

## REPORT ON CORPORATE GOVERNANCE

(Pursuant to Regulation 34(3) read with Schedule V of Securities and Exchange Board of India  
(Listing Obligations and Disclosure Requirements) Regulations, 2015

### 1. A BRIEF STATEMENT ON COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE:

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 31<sup>st</sup> March, 2016, the Board of Directors comprised of total Six Directors, out of which three are Independent Directors, one is Executive Director and two are Non-Executive Non Independent Director. Mr. Chakrapani Brajesh Misra was appointed on the Board w.e.f. 20<sup>th</sup> May, 2015 as an Additional Independent Director of the Company.

Mr. Sandip Das (DIN: 02860902), who was appointed as Additional Executive Director w.e.f. 24<sup>th</sup> December, 2014 pursuant to the provisions of Section 161 of the Companies Act, 2013 read with Companies (Appointment and Qualification of Directors) Rules, 2014, and in accordance with the provisions of the Articles of Association of the Company was regularized as a Director of the Company in its 80<sup>th</sup> Annual General Meeting held on 11<sup>th</sup> September, 2015, who shall be liable to retire by rotation.

Mr. Dinesh Sharma (DIN: 06798909), who was appointed as an Additional (Independent) Director of the Company with effect from 24<sup>th</sup> December, 2014 pursuant to the provisions of Section 161 of the Companies Act, 2013 read with Companies (Appointment and Qualification of Directors) Rules, 2014 and in accordance with the provisions of the Articles of Association of the Company was regularized as an Independent Director of the Company in its 80<sup>th</sup> Annual General Meeting held on 11<sup>th</sup> September, 2015 pursuant to the provisions of Section 149 and 152 of the Companies Act, 2013 to hold office as such up to 23<sup>rd</sup> December, 2019, who shall not be liable to retire by rotation.

Mr. Chakrapani Brajesh Misra (DIN: 07184034) who was appointed as an Additional (Independent) Director of the Company with effect from 20<sup>th</sup> May, 2015 pursuant to the provisions of Section 161 of the Companies Act, 2013 read with Companies (Appointment and Qualification of Directors) Rules, 2014 and in accordance with the provisions of the Articles of Association of the Company was regularized as an Independent Director of the Company in its 80<sup>th</sup> Annual General Meeting held on 11<sup>th</sup> September, 2015 pursuant to the provisions of Section 149 and 152 of the Companies Act, 2013 to hold office as such upto 19<sup>th</sup> May, 2020, who shall not be liable to retire by rotation.

Mrs. Sakshi Mody (DIN: 06518139), Executive Director of the Company has resigned from the post of Executive Director – Strategy w.e.f. 1<sup>st</sup> March, 2016, however she will continue to stay on the Board of the Company as a Non-Executive Director.

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. 20<sup>th</sup> May, 2015, 13<sup>th</sup> August, 2015, 6<sup>th</sup> November, 2015 and 11<sup>th</sup> February, 2016.

The details of composition and category of Directors, their attendance at each Board meeting held during the financial year 2015-2016 and at the last Annual General Meeting, their directorships in other companies and membership / chairmanship in Committees are as follows:

Name of Director	Category	No. of Board Meetings held	Attendance particulars		No. of other Directorship	Committee Positions (including Company)	
			Board Meeting	Last AGM		Memberships	Chairman
Mr. Raghu Nandan Mody	Chairman & Promoter	4	2	Yes	3	3	-
Mrs. Sakshi Mody (Resigned from post of Executive Director-Strategy w.e.f. 1 <sup>st</sup> March, 2016)	Non-Executive Director & Promoter	4	4	No	2	-	-
Mr. Sandip Das	Executive Director	4	4	Yes	-	2	-
Mr. Sanjay Kothari	Independent Director	4	4	Yes	2	-	2
Mr. Dinesh Sharma	Independent Director	4	2	Yes	-	1	-
Mr. Chakrapani Brajesh Misra (appointed w.e.f. 20 <sup>th</sup> May, 2015)	Independent Director	3	3	No	-	2	-

- The directorship held by Directors as mentioned above do not include Directorships of Foreign Companies, Section 8 Companies and Private Companies.
- Membership/Chairmanship of only Audit Committee and Stakeholders' Relationship Committee, of all Public Limited Companies/ subsidiary of public companies has been considered.

**d) Number and date of Board Meetings held:**

Four Board Meetings were held during the year 2015-2016. The dates on which the meetings were held are as follows:

Date of Board Meeting	Strength of the Board	No. of Directors present
20 <sup>th</sup> May, 2015	5	4
13 <sup>th</sup> August, 2015	6	6
6 <sup>th</sup> November, 2015	6	4
11 <sup>th</sup> February, 2016	6	5

**e) Disclosure of relationship between directors inter se:**

None of the directors of the Company are related with each other except Mr. Raghu Nandan Mody and Mrs. Sakshi Mody. Mrs. Sakshi Mody, Director of the Company is grand daughter in law of Mr. Raghu Nandan Mody, Chairman of the Company.

**f) Number of shares and convertible instruments held by non-executive directors:**

Mr. Raghu Nandan Mody, Non-Executive Director of the company holds 250 equity shares of Rs. 10/- in his individual capacity.

Further none of the other non-executive directors are holding any shares or convertible instruments in the Company.

**g) Weblink where details of familiarization programmes imparted to independent Directors is disclosed :**

The details of the programmes for familiarization of Independent Directors with the Company their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, business model of the Company are put up on the website of the Company at the link: <http://www.jlmorison.com/public/downloads/Independent-Directors.pdf>.

**3. AUDIT COMMITTEE:**

**a) Brief description of terms of reference:**

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 is 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 Section 134 (5) of the Companies Act, 2013.

- 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.

**b) Composition:**

The Audit Committee comprised of Mr. Sanjay Kothari as Chairman of the committee, Mr. Dinesh Sharma, Mr. Sandip Das and Mr. Chakrapani Brajesh Misra as its members.

**c) Meeting and attendance during the year:**

The Audit Committee met four times viz. 20<sup>th</sup> May, 2015, 13<sup>th</sup> August, 2015, 6<sup>th</sup> November, 2015 and 11<sup>th</sup> February, 2016 during the year under review. The number of meetings attended by each member during the year ended 31<sup>st</sup> March, 2016 is as follows:

Name of the member	Designation	No. of Meetings	
		Held	Attended
Mr. Sanjay Kothari	Chairman	4	4
Mr. Dinesh Sharma	Member	4	2
Mr. Sandip Das	Member	4	4
Mr. Chakrapani Brajesh Misra (w.e.f. 20 <sup>th</sup> May, 2015)	Member	3	3

Mr. Kuldip Balasia, Company Secretary of the Company acts as Secretary to the Committee.

**4. NOMINATION AND REMUNERATION COMMITTEE:**

**a) Brief description of terms of reference:**

The broad terms of reference of the Nomination and 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.

**b) Composition:**

The Nomination and Remuneration Committee comprises of Mr. Sanjay Kothari as Chairman of the committee, Mr. Raghu Nandan Mody and Mr. Dinesh Sharma as its members.

**c) Meeting and attendance during the year:**

The Nomination and Remuneration Committee met only once during the year viz. 20<sup>th</sup> May, 2015. The composition of the Committee as on 31<sup>st</sup> March, 2016 and number of meetings attended by each member during the financial year ended on that date is as follows:

Name of the member	Designation	No. of Meetings	
		Held	Attended
Mr. Sanjay Kothari	Chairman	1	1
Mr. Raghu Nandan Mody	Member	1	-
Mr. Dinesh Sharma	Member	1	1

Mr. Kuldip Balasia, Company Secretary of the Company acts as Secretary to the Committee.

**d) Performance evaluation criteria for independent directors.**

Pursuant to the Companies Act, 2013 and Regulation 17(10) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board of Directors of the Company has evaluated the performances of each Independent Directors. The questionnaires are prepared considering the business of the Company. The Evaluation framework for assessing the performance of Independent Directors comprises of the following key areas:

1. Attendance of Board and Committee Meetings;
2. Quality of contribution to Board deliberations;
3. Strategic perspectives or inputs regarding future growth of the Company and its performances;
4. Providing perspectives and feedback going beyond information provided by the management.

**5. REMUNERATION OF DIRECTORS:**

- a) The Non-Executive Directors had no pecuniary relationship or transactions with the Company during the year 2015-16.
- b) None of the Non - Executive Directors is being paid any remuneration except sitting fees. Sitting fees to Non-executive Independent Directors is being paid at the rate of ₹ 5,000/- for each meeting of the Board, Audit Committee, Stakeholders' Relationship Committee and ₹1,000/- for each Nomination and Remuneration Committee attended by them.
- c) Details of remuneration/sitting fees paid to Directors during the year ended 31<sup>st</sup> March, 2016 and shares held by them on that date are as follows:

(Amount in Rs.)

Name	Salary	Perquisites or Allowances	Contribution to PF & others	Sitting fees	Total	Total no. of shares held
Mr. Raghu Nandan Mody	-	-	-	10,000	10,000	250
Mr. Sanjay Kothari	-	-	-	61,000	61,000	-
Mr. Sandip Das*	21,60,000	9,53,867	2,59,200	-	33,73,067	-
Mr. Dinesh Sharma	-	-	-	31,000	31,000	-
Mrs. Sakshi Mody*	25,19,287	16,43,535	3,02,315	-	44,65,137	-
Mr. Chakrapani Brajesh Misra (w.e.f. 20 <sup>th</sup> May, 2015)	-	-	-	35,000	35,000	-

\*Exclusive of contribution to gratuity.

- (i) Apart from the above mentioned remuneration, there is other performance linked incentives.
- (ii) The tenure of office of the Executive Directors is for three years from their respective dates of appointment and can be terminated by either party giving 90 days notice. There is no Separate Provision for a Payment of severance fees.
- (iii) No stock options are offered to the Directors of the Company.

**6. STAKEHOLDERS' RELATIONSHIP COMMITTEE:**

**Composition:**

The Stakeholders' Relationship Committee comprised of Mr. Sanjay Kothari as Chairman of the Committee, Mr. Dinesh Sharma and Mr. Sandip Das as its members till 5<sup>th</sup> November, 2015.

The Stakeholder's Relationship Committee was re-constituted w.e.f. 6<sup>th</sup> November, 2015 and the reconstituted Committee comprises of Mr. Sanjay Kothari as Chairman of the Committee, Mr. Sandip Das and Mr. Chakrapani Brajesh Misra as its members. Mr. Kuldip Balasia, Company Secretary of the Company acts as Secretary to the Committee and he is also Compliance Officer of the Company.

Status of investors' complaints/services requests:

At the beginning of the year	Received during the year	Resolved during the year	Pending
-	2	2	-

## 7. CORPORATE SOCIAL RESPONSIBILITY (CSR) COMMITTEE:

The Corporate Social Responsibility Committee was constituted in the Board Meeting held on 13<sup>th</sup> August, 2015. The first meeting of CSR Committee was held on 6<sup>th</sup> November, 2015.

### Composition:

As on 31<sup>st</sup> March, 2016 the Corporate Social Responsibility Committee comprises of Mr. Sanjay Kothari as Chairman of the committee, Mr. Sandip Das and Mrs. Sakshi Mody as its members.

The Corporate Social Responsibility Committee met two times viz. 6<sup>th</sup> November, 2015 and 11<sup>th</sup> February, 2016 during the year under review. The composition of the Committee as on 31<sup>st</sup> March, 2016 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. Sanjay Kothari	Chairman	2	2
Mr. Sandip Das	Member	2	2
Mrs. Sakshi Mody	Member	2	2

Mr. Kuldip Balasia, Company Secretary of the Company acts as Secretary to the Committee.

