

REPORT ON CORPORATE GOVERNANCE

1. COMPANY'S PHILOSOPHY ON CODE OF CONDUCT

The Company is committed to benchmarking itself with the best in all areas including Corporate Governance. The Company's philosophy of Corporate Governance is aimed at strengthening the confidence among shareholders, customers, employees and ensuring a long - term relationship of trust by maintaining transparency and disclosures. The Company believes in maintaining highest standards of quality and ethical conduct, in all the activities of the Company.

2. BOARD OF DIRECTORS

a) Composition:

The Board of Directors provides strategic direction and thrust to the operations of the Company. As on 31st March, 2013, the Board of Directors comprised of total five Directors, out of which three are Independent Directors and two are Non-Executive Non Independent Directors. The Company complies with the norms prescribed under Clause 49 of the Listing Agreement for constitution of Board of Directors.

None of the Independent Directors has any other material pecuniary relationship or transaction with the Company, its Promoters, its Directors, its senior management, which would affect their independence.

Further, none of the Directors on the Board is a member of more than 10 Committees and Chairman in more than 5 Committees, across all companies in which they are director.

b) Board Procedure:

The agenda is prepared in consultation with the Chairman of the Board and the Chairman of the other committees. The agenda for the meetings of the board and its committees, together with the appropriate supporting documents, are circulated well in advance of the meeting.

Matters discussed at Board meeting generally relates to Company's performance, quarterly /half yearly results of the Company, review of the reports of the Internal Auditors, Audit Committee and compliances with their recommendations, suggestions, non compliance of any regulatory, statutory or listing requirements etc.

c) Attendance at the Board Meetings and the last Annual General Meeting:

The Board Meeting dates are decided well in advance and communicated to Directors to enable them to plan for their schedule in order to attend the meetings.

During the year under review, the Board of Directors met 4 (Four) times viz. 18th May, 2012, 8th August, 2012, 8th November, 2012 and 7th February, 2013.

The details of composition and category of Directors, their attendance at each Board meeting held during the financial year 2012-2013 and at the last Annual General Meeting, their directorships in other companies and membership / chairmanship in committees are as follows:

Name	Category	Attendance at Board Meetings		Directorship in other Public Limited Companies ¹	Membership / Chairmanship of Committees ² (including Company)		Attendance at A.G.M. held on 13 th September, 2012
		Held	Attended		Chairman	Member	
Mr. Raghu Mody	Non-Executive & Non Independent	4	3	4	-	3	Yes
Mr. Varunn Mody	Non-Executive & Non Independent	4	4	1	-	-	No
Mr. Atul Tandan	Independent	4	4	2	1	1	Yes
Mr. Shamsunder Aggarwal	Independent	4	-	1	-	1	Yes
Mr. Sanjay Kothari	Independent	4	4	3	1	1	No
Lt. Gen. (Retd.) K.S. Brar (Upto 18 th May, 2012)	Independent	NA	NA	-	-	-	NA

1. The directorship held by directors as mentioned above do not include Alternate Directorships and Directorships of Foreign Companies, Section 25 Companies and Private Companies except of the director who has resigned during the year and for whom details as on 31st March, 2013 are not available.

2. Membership/Chairmanship of only the Audit Committee and Share Transfer and Investor Grievance Committee of all public Limited Companies have been considered.

3. AUDIT COMMITTEE

As on 31st March, 2013, the Committee comprised of three independent Directors having financial background and knowledge in the business of the Company.

The Audit Committee met four times viz. 18th May, 2012, 8th August, 2012, 8th November, 2012, 7th February, 2013 during the year under review. The number of meetings attended by each member during the year ended 31st March, 2013 is as follows:

Name of the member	Designation	No. of Meetings	
		Held	Attended
Mr. Sanjay Kothari	Chairman	4	4
Mr. Atul Tandan	Member	4	4
Mr. Shamsunder Aggarwal (w.e.f. 18 th May, 2012)	Member	4	-
Lt. Gen. (Retd.) K.S. Brar (Upto 18 th May, 2012)	Member	NA	NA

Mr. Sohan Sarada, General Manager - Finance & Compliance Officer (Manager under Companies Act, 1956) of the Company acts as Secretary to the Committee.

The terms of reference of this Committee are wide. Besides having access to all the required information from within the Company, the Committee acts as a link between the Statutory and Internal Auditors and the Board of Directors of the Company. The brief description of terms of reference are as follows:

- Overseeing the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
- Reviewing with management, the annual financial statements before submission to the Board for approval with particular reference to:
 - Matters required to be included in the Directors' Responsibility Statement are included in the Directors' Report in terms of clause (2AA) of Section 217 of the Companies Act, 1956.
 - Changes, if any, in accounting policies and practices and reasons for the same.
 - Major accounting entries involving estimates based on the exercise of judgment by the management.
 - Significant adjustments made in the financial statements arising out of audit findings.
 - Compliance with listing and other legal requirements relating to financial statements.
 - Disclosure of related party transactions.
 - Qualifications in draft audit report.
- Review with management quarterly/half yearly/yearly financial statements before submission to the Board for approval.
- Recommending the appointment/re-appointment/removal of statutory auditors, fixation of audit fees and also approval of payments for any other services.
- Reviewing with management, Statutory and internal auditor's adequacy of the internal control systems.
- Discussing with internal and statutory auditors of any significant findings and follow-up thereon and reviewing the reports furnished by them.
- Reviewing the Company's financial and risk management policies.
- Compliance with the Stock Exchanges and legal requirements concerning financial statements.
- Carrying out such other function as may be specifically referred to the Committee by the Board of Directors and/ or other Committees of Directors of the Company.

4. REMUNERATION COMMITTEE

The broad terms of reference of the remuneration committee are to recommend the Company's policy on remuneration packages for the Managing Director / Executive Directors, reviewing the structures, design and implementation of remuneration policy in respect of key management personnel.

During the financial year 2012-13, no Remuneration Committee meeting was held.

The Remuneration Committee comprises as follows:

Name of the member	Designation
Mr. Shamsunder Aggarwal	Chairman (w.e.f. 18 th May, 2012)
Mr. Atul Tandan	Member
Mr. Sanjay Kothari (w.e.f. 18 th May, 2012)	Member
Lt. Gen. (Retd.) K.S. Brar (Upto 18 th May, 2012)	Chairman

Mr. Sohan Sarda, General Manager - Finance & Compliance Officer (Manager under Companies Act, 1956) of the Company acts as Secretary to the Committee. None of the Non - Executive Directors are being paid any remuneration except sitting fees.

Details of remuneration/Sitting fees/ paid to Directors during the year ended 31st March, 2013 and shares held by them on that date are as follows:

Name of Director	Salary (₹)	Perquisites or Allowances (₹)	Contribution to PF & others (₹)	Stock option	Sitting fees (₹)	No. of shares held
Mr. Raghu Mody	Nil	Nil	Nil	Nil	30,000	250
Mr. Atul Tandan	Nil	Nil	Nil	Nil	60,000	100
Mr. Varunn Mody	Nil	Nil	Nil	Nil	20,000	135
Mr. Shamsunder Aggarwal	Nil	Nil	Nil	Nil	Nil	Nil
Mr. Sanjay Kothari	Nil	Nil	Nil	Nil	60,000	Nil

5. INVESTORS' GRIEVANCE CUM SHARE TRANSFER COMMITTEE

The Investors' Grievance cum Share Transfer Committee met four times viz. 18th May, 2012, 8th August, 2012, 8th November, 2012, 7th February, 2013 during the year under review. The composition of the Investors' Grievance cum Share Transfer Committee as on 31st March, 2013 and the number of meetings attended by each member during the year ended on that date is as follows:

Name of the Member	Designation	No. of Meetings	
		Held	Attended
Mr. Atul Tandan	Chairman (w.e.f. 18 th May, 2012)	4	4
Mr. Raghu Mody	Member	4	3
Mr. Sanjay Kothari	Member	4	4
Lt. Gen. (Retd.) K.S. Brar (Upto 18 th May, 2012)	Chairman	NA	NA

Mr. Sohan Sarda General Manager- Finance & Compliance Officer (Manager under Companies Act, 1956) of the Company acts as Secretary to the Committee.

The Committee meets as and when required to deal with the matters relating to monitoring and redressal of complaints from shareholders relating to transfer, non -receipt of Annual Report, etc.

The Committee is also empowered to consider and approve the physical transfers, transmissions, transposition, issue of duplicate certificates, consolidation / split / renewal of share certificates etc.

At the beginning of the year	Received during the year	Resolved during the year	Pending
-	60	60	-

Name and Designation of Compliance Officer

Mr. Sohan Sarda, General Manager - Finance (Manager under Companies Act, 1956) is the Compliance Officer of the Company.

6. GENERAL BODY MEETINGS

The details of last three Annual General Meetings are given below :

Financial Year	Date of AGM	Time	Location of the meeting
2009 – 2010	9 th September, 2010	11.30 A.M.	Kala Kunj, 48, Shakespeare Sarani, Kolkata - 700 017
2010 – 2011	5 th August, 2011	12.00 Noon	Kala Kunj, 48, Shakespeare Sarani, Kolkata - 700 017
2011 - 2012	13 th September, 2012	11.00 A.M.	Kala Kunj, 48, Shakespeare Sarani, Kolkata - 700 017

Details of Special Resolutions passed in last three Annual General Meetings:

AGM held on 9th September, 2010: No special resolution passed.

AGM held on 5th August, 2011: For alteration of Articles of Association of the Company.

AGM held on 13th September, 2012:

- For approving the appointment of Mr. Sohan Sarda as Manager of the Company.
- For approving the appointment of Mrs. Sakshi Mody, Relative of Directors as General Manager-Corporate of the Company.

No special resolution was passed through Postal Ballot during the financial year 2012-13. None of the business proposed to be transacted in the ensuing Annual General Meeting require a special resolution passing through Postal Ballot.

7. DISCLOSURES

a) Related party transactions:

Related party transactions are defined as transactions of the Company of material nature had with promoters, directors or with their relatives etc.

The transactions with the related parties, as per the requirements of the Accounting Standard 18, are disclosed in Notes on Accounts, forming part of the Annual Report.

None of the transactions with any of the related parties were in conflict with the interest of the Company.

b) Compliance by the Company:

The Company has complied with the requirements of the Stock Exchanges, SEBI and other statutory authorities on all matters relating to capital market during the last three years. No penalties or strictures have been imposed on the Company by the Stock Exchanges, SEBI or other Statutory Authorities.

Though there is no formal Whistle-Blower Policy, the Company takes cognizance of complaints made and suggestions given by the employees and others. Even anonymous complaints are looked into and whenever necessary, suitable corrective steps are taken. None of the employees were denied to access the Audit Committee.

The Company has laid down a Code of Conduct for the Directors, Senior Management Personnel and Employees of the Company. The code has been posted on the website of the Company. A declaration to the effect that the Directors, Senior Managerial personnel and employees have adhered to the same, signed by Mr. Varunn Mody, Director of the Company forms part of this Annual Report, which along with the certificate from Auditors of the Company on compliance of Clause 49 of the Listing Agreement by the Company is annexed to this Annual Report.

c) Disclosure of Accounting treatment:

In the preparation of the financial statement the Company has followed accounting standards issued by Institute of the Chartered Accountants of India to the extent applicable.

d) Disclosure of Risk management:

The Company has initiated the risk assessment and minimization procedure.

e) CEO / CFO Certification:

A certificate from Mr. Varunn Mody, Director and Mr. Sohan Sarada, General Manager - Finance & Compliance Officer (Manager under Companies Act, 1956) on the financial statements of the Company for year ended 31st March, 2013 was placed before the Board.

f) Review of Directors' Responsibility Statement:

The Board in its report has confirmed that the annual accounts for the year ended 31st March, 2013 have been prepared as per applicable Accounting Standards and policies and that sufficient care has been taken for maintaining adequate accounting records.

8. MEANS OF COMMUNICATION

The Company's quarterly / half yearly/Annual results are published in news papers viz. Financial Express (English) and Aajkal (Bengali). Half yearly reports are not being sent to each household of shareholders. These results are displayed on the Company's website: www.jlmorison.in under investor section. Presentations made to Analysts are also displayed on the website of the Company.

Management Discussion and Analysis is a part of this Annual Report.

9. GENERAL INFORMATION FOR SHAREHOLDERS

a) Date, time and venue of ensuing Annual General Meeting: Date : 24th September, 2013

Time : 11.30 a.m.

Venue : Kala Kunj, 48, Shakespeare Sarani, Kolkata – 700 017

b) Financial Calendar (2013 - 2014):

i) First Quarterly Results	-	by 14 th August, 2013
ii) Second Quarterly Results	-	by 14 th November, 2013
iii) Third Quarterly Results	-	by 14 th February, 2014
iv) Fourth Quarterly / Yearly Results	-	by 30 th May, 2014

c) Date of Book Closure: 23rd September, 2013 to 24th September, 2013 (both days inclusive)

d) Dividend payment date: Credit/dispatch between 3rd October, 2013 and 7th October, 2013

e) Listing on Stock Exchanges:

1. BSE Limited, P. J. Towers, Dalal Street, Fort, Mumbai – 400 001
2. The Calcutta Stock Exchange Association Limited, 7, Lyons Range, Kolkata – 700 001
3. Bangalore Stock Exchange Limited, Stock Exchange Towers, No. 51, 1st Cross, J. C. Road, Bangalore – 560 027

