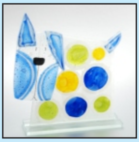
JIK Industries Limited



ANNUAL REPORT 2011-12

CORPORATE INFORMATION

BOARD OF DIRECTORS

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

COMPANY SECRETARY
Shreya G. Sanyashi

AUDITORS
M/s Motilal & Associates
Chartered Accountants, Mumbai

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

ADMINISTRATIVE OFFICE
1, 2, 3, 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

NOTICE

NOTICE is hereby given that Twentieth Annual General Meeting of the members of the Company will be held on Monday, 24th December, 2012 at 3.30 p.m. at Golden Swan Country Club, Off Pokhran Road No. 1, Yeoor Hills, Thane - 400 602 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 30th June, 2012 (12 months), Statement of Profit and Loss Account and the Cash Flow Statement for the year ended on that date along with the Schedules forming part of the accounts and annexure thereto, Report of the Directors and the Auditors thereon.
2. To appoint a director in place of Mr. Manoj P. Unadkat 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** 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 at remuneration to be agreed between Auditors and Audit Committee of the Board of Directors."

By Order of the Board

Place: Mumbai.
Date: 12th November, 2012

Shreya G. Sanyashi
Company Secretary

NOTES:

1. A MEMBER ENTITLED 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. The information as required to be provided under the Listing Agreement entered into with stock exchanges, regarding the Directors who are proposed to be appointed/reappointed is given.
3. The Register of Members and Share transfer Books of the company will remain closed from 17th December, 2012 to 24th December, 2012 (both days inclusive).
4. 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
5. 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.
6. Members/Proxies should bring the attendance slip duly filled in for attending the meeting.

Registered Office: **By order of the Board**
Pada No. 3, Balkum,
Thane (West), Thane – 400608

Place: Mumbai **Shreya G. Sanyashi**
Date: 12h November, 2012 **Company Secretary**

INFORMATION REGARDING DIRECTORS SEEKING RE-APPOINTMENT IN THE TWENTIETH ANNUAL GENERAL MEETING

As required under clause 49 of the Listing Agreement, the particulars of Director who is proposed to appointed/re-appointed are given below:

Name of the Director	Manoj P. Unadkat
Date of Appointment/reappointment	31/01/2011
Qualification	B. A., LLB
Experience working as Advocate.	Since 1980 he is Around 32 years of experience.
Directorships held in other public Companies	NIL
Chairmanship/ Memberships of the committees of the Board of other public Companies	NIL
No. of shares held in the Company	66

Directors' Report

The Members of JIK Industries Limited,

Your Directors are pleased to present herewith Twentieth Annual Report together with the Audited Statements of Accounts of the Company for the Twelve months period ended 30th June, 2012.

OPERATIONS

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

FINANCIAL HIGHLIGHTS

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

(Amount in Rupees)

Particulars	**Year ended 30th June, 2012** (12 months)	Period ended 30th June, 2011 (15 months)
Sales & Other Income	**28,05,31,006**	49,85,56,926
Total Expenses	**26,16,83,927**	44,93,63,528
Gross Profit/ (Loss)	**1,88,47,079**	491,93,398
Interest and Finance Charges	—	—
Depreciation and Amortization	**48,47,538**	60,54,149
Profit / (Loss) before Taxes and Extra Ordinary Items	**1,39,99,541**	4,31,39,249
Provision for Taxes - Deferred Tax	**(6,22,957)**	(1,04,72,873)
Profit / (Loss) Before Extra Ordinary Items	**1,46,22,498**	5,36,12,122
Extra Ordinary Items	—	—
Net Profit after Tax	**1,46,22,498**	5,36,12,122

PUBLIC DEPOSIT

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

DIRECTORS

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

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

AUDITORS

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

SUBSIDIARY COMPANIES

In pursuance of Rehabilitation Scheme (2008-2017) given by the Hon'ble BIFR, the Company has attached its consolidated financial statements.

The annual accounts of the subsidiary companies shall be made available to the shareholders of the Company and its subsidiaries on request. They are also available for inspection by the members at the Company's administrative office.

CONSOLIDATED FINANCIAL STATEMENTS

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

BRU (Bombay Relief Undertaking)

The Government of Maharashtra vide Notification No. BRU.2011/C.R. (406/11)/Ind-10 dated February 7, 2012 has declared the Company as "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 this Annual Report.

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

PARTICULARS OF EMPLOYEE

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

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

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

DIRECTORS RESPONSIBILITY STATEMENT

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

i. in the preparation of the financial statements, the applicable accounting standards had been followed and there is no material departure;

ii. appropriate accounting policies have been selected and applied consistently and have made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 30th June, 2012 and of the profit of the Company for the period ended on that date;

iii. proper and sufficient care has been taken for maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956, for safeguarding of the assets of the Company and for preventing and detecting fraud and other irregularities;

iv. the financial statements for 12 months period ended 30th June, 2012 have been prepared on a ‘going concern basis’.

CASH FLOW STATEMENT:

In conformity with the provisions of Clause 32 of the Listing Agreement with the Stock Exchanges, the Cash Flow Statement for the financial period ended 30th June, 2012 is annexed herewith.

INFORMATION UNDER LISTING AGREEMENT WITH STOCK EXCHANGES

DEMATERIALISATION OF SHARES

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

As on 30th June, 2012 a total of 65720545 equity shares of the Company, which form 90.47 % of the equity share capital, stand dematerialized.

In accordance with Circular No. D&CC/FITTC/CIR-16-2002 dated December 31, 2002 of Securities and Exchange Board of India, Secretarial Audit Report for the quarters ended September 30, 2011, December 31, 2011, March 31, 2012 and June 30, 2012 have been obtained from Company Secretary in whole time practice.

LISTING OF SECURITIES OF COMPANY

The equity shares of your Company continue to be listed on The Bombay Stock Exchange Limited and The National Stock Exchange of India Limited. The listing fee for the year 2012-13 has been paid to both the exchanges.

ACKNOWLEDGEMENT

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

For and on behalf of the Board

Place: Mumbai
Dated: 29th August, 2012

Rajendra G. Parikh
Chairman & Managing Director

ANNEXURE I – TO DIRECTORS' REPORT

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

FORM – A (see Rule 2)

Form of Disclosure of particulars with respect to Conservation of Energy

	Year ended 30th June, 2012 (12 months)	Period ended 30th June, 2011(15 months)
A. Power and fuel consumption		
1. Electricity:		
(a) Purchased		
Units (KWH)	17167	27403
Total Amount (Rs)	343431	341842
Rate per Unit (Avg.)	7.45	5.25
(b) Own generation		
(i) Through diesel generator:		
Units (KWH)	Nil	Nil
Units per Ltr. of Diesel oil	Nil	Nil
Cost per unit (Rs.)	Nil	Nil
2. Coal (specify quality and where used)	Nil	Nil
3. Furnace Oil/Gas	Nil	Nil
4. Others/Internal Generation	Nil	Nil

B. Consumption per unit of production:

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

FORM - B

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

The Company has done Research & Development Activity especially in new designs, new developments and products.

Technology Imported:

a) Technology imported from Reci Industri AB of Sweden and Lindhsammar Glasbruk AB of Sweden.