## 8. GENERAL BODY MEETINGS:

### • Location and time, where last three Annual General Meetings (AGM) held:

Financial year	Time	Date	Location
2012-13	11.30 a.m.	24 <sup>th</sup> September, 2013	Kala Kunj, 48, Shakespeare Sarani, Kolkata - 700 017
2013-14	11.00 a.m.	11 <sup>th</sup> September, 2014	Kala Kunj, 48, Shakespeare Sarani, Kolkata - 700 017
2014-15	11.45 a.m.	11 <sup>th</sup> September, 2015	Kala Kunj, 48, Shakespeare Sarani, Kolkata - 700 017

### • Special resolutions at last three AGMs:

AGM	Particulars of Special Resolutions
24 <sup>th</sup> September, 2013	No special resolution was passed
11 <sup>th</sup> September, 2014	<ol style="list-style-type: none"> <li>Appointment of Mr. Bipin Vengsarkar as an Executive Director of the Company for a period of 3 (three) years w. e. f. 1<sup>st</sup> November, 2013.</li> <li>Appointment of Mrs. Sakshi Mody as an Executive Director of the Company for a period of 3 (three) years w. e. f. 29<sup>th</sup> May, 2014.</li> <li>Authority to the Board of Directors to borrow money, whether secured or unsecured, exceeding aggregate of the paid up capital and free reserves subject to maximum limit of Rs.100 Crores.</li> <li>Authority to the Board of Directors to create mortgages/charges/hypothecation on all or any of the immovable and/or movable assets of the Company, both present and future upto an amount as approved by the shareholders of the company under section 180(1)(c) of the Companies Act, 2013</li> <li>Adoption of new set of Articles of Association of the Company.</li> <li>Authority to the Board of Directors of the Company to keep the Registers, Returns etc. at a place other than the Registered Office of the Company.</li> </ol>
11 <sup>th</sup> September, 2015	<ol style="list-style-type: none"> <li>Appointment of Mr. Sandip Das as an Executive Director &amp; CEO of the Company for a period of 3 (three) years w.e.f. 24<sup>th</sup> December, 2014.</li> <li>Revision in Remuneration of Mrs. Sakshi Mody, Executive Director – Strategy of the Company w.e.f. 1<sup>st</sup> April, 2015 for the remaining period of her tenure.</li> <li>Approval for purchase of goods from M/s. Rasoi Limited, a related party for a period of 10 years w.e.f. 1<sup>st</sup> July, 2015 to 30<sup>th</sup> June, 2025, provided that the total amount of such purchase shall not exceed Rs. 25.00 Crores per annum.</li> </ol>

- **Postal Ballot:**

During the year 2015-16, there were no special resolution passed through postal ballot process.

None of the business is proposed to be transacted through Postal Ballot.

## 9. MEANS OF COMMUNICATION:

The Company has published quarterly / half yearly/Annual results as per details mentioned below:

News Papers	Date of Board meeting	Date of Publishing
Aajkal (Bengali) and Financial Express (English)	20 <sup>th</sup> May, 2015	22 <sup>nd</sup> May, 2015
	13 <sup>th</sup> August, 2015	15 <sup>th</sup> August, 2015
	6 <sup>th</sup> November, 2015	8 <sup>th</sup> November, 2015
	11 <sup>th</sup> February, 2016	13 <sup>th</sup> February, 2016

**Website:** The Company's website ([www.jlmorison.com/corporate](http://www.jlmorison.com/corporate)) contains a separate dedicated section 'Investor Relations' where shareholders' information is available. The Company's Annual Report is also available in a user-friendly and downloadable form.

**New releases, presentations, among others :** All Corporate Announcements made to the Stock Exchanges during the year 2015-16 are available on the website of the Company.

During the year 2015-16, the Company has not made any presentations to institutional investors or analysts.

## 10. GENERAL SHAREHOLDER INFORMATION:

a. **Annual General Meeting:** 27<sup>th</sup> day of September, 2016 at 2.30 p.m. at Rabindra Tirtha, 33-1111, Major Arterial Road, 3<sup>rd</sup> Rotary, New Town, Kolkata – 700 156

b. **Financial Year:** 1<sup>st</sup> April to March 31<sup>st</sup>

c. **Dividend Payment Date:** Credit / Dispatch between 17<sup>th</sup> October, 2016 to 21<sup>st</sup> October, 2016.

d. **Listing on Stock Exchanges:**

a) BSE Limited

Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai- 400 001

b) The Calcutta Stock Exchange Limited

7 Lyons Range, Kolkata - 700 001

e. **Listing Fees:**

The Company has paid the listing fees to the BSE Limited for the financial year 2016-17. The Company will pay the listing fees to the Calcutta Stock Exchange Limited (CSE) up on receipt of the Bill for the financial year 2016-17.