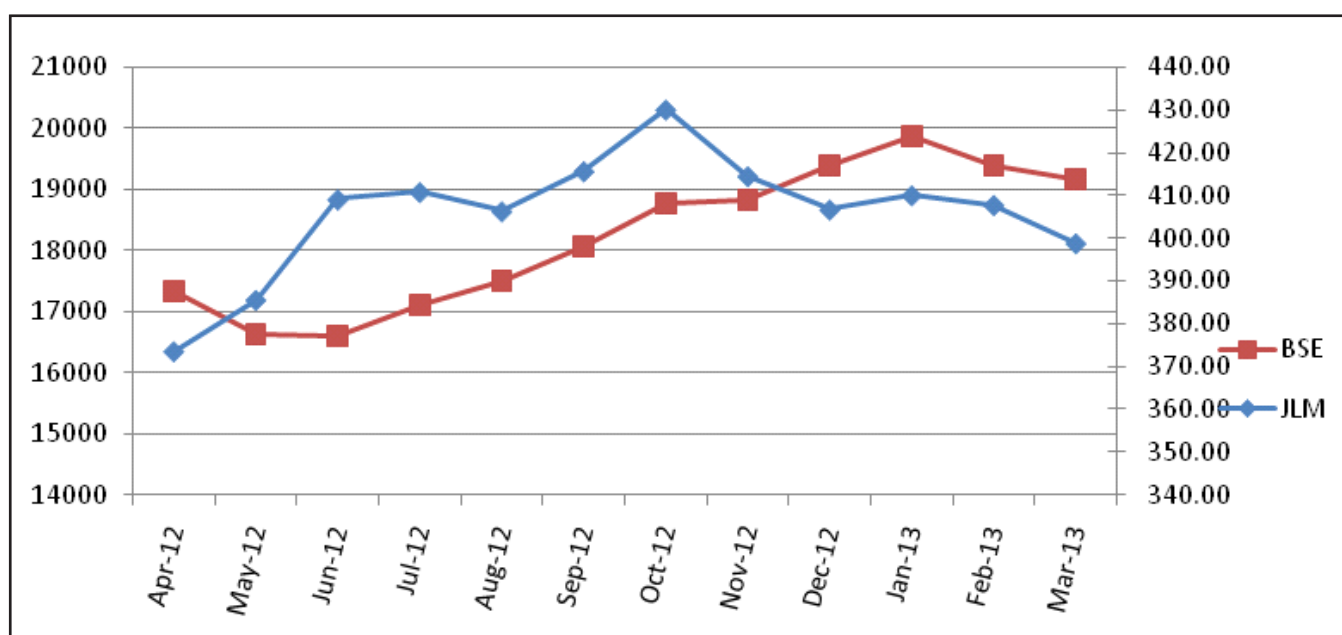
f) **Stock Code:** BSE Ltd. – 506522

g) **ISIN for NSDL & CDSL:** INE430D01015

h) **Stock Market Price Data:** The monthly high and low quotations of shares traded on the BSE Limited, Mumbai during each month in financial year 2012 - 2013 are as follows:

Month	Volume* (No. of Shares)	Price of shares of the Company at BSE (₹)*		BSE Sensex*	
		High	Low	High	Low
April - 2012	22359	394.80	352.05	17,664.10	17,010.16
May - 2012	8934	406.00	365.00	17,432.33	15,809.71
June - 2012	5423	433.00	385.00	17,448.48	15,748.98
July - 2012	10974	436.50	385.00	17,631.19	16,598.48
August - 2012	4359	422.40	390.05	17,972.54	17,026.97
September - 2012	2507	440.00	391.25	18,869.94	17,250.80
October - 2012	1754	462.00	398.10	19,137.29	18,393.42
November - 2012	17530	436.90	392.00	19,372.70	18,255.69
December - 2012	1727	420.00	393.30	19,612.18	19,149.03
January - 2013	2223	425.00	395.00	20,203.66	19,508.93
February - 2013	3673	425.25	390.20	19,966.69	18,793.97
March - 2013	1528	422.00	375.50	19,754.66	18,568.43

*Source: www.bseindia.com



i) Share Transfer System:

All shares sent or transferred in physical form are registered by the Registrar and Share Transfer Agents (RTA) within 15 days of the lodgment, if documents, are found in order. Shares under objection are returned within two weeks. All requests for dematerialization of shares processed and the confirmation is given to the respective depositories i.e. National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) within 15 days.

j) Category wise distribution of Equity shareholding as at 31st March, 2013:

