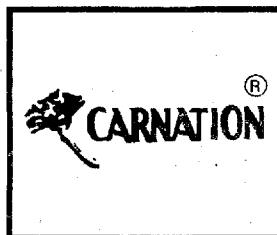
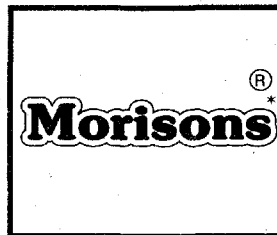
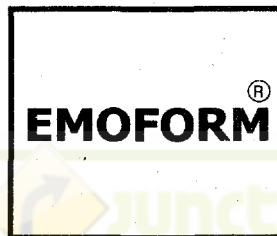


J. L. MORISON (INDIA) LIMITED

The Company that cares



**ANNUAL REPORT
2004-05**

J.L. MORISON (INDIA) LTD.

BOARD OF DIRECTORS

RAGHU MODY

EXECUTIVE CHAIRMAN

HAR KISHORE KEJRIWAL

HERBERT WIETELMANN

LAWSON LYON

LT.GEN (RETD) K S BRAR

ATUL TANDAN

JIMMY ANKLESARIA

MANAGING DIRECTOR

PRESIDENT – CORPORATE AFFAIRS

PALLAWI PODAR

MEMBER – MANAGEMENT TEAM

VARUNN MODY

COMPANY SECRETARY

SHOURABH SHARMA

BANKERS

CANARA BANK

BANK OF INDIA

CORPORATION BANK

AUDITORS

HARIBHAKTI & CO.

CHARTERED ACCOUNTANTS,

MUMBAI – 400 021.

SOLICITORS

KHAITAN & CO.

REGISTERED OFFICE

'RASOI COURT',

20, SIR R N MUKHERJEE ROAD,

KOLKATA – 700 001.

HEAD OFFICE

"CRYSTAL",

79, DR ANNIE BESANT ROAD, WORLI,

MUMBAI – 400 018.

BRANCHES

MUMBAI

KOLKATA

NEW DELHI

CHENNAI

WORKS

E 95/1, MIDC, WALUJ,

AURANGABAD – 431 136.

MAHARASHTRA.

THE BOARD OF DIRECTORS OF THE COMPANY, VIDE THEIR MEETING HELD ON JULY 30, 2005 HAVE DECIDED TO INCLUDE THE FOLLOWING ADDITIONAL BUSINESS(ES) AS SPECIAL BUSINESS IN THE NOTICE TO THE SEVENTIETH ANNUAL GENERAL MEETING OF THE COMPANY TO BE HELD ON SEPTEMBER 7, 2005 AT 11.00 AM, AT 'KALA KUNJ' 48 SHAKESPEARE SARANI, KOLKATA - 700 017

1. To consider, and if thought fit, to pass with or without modifications the following resolution as ORDINARY RESOLUTION:

"RESOLVED THAT pursuant to the provisions of the Companies Act, 1956 the Company hereby approves and ratifies the appointment of Mr Bipin Vengsarkar as Executive Director of the Company, with effect from July 1, 2005, on the terms and conditions as set out in the contract/agreement entered into between the Company and Mr Bipin Vengsarkar.

RESOLVED FURTHER THAT pursuant to the provisions of Section 198, 269, 309, 310 and 311 and all other applicable provisions of the Companies Act, 1956 the Company hereby approves and ratifies the remuneration of Mr Bipin Vengsarkar as Executive Director of the Company, for a period of three (3) years, with effect from July 1, 2005 till June 30, 2008, on the terms and conditions as set out in the contract/agreement entered into between the Company and Mr Bipin Vengsarkar. A copy whereof initialed by the Chairman is placed before the meeting.

RESOLVED FURTHER THAT Shri R N Mody, Chairman of the Company and / or anyone of the Director(s) of the Company and / or Mr. Shourabh Sharma, Company Secretary of the Company, be and are hereby individually/jointly authorised to take such steps as may be necessary to give effect to this resolution".

2. To consider, and if thought fit, to pass with or without modifications the following resolution as ORDINARY RESOLUTION:

"RESOLVED THAT pursuant to the proposed amendment in Clause 49(I)(B) of the Listing Agreement and all other applicable provisions of the Companies Act, 1956 the Non-Executive Directors of the Company including Independent Directors of the Company be paid Sitting Fees upto Rs. 5,000/- per meeting per Director for attending the Meetings of the Board of Directors of the Company.

RESOLVED FURTHER THAT the Non-Executive Members including Independent Members of the various Committees as specified in the Listing Agreement viz. Audit Committee, Shareholder's/Investors Grievance Committee, Remuneration Committee, etc. be paid Sitting Fees upto Rs. 5,000/- per meeting per Member for attending the meetings of the respective Committees of the Company".

