

J. R. FOODS LIMITED

BOARD OF DIRECTORS

Shri. J.K. KOTHARI	MANAGING DIRECTOR
Smt. KAMALA J. KOTHARI	DIRECTOR
Shri. G. ASHOKKUMAR	DIRECTOR
Shri. P. RAMAMOORTHY	DIRECTOR
Shri. DINESH KOTHARI	ADDITIONAL DIRECTOR

AUDITORS

M/s. CNGSN & ASSOCIATES
CHARTERED ACCOUNTANTS
4TH CROSS, ANNA NAGAR,
PONDICHERRY - 605 004

NOTICE TO MEMBERS

NOTICE is hereby given that the NINETEENTH ANNUAL GENERAL MEETING of J.R.FOODS LIMITED will be held on Thursday, 20th September, 2012 at 10.00 am at "J.K. Towers, 100 Feet Road, Puducherry-605013, to transact the following business:

1. To receive, consider and adopt the audited Balance Sheet as at 31st March, 2012 and the Profit and Loss Account for the year ended on that date with the Notes thereon and the Schedules thereto and the Reports of the Directors and Auditors thereon.
2. To appoint a Director in place of Mrs. Kamala J. Kothari who retires by rotation and being eligible, offers herself for re-appointment.
3. To appoint a Director in place of Mr. G. Ashokkumar who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint the Auditors and fix their remuneration. The retiring auditors M/s. CNGSN & Associates, Chartered Accountants, Pondicherry are eligible for reappointment.

Special Business:

5. To consider and if thought fit, to pass with or without modifications, the following resolution as an Ordinary resolution:

"RESOLVED THAT Shri. Dinesh Kothari be and is hereby appointed as a Director of the Company liable to retire by rotation."

6. To consider and if thought fit, to pass, with or without modifications, the following resolution as an ordinary resolution:

"RESOLVED THAT pursuant to Sec. 198, 269, 309 and 310 and other applicable provisions of the Companies Act, 1956, read with Schedule XIII to the Act, Shri. J. K. Kothari be and is hereby appointed as a Managing Director of the Company for a period of 5 years from 01.06.2012 to 31.5.2017 the following terms of remuneration:

1. Salary : Rs. 75,000/- per month (including dearness and other allowances);
2. Perquisites : The following perquisites will be provided subject to the overall ceiling laid down in Schedule XIII:
 - a) Medical reimbursement : For self and family as per the rules of the Company;
 - b) Leave travel Allowance : Will be paid for self and family once in a year subject to the ceiling of one and half month's salary in a year;
 - c) Personal Accident Insurance: will be provided by the Company subject to the ceiling of the premium of Rs. 4,000 per annum.

Apart from the above, the Managing Director shall be entitled to the following:

- d) Gratuity : At a rate not exceeding half of a month's salary for every completed year of service;

- e) Company car with the services of a driver to be maintained for official use;
- f) Reimbursement of entertainment, traveling and all other expenses incurred for the business of the Company;
- g) Telephone at residence subject to the conditional that the cost of all personal long distance calls shall be recovered from the Managing Director.

As long as Shri. J. K. Kothari functions as the Managing Director of the company, he shall neither be liable to retire by rotation nor be paid any sitting fee for attending the meetings of the Board or any committee thereof.

RESOLVED FURTHER THAT in the event of inadequate profit or loss in any financial year, the Managing Director shall be paid the salary and perquisites as aforesaid by way of a minimum remuneration."

By Order of the Board

Date: 18th July, 2012
Place: Puducherry

Kamala J. Kothari
Director

Notes:

1. A member entitled to attend and vote at the meeting is entitled to appoint one or more proxies to attend and on a poll to vote instead of himself. A proxy need not be a member; proxies to be effective must be received by the company not less than 48 hours before the meeting.
2. A short resume of the Directors proposed to be re-appointed as per Serial Numbers 2 and 3 is enclosed as Annexure A to the Notice.
3. The register of members and share transfer books will remain closed from 14th September 2012 to 20th September 2012 (both days inclusive).
4. An Explanatory Statement pursuant to Sec. 173(2) of the Companies Act, 1956, is annexed.
5. You are advised to send all your correspondence regarding change of address and share transfer documents to Cameo Corporate Services Limited, 1, Club House Road, Chennai-600 002.

EXPLANATORY STATEMENT PURSUANT TO SEC. 173(2) OF THE COMPANIES ACT, 1956

Item No. 5

Shri. Dinesh Kothari was co-opted by the Board of Directors of the Company as an additional director at its meeting held on 18th July, 2012 and he holds office till the ensuing annual general meeting. A Notice along with appropriate deposit of fee has been received from a member of his intention to propose at the meeting the appointment of Shri. Dinesh Kothari as a Director of the Company liable to retire by rotation.