f. **Stock Code:**

BSE: 506522

CSE: 020005

ISIN: INE430D01015

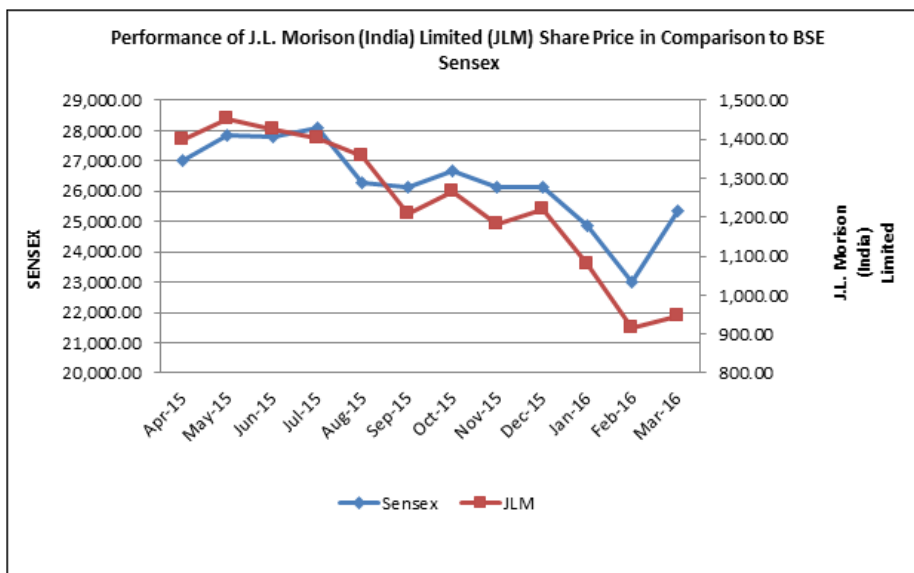
g. **Stock Market Price Data:**

The monthly high / low quotations of shares traded on the BSE Limited during each month in last financial year are as follows:

Month	Share price of the Company on BSE (₹)*			BSE Sensex (Points)*		
	High	Low	Close	High	Low	Close
April, 2015	1,620.00	1,399.75	1,400.00	29,094.61	26,897.54	27,011.31
May, 2015	1,550.00	1,326.00	1,450.75	28,071.16	26,423.99	27,828.44
June, 2015	1,640.00	1,360.00	1,426.75	27,968.75	26,307.07	27,780.83
July, 2015	1,470.00	1,360.50	1,402.25	28,578.33	27,416.39	28,114.56
August, 2015	1,499.00	1,160.00	1,359.00	28,417.59	25,298.42	26,283.09
September, 2015	1,358.00	1,153.25	1,210.00	26,471.82	24,833.54	26,154.83
October, 2015	1,450.00	1,150.00	1,264.00	27,618.14	26,168.71	26,656.83
November, 2015	1,264.00	1,155.00	1,181.00	26,824.30	25,451.42	26,145.67
December, 2015	1,235.00	1,068.00	1,219.75	26,256.42	24,867.73	26,117.54
January, 2016	1,294.00	1,050.00	1,080.00	26,197.27	23,839.76	24,870.69
February, 2016	1,318.00	809.50	916.50	25,002.32	22,494.61	23,002.00
March, 2016	1,010.00	873.50	948.00	25,479.62	23,133.18	25,341.86

\*Source: [www.bseindia.com](http://www.bseindia.com)

**h. Performance of J. L. Morison (India) Limited share price in comparison to BSE Sensex (Based on closing Price) for the financial year ended 31<sup>st</sup> March, 2016**



**i. Trading of Securities:**

The trading in Equity Shares of the Company was suspended from The Calcutta Stock Exchange Limited due to alleged non-compliance of certain clauses of Listing Agreement. The suspension was revoked on 4<sup>th</sup> December, 2015.

**j. Registrar and Share Transfer Agents:**

M/s. CB Management Services (P) Ltd. having its office at P-22, Bondel Road, Kolkata – 700 019, Phone No. (033) 4116700, Fax: (033) 40116739, E-mail: rta@cbmsl.com

**k. Share Transfer System:**

All shares sent or transferred in physical form are registered by the Registrar and Share Transfer Agent (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 Limited (CDSL) within 21 days.