	Category	Number of shares held	Percentage of Shareholding (%)
(A)	Shareholding of Promoter and Promoter Group		
	(1) Indian		
	(a) Individuals/ Hindu Undivided Family	385	0.03
	(b) Central Government/ State Government(s)	-	-
	(c) Bodies Corporate	9,57,097	70.11
	(d) Financial Institutions/ Banks	-	-
	(e) Trust	25,200	1.85
	Sub-Total (A)(1)	9,82,682	71.99
	(2) Foreign		
	(a) Individuals (Non-Resident Individuals/ Foreign Individuals)	-	-
	(b) Bodies Corporate	-	-
	(c) Institutions	-	-
	(d) Any other (specify)	-	-
	Sub-Total (A)(2)	-	-
	Total Shareholding of Promoter and Promoter Group (A)= (A)(1)+(A)(2)	9,82,682	71.99
(B)	Public shareholding		
	(1) Institutions	-	-
	Sub-Total (B)(1)	-	-
	(2) Non-institutions		
	(a) Bodies Corporate	1,26,745	9.29
	(b) Individuals -		
	i. Individual shareholders holding nominal share capital up to ₹ 1 lac.	1,88,077	13.78
	ii. Individual shareholders holding nominal share capital in excess of ₹ 1 lac.	66,508	4.87
	(c) Non Resident Indians	1,022	0.07
	(d) Foreign Corporate Bodies	-	-
	Sub-Total (B)(2)	3,82,352	28.01
	Total Public Shareholding (B)= (B)(1) +(B)(2)	3,82,352	28.01
	TOTAL (A)+(B)	13,65,034	100.00
(C)	Shares held by Custodians and against which Depository Receipts have been issued	-	-
	GRAND TOTAL (A)+(B)+(C)	13,65,034	100.00

k) Distribution of shareholding as at 31st March, 2013:

Shares From - To	Number of shareholders	% of Total number of shareholders	Total number of shares	% of Total number of shares
1 to 500	3563	97.86	149240	10.93
501 to 1000	35	0.96	27037	1.98
1001 to 5000	18	0.49	28114	2.06
5001 to 10000	5	0.14	34234	2.51
10001 & above	20	0.55	1126409	82.52
Total	3641	100.00	1365034	100.00

l) Dematerialization of shares and liquidity:

About 95.74% shares have been dematerialized as on 31st March, 2013. The Equity Shares of the Company are traded on BSE Limited, The Calcutta Stock Exchange Association Limited and Bangalore Stock Exchange Limited.

The Company has paid the Listing fees for the year 2013 - 2014 to all the stock exchanges on which its shares are listed.

m) Outstanding ADRs, GDRs, Warrants or any convertible instruments, conversion date and impact on Equity:

Your Company has not issued any ADRs, GDRs, warrants or any convertible instruments during the financial year ended 31st March, 2013.

n) Registrar and Share Transfer Agents:**Datamatics Financial Services Ltd.**

Plot No.B-5,
Part B, Cross Lane,
MIDC, Marol, Andheri (East),
Mumbai – 400 093.
Phone : (022) 6671 2151
Fax : (022) 6671 2161
e-mail : corpequity@dfssl.com

o) Address for Investors' Correspondence:

For any assistance regarding dematerialization of shares, share transfers, transmissions, change of address, non-receipt of dividend or any address, non-receipt of dividend or any other query relating to shares, please write to:

J. L. Morison (India) Limited

Peninsula Business Park, Tower "A",
8th Floor, Senapati Bapat Marg,
Lower Parel, Mumbai – 400 013.
Phone : (022) 24975031- 33
Fax : (022) 24950317
e-mail : sohan@jlmorison.com

Datamatics Financial Services Ltd.

Plot No. B-5, Part B, Cross Lane,
MIDC, Marol, Andheri (East),
Mumbai – 400 093.
Phone : (022) 6671 2151
Fax : (022) 6671 2161
e-mail : corpequity@dfssl.com
investors@jlmorison.com

DECLARATION

It is hereby declared that all the Board Members, Senior Management Personnel and Employees of the Company have affirmed adherence to and compliance with the Code of Conduct laid down by the Company during the year ended 31st March, 2013.

For **J. L. Morison (India) Limited**

Varunn Mody
Director

Place : Mumbai
Date : 10th May, 2013

AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

To The Members of
J. L. MORISON (INDIA) LIMITED

We have examined the compliance of conditions of Corporate Governance by J.L. MORISON (INDIA) LIMITED for the year ended on 31st March, 2013, as stipulated in Clause 49 of the Listing Agreement of the said Company with stock exchanges.

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.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement.

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 Haribhakti & Co.
Chartered Accountants
Firm Registration No. 103523W

Atul Gala
Partner
Membership No.: 048650

Place : Mumbai
Dated : 10th May, 2013