None of the directors except Shri. J. K. Kothari, Smt. Kamala J. Kothari and Shri. Dinesh Kothari are interested in this resolution.

Item No.6

Shri. J. K. Kothari was appointed as Managing Director of the Company for 5 years from 1.6.2007 to 31.5.2012 on the terms of remuneration as approved by the resolution of such appointment. The Board of Directors of the Company has at its meeting held on 30.05.2012 approved the reappointment of Shri. J. K. Kothari as Managing Director of the Company for 5 years from 1.6.2012 to 31.5.2017 on the terms of remuneration set out in the notice, subject to the approval of the shareholders of the Company.

Shri. J. K. Kothari has been a director from the incorporation of the Company and has had wide experience in edible oil industry for over 24 years. The Board recommends.

Shri. J. K. Kothari, Smt. Kamala J. Kothari and Shri. Dinesh Kothari are interested in this resolution.

By Order of the Board

Date: 18th July, 2012
Place: Puducherry

Kamala J. Kothari
Director

PURSUANT TO CLAUSE 49 OF THE LISTING AGREEMENT WITH STOCK EXCHANGES, FOLLOWING INFORMATION IS FURNISHED ABOUT THE DIRECTOR PROPOSED TO BE REAPPOINTED

1. SMT. KAMALA J. KOTHARI

Date of Birth : 25/01/1956
 Date of appointment on the Board as Director : 15/09/2004
 Date of last appointment as Managing Director : --
 Education : Bachelor of Arts in English Lit.
 Experience : Wide experience in Administration
 No. of equity shares held in the Company : 74600
 List of outside directorships held : Pondicherry Extraction Inds. Pvt. Ltd.,
 International Finance & Investments Ltd.,
 Chairman/Member of Committees of the Board : Member - Audit Committee
 Member - Remuneration Committee
 Relationship with other Directors : Spouse of Shri. J. K. Kothari
 Mother of Shri. Dinesh Kothari

2. Sri. G. ASHOKKUMAR

Date of Birth : 14/12/1957
 Date of appointment on the Board as Director : 10/03/2006
 Date of last appointment as Managing Director : --
 Education : Bachelor of Arts in English Lit.
 Experience : Rich experience in Administration
 No. of equity shares held in the Company : -Nil-
 List of outside directorships held : -Nil-
 Chairman/Member of Committees of the Board : Member - Audit Committee
 Relationship with other Directors : -

3. SHRI. DINESH KOTHARI:

Date of Birth : 17/12/1977
 Date of appointment on the Board as Director : 18/07/2012
 Date of last appointment as Managing Director : --
 Education : Bachelor of Business Administration
 Experience : Vast Business Experience in Oil Industry
 No. of equity shares held in the Company : --
 List of outside directorships held : Pondy Agro Strabilzers Pvt. Ltd.,
 Chairman/Member of Committees of the Board : Nil
 Relationship with other Directors : Son of Shri. J. K. Kothari and
 Smt. Kamala J. Kothari

4. SHRI. J. K. KOTHARI:

Date of Birth : 05/12/1950
 Date of appointment on the Board as Director : 20/08/1993
 Date of last appointment as Managing Director : 01/06/2007
 Education : Master of Arts
 Experience : More than 24 years in the field of Oil Industry
 No. of equity shares held in the Company : 753700
 List of outside directorships held : Pondicherry Extraction Inds. Pvt. Ltd
 Mailam India Limited
 Chairman/Member of Committees of the Board : Chairman - Audit Committee
 Member - Share Transfer and
 Investors' Grievance Committee
 Relationship with other Directors : Spouse of Smt. Kamala J. Kothari
 Father of Shri. Dinesh Kothari

J. R. FOODS LIMITED

DIRECTORS' REPORT

Dear Shareholders,

The Directors present the Annual Report together with the audited Balance Sheet and the Profit and Loss Account of J.R. Foods Limited for the year ended 31st March, 2012

Performance of the Company

Your Company's performance during 2011-12 is summarized below:

Financial Results

Particulars	(Rs. in Lakhs)	
	2012	2011
Sales & Other Income (net of excise duty)	598.13	1472.52
Profit/ (Loss) before Depreciation and Interest	138.12	102.12
Depreciation	63.18	63.12
Interest	71.75	62.94
Profit before Tax	3.19	(23.93)
Provision for Tax	0.0	0.00
Profit after Tax	3.19	(23.93)
Balance Brought forward from Previous year	(606.30)	(582.37)
Balance Carried to Balance Sheet	(603.11)	(606.30)

Your Directors regret that they are unable to recommend any dividend for the year, due to continued loss.