**l. Distribution of Shareholding as on 31<sup>st</sup> March, 2016:**

Shares having nominal value of ₹ From To	No. of holders	%	No. of shares	%
1 – 5000	3459	98.07	134710	9.87
5001 – 10000	33	0.93	25936	1.90
10001 – 20000	13	0.37	19783	1.45
20001 – 30000	1	0.03	2900	0.21
30001 – 40000	2	0.06	6626	0.49
40001 – 50000	0	0.00	0	0.00
50001 – 100000	2	0.06	14602	1.07
100001 and above	17	0.48	1160477	85.01
<b>TOTAL</b>	<b>3527</b>	<b>100.00</b>	<b>1365034</b>	<b>100.00</b>

**m. Dematerialization of Shares and liquidity:**

As on 31<sup>st</sup> March, 2016, 96.15% of the total shares of the Company were in dematerialized form.

**n. Convertible Instrument:**

The Company has not issued any American Depository Receipts (ADRs)/ Global Depository Receipts (GDRs), warrants or any convertible instruments during the financial year ended 31<sup>st</sup> March, 2016.



**o. Commodity Price risk or foreign exchange risk and hedging activities:**

The Company did not engage in Commodity & hedging activities during the year. Whereas the company imports products where foreign exchange risk is involved.

**p. Plant Locations:**

E-95/1, MIDC, Waluj, near Siemens factory, Waluj, Aurangabad – 431 136, Maharashtra.

**q. Regd. Office/ Corporate Office & Address for Investors' Correspondence:**

**J. L. Morison (India) Limited,**  
Rasoi Court, 20, Sir R. N. Mukherjee road,  
Kolkata – 700 001  
Phone : 033 22480114/22480115  
Fax : 033 22481200  
Email : investors@jlmorison.com  
Website:www.jlmorison.com/corporate

**CB Management Services (P) Ltd**  
P-22, Bondel Road, Kolkata – 700 019  
Phone: (033) 4116700 Fax : (033) 40116739  
e-mail: rta@cbmsl.com

Peninsula Business Park, Tower "A",  
8<sup>th</sup> Floor, Senapati Bapat Marg,  
Lower Parel, Mumbai – 400 013.  
Phone: 022 61410300  
Fax : 022 4950317

**12. OTHER 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.

The policy on dealing with Related Party Transaction is available on Company's website at [www.jlmorison.com/corporate](http://www.jlmorison.com/corporate) under Investor Relation Section.

**b. Compliance by the Company:**

The Company has complied with all the requirements of listing agreement (upto 30<sup>th</sup> November, 2015) and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (effective from 1<sup>st</sup> December, 2015). There were no penalties or strictures imposed either by the SEBI or stock exchanges or any other statutory Authorities for non-compliance of any matter relating to capital market during the last three years.

**c. Whistle-Blower Policy/Vigil Mechanism and affirmation that no personnel have been denied access to the Audit Committee:**

The Company has established a mechanism for employees to report concerns about unethical behavior, actual or suspected fraud, or violation of code of conduct or ethics policy. The mechanism also provides for adequate safeguards against victimization of employees who avail of the mechanism and also provide for direct access to the Chairman of the Audit Committee in the exceptional cases. We affirm that during the financial year 2015-16, no employee was denied access to the Audit Committee.

**d. Details of Compliance with mandatory requirements and adoption of non-mandatory requirements:**

The Company has complied with all mandatory requirements of Clause 49 of the Listing Agreement (upto 30<sup>th</sup> November, 2015) and Regulation 27 of SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015 (w.e.f. 1<sup>st</sup> December, 2015).The Details of these compliances along with the non-mandatory requirements adopted by the Company have been given in the relevant section of this report.

**e. Policy for determining "material" subsidiaries :** As the company does not have any subsidiaries, the policy for determining the "material" subsidiaries has not been made.

**f. Commodity price risks and commodity hedging activities:** The Company does not deal in commodity price risks and commodity hedging activities.



**13. Compliance of the requirement of Corporate Governance Report:**

During the year 2015-16, the Company has complied with the requirements of Corporate Governance Report of sub paras (2) to (10) of the Point C of Schedule V of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015.

**14. Discretionary Requirements as specified in Part E of Schedule II:**

The Company has adopted following non-mandatory requirements of Regulation 27 and Part E of Schedule II of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015:

- (a) Audit Qualification - The Company is in the regime of unqualified financial statements.
- (b) Separate posts of Chairman and CEO – The Company has separate Chairman and Managing Director or Chief Executive Officer.
- (c) Reporting of Internal Auditor – The Internal Auditor directly reports to the Audit Committee.

**15. Disclosure of the Compliance with Corporate Governance**

The Company has complied with the Regulations 17 to 20, 22, 23, 25 to 27 and Clauses (b) and (i) sub-regulations 46 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 during the year 2015-16, whenever applicable. Regulations 21 and 24 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 are not applicable to the Company.

**16. Disclosure of accounting treatment:**

In the preparation of financial statements, the Company has followed the Accounting Standards issued by the Institute of Chartered Accountants of India to the extent applicable.

**17. Related Party Disclosures:**

The disclosures as required by Accounting Standard (AS-18) on “Related Party” are given in appended financial statements under notes to accounts.

**18. Disclosure with respect to demat suspense account/unclaimed suspense account**

The Company does not have any of its securities lying in demat/unclaimed suspense account arising out of public/bonus/right issues as at 31<sup>st</sup> March, 2016. Hence, the particulars relating to aggregate number of shareholders and the outstanding securities in suspense account and other related matters does not arise.

**19. Compliance Certificate for Code of Conduct:** The declaration by the Executive Director & CEO affirming compliance of Board and Senior Management Personnel to the Code is also annexed herewith and forming part of Annual Report.**20. Compliance Certificate by Auditors:** The Company has obtained a certificate from the Auditors regarding compliance of conditions of Corporate Governance as stipulated in clause 49 of the Listing Agreement and Regulation 27 of SEBI (Listing Obligation and Disclosure Requirements), 2015 which is annexed herewith and forming part of Annual Report.

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**Declaration – Code of Conduct**

As per the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board Members and the Senior Management Personnel have confirmed compliance with the Code of Conduct during the year ended 31<sup>st</sup> March, 2016.

Place: Mumbai  
Date: 19<sup>th</sup> May, 2016

**For J. L. Morison (India) Limited**  
**Sandip Das**  
**Executive Director & CEO**

## AUDITOR'S CERTIFICATE ON COMPLIANCE OF 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 ('the Company'), for the year ended on 31<sup>st</sup> March, 2016, as stipulated in:

- Clause 49 (excluding clause 49 (VII) (E) of the Listing Agreement(s) of the Company with stock exchange(s)) for the period 1<sup>st</sup> April, 2015 to 30<sup>th</sup> November, 2015;
- Clause 49 (VII) (E) of the Listing Agreement(s) of the Company with stock exchange(s) for the period 1<sup>st</sup> April, 2015 to 1<sup>st</sup> September, 2015;
- Regulation 23(4) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (SEBI Listing Regulations) for the period 2<sup>nd</sup> September, 2015 to 31<sup>st</sup> March, 2016 and
- Regulations 17 to 27 (excluding regulation 23 (4) and clauses (b) to (i) of regulation 46 (2) and paragraphs C, D and E of Schedule V of the SEBI Listing Regulations for the period 1<sup>st</sup> December, 2015 to 31<sup>st</sup> March, 2016.

The compliance of conditions of corporate governance is the responsibility of the management. Our examination was carried out in accordance with the Guidance Note on Certification of Corporate Governance issued by the Institute of Chartered Accountants of India and was limited to 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 explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Clause 49 of the Listing Agreement(s) and regulation 17 to 27 and clauses (b) to (i) of regulation 46(2) and paragraphs C, D and E of Schedule V of the SEBI Listing Regulations for the respective periods of applicability as specified above, during the year ended 31<sup>st</sup> March, 2016.

We further 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., LLP**  
Chartered Accountants  
ICAI Firm Registration No 103523W)

Place: Mumbai  
Date: 19<sup>th</sup> May, 2016

**(Sumant Sakhardande)**  
Partner  
Member No: 034828