept responsibility for establishing and maintaining internal controls for financial reporting and I have evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting. Deficiencies in the design or operation of such internal controls, if any, proper steps have been taken to rectify these deficiencies.
- i. There has not been any significant change in accounting policies during the 18 months period ended December 31, 2008 requiring disclosure in the notes to the financial statements; and
- ii. I am not aware of any instance during the 18 months period ended December 31, 2008 of significant fraud with involvement therein of the management or any employee having a significant role in the Company's internal control system over financial reporting.

Place: Mumbai
Date: 26th March, 2009

R.G. Parikh
Chairman & Managing Director

AUDITORS CERTIFICATE ON CLAUSE 49 COMPLIANCE

To,
The Members of
JIK Industries Limited,

We have reviewed the records concerning the Company's compliance of conditions of Corporate Governance as stipulated in Clause 49 of the Listing Agreement entered into, by the Company with the Stock Exchanges, for the period ended 31st December, 2008.

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

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

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

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

For **MOTILAL & ASSOCIATES**
CHARTERED ACCOUNTANTS

Place: Mumbai
Date: 26th March, 2009

(M.L. JAIN)
PROPRIETOR
MEMBERSHIP NO.: 36811

AUDITORS' REPORT

AUDITORS' REPORT TO THE MEMBERS OF JIK INDUSTRIES LIMITED

1. We have audited the attached Balance Sheet of M/s **JIK INDUSTRIES LIMITED** as at 31st December, 2008, the Profit and Loss Account and the Cash Flow Statement of the Company for the period ended on that date, both annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with auditing standards generally accepted in India. These Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatements. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditors' Report) Order, 2003, issued by the Central Government in terms of Section 227(4A) of the Companies Act, 1956, we enclose in the Annexure, a statement on the matters specified in paragraphs 4 and 5 of the said Order.
4. Further to our comments in the Annexure referred to in paragraph 3 above, we report as follows:
 - a. We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - b. In our opinion, proper books of account as required by law have been kept by the company so far as appears from our examination of those books;
 - c. The Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report are in agreement with the books of account;
 - d. In our opinion, the Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report are in compliance with the accounting standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956;
 - e. In our opinion and to the best of our information and according to the explanations given to us, the said accounts give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:
 - i) In the case of the Balance Sheet, of the state of the affairs of the Company as at 31st December, 2008;
 - ii) In the case of the Profit & Loss Account, of the Loss of the Company for the period ended on that date and
 - iii) In the case of the Cash Flow Statement, of the Cash Flows of the Company for the period ended on that date.
 - f. On the basis of written representations received from the directors, as on 31st December, 2008 and taken on record by the Board of Directors, we report that none of the directors are disqualified as on 31st December, 2008, from being appointed as a director in terms of section 274 (1) (g) of the Companies Act, 1956.

For **MOTILAL & ASSOCIATES**
CHARTERED ACCOUNTANTS

Place: Mumbai
Date : 26th March, 2009

(M.L. JAIN)
PROPRIETOR
MEMBERSHIP NO. 36811