Review of Operations & Prospects:

The Company's turnover during the year has come down considerably while compared to previous year due to local competition in procuring Raw materials. Also due to lack of working capital the operations were minimized drastically which brought down the turnover.

The Company has incurred a profit during the previous year inspite of its best efforts towards cost control.

Directors' Responsibility Statement

The Directors hereby confirm that:

1. in the preparation of accounts for the financial year ended 31st March, 2012, the applicable accounting standards have been

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followed along with proper explanation relating to material departures.

2. the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that were reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the loss of the Company for the year under review;
3. the Directors have taken proper and sufficient care for maintenance of adequate records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities.
4. the Directors have prepared the accounts for the financial year ended 31st March, 2012 on a going concern basis.

Corporate Governance

Pursuant to Clause 49 of the Listing Agreement with the Stock Exchanges, Reports on Management Discussion and Analysis and on Corporate Governance have been included elsewhere in this report.

A certificate of the Auditors on the Report on Corporate Governance is enclosed elsewhere in this Annual report.

Directors

Mrs. Kamala J. Kothari and Mr. G. Ashokkumar, directors retire by rotation and being eligible offer themselves for re-appointment at the ensuing Annual General Meeting.

Statutory Auditors

The retiring statutory auditors M/s. CNGSN & Associates, Chartered Accountants, Puducherry shall retire at the ensuing Annual General Meeting and offer themselves for reappointment as the statutory auditors of the Company pursuant to Section 224 of the Companies Act, 1956.

Public Deposit

The company has not accepted during the year under review any deposits from the public within the meaning of Section 58A of the Companies Act, 1956.

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Particulars of Employees

The Company had no employees during the year, who came under the purview of the provisions of Sec.217 (2A) of the Companies Act, 1956 read with Companies (Particulars of Employees) Rules, 1975.

Particulars under section 217 (1) E of the Companies Act, 1956 and the Companies (Disclosure of Particulars in the report of Board of Directors) Rules, 1988:

A. DISCLOSURE OF PARTICULARS WITH RESPECT TO CONSERVATION OF ENERGY

	2011-12	2010-11
Electricity		
Units Consumed	1046030	804320
Total amount	₹ 2287588	₹ 3105258
Rate/Unit	₹ 2.19	₹ 3.86
Own generation		
Through Diesel Generator		
Unit per Liter of Diesel Oil	2.90	2.90
Rate per Unit	₹ 14.72	₹ 13.46

B. CONSUMPTION PER UNIT PRODUCTION

Per tone of Production	₹ 380.33	₹ 384.34
Technology Absorption	Nil	Nil

C. FOREIGN EXCHANGE EARNINGS & OUTGO

i. Foreign Exchange Earnings	Nil	Nil
ii. Foreign Exchange Outgo	Nil	Nil

Acknowledgements and Appreciation

The Directors take this opportunity to thank Company's customers, shareholders, suppliers, bankers and Central and State Governments for their consistent support to the Company. The Directors also wish to place on record their appreciation to employees at all levels for their hard work, dedication and commitment.

For and on behalf of the Board

Kamala J. Kothari
Director

J. K. Kothari
Managing Director

Puducherry
30th May 2012

J. R. FOODS LIMITED

CORPORATE GOVERNANCE REPORT

A brief statement on Company's philosophy on code of governance

The Company is committed to good corporate governance. It realizes the rights of the shareholders to information on the performance of the company. The basic philosophy of Corporate Governance of the Company is to achieve improved performance and dedicate itself to increase the long term shareholder value, keeping in view the needs and interests of its entire stakeholder. The Company believes in transparency in its dealings and adherence to basic ethics in business. The Company has initiated steps for implementation of the additional requirements of new Clause 49 of the Listing Agreement with the Stock Exchanges.

Board of Directors

i. Details of the Board composition, other Directorship and attendance are given below.

The Board of Directors of the Company has an optimum combination of Executive and Non-Executive Directors with two Independent Non-Executive Directors out of four Directors on the Board as on date. The Managing Director is an Executive Director and the number of Independent Non-Executive Directors on the Board is more than 50% of the Board strength at any point of time.

All Independent Non-Executive Directors comply with the requirements of the Listing Agreement for being "Independent Director". Further each of the Independent Directors also affirmed that he satisfies all the prescribed requirements for being an Independent Director.