Dated: July 30, 2005

By Order of the Board of Directors

Registered Office :
Rasoi Court
20 Sir R N Mukherjee Road,
Kolkata 700 001

SHOURABH SHARMA
COMPANY SECRETARY

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

ITEM NO.1

Mr Bipin Vengsarkar is a qualified MBA and is working in the Company in the capacity of Head of Sales of the Company for last three (3) years. He has gained extensive experience in the general management of Company. He is very well versed in all aspects of production, cost, technical administration, etc. Mr Bipin Vengsarkar comes with a good

experience and his appointment, as the Executive Director of the Company would be an asset to the Company. The Board hereby recommends the resolution for the appointment of Mr Bipin Vengsarkar as the Executive Director of the Company for the approval of the shareholders of the Company.

Considering the valuable services rendered to the Company by Mr Bipin Vengsarkar, the Remuneration Committee and the Board of Directors of the Company vide their respective meetings held on July 30, 2005, have approved, subject to the approval of the members of the Company, the appointment of Mr Bipin Vengsarkar as the Executive Director of the Company with effect from July 1, 2005 and the remuneration of Mr Bipin Vengsarkar (hereinafter referred to as Mr Vengsarkar) with effect from July 1, 2005 till June 30, 2008 (for a period of three (3) years), in accordance with the following terms and conditions:

PART I

Salary : Rs.6.00 lakhs per annum.

Perquisites :

Mr. Vengsarkar will be entitled to perquisites like House Rent Assistance, Education Assistance, Leave Travel Assistance, Medical Assistance, etc. provided the total value of such perquisites should not exceed Rs 6,28,000/- per annum.

The Company will take a Personal Accident Insurance Policy for Mr Vengsarkar, Mediclaim Policy for Mr Vengsarkar and his Family as per the rules of the Company.

PART II

I. Provident Fund : Company's contribution to Provident Fund will not exceed 12% of the salary per annum.

II. Gratuity : Gratuity will be paid as per normal-Company's rules.

III. Car : Company's Car will be provided to Mr Vengsarkar.

These facilities will not be considered as Perquisites.

Mr. Vengsarkar will be entitled to leave as per the rules of the Company as are applicable to other staff members of his category.

Whenever Mr Vengsarkar is required to travel outstation within India on Company's duty, he shall be paid in the following manner :

a) Economy Air Fare / First Class AC Rail Fare.

b) Actuals to cover stay in hotels and cost of local conveyance.

Leave encashment will be provided as per the normal rules of the Company and encashment of such leave at the end of the tenure of service shall not be included in the computation of ceiling of remuneration or perquisites as aforesaid.

Any period of leave lying to the credit of Mr Vengsarkar in excess of 84 days, during the course of the service or at any point of time during the tenure of this contract/agreement, will automatically lapse, that is, during the course of the service of Mr Vengsarkar or during the tenure or at the termination of this contract/agreement, Mr Vengsarkar will not be allowed any amount of leave encashment for more than 84 days. Moreover, during the course of the service of Mr Vengsarkar or during the tenure of this contract/agreement Mr Vengsarkar cannot encash his leave for more than 15 days in any financial year.

Mr Vengsarkar will be governed by the rules and practices of the Company as are applicable to other staff members of his category.

Further Mr Vengsarkar will perform such duties as will be allotted to him by the Management / Board of Directors from time to time for the Company or for any associates of the Group Companies.

Mr Vengsarkar's services are liable to be transferred at the discretion of the Management / Board of Directors to any such location where

the Company's Head Office is shifted to and in which case he shall be reimbursed all such costs of relocating at actuals.

During the course of Mr Vengsarkar's employment with the Company, he would not engage himself in any other business activities either personal or with third party which may lead to diversion of his energy and attention from the assigned responsibilities.

Further to this, Mr. Vengsarkar will also ensure that the terms and conditions of the licenses obtained for the Company from Overseas Associates are abided by satisfactorily.

Mr Vengsarkar will also make absolutely sure that the Company's product formulation, either of its own or obtained from foreign sources, should be kept under strict confidence and not be divulged or passed on to any third party.

Mr Vengsarkar's designated responsibilities will include all activities discussed with the Chairman of the Company and as advised by the Chairman or the Board of Directors of the Company, henceforth.

Mr Vengsarkar will not make any attempts to establish or contact overseas companies or enter into negotiations with the existing overseas associations of the Company without the written consent of the Management / Board of Directors, except in pursuance of his regular day-to-day responsibilities for ensuring a smooth working relationship with the counterparts in such companies purely on operational issues.

Mr Vengsarkar will be responsible to implement the directions and / or policy decisions of the Board of Directors as may be conveyed to him from time to time during the course of discharge of responsibility.

Mr Vengsarkar for the present will be posted in Mumbai.

The Company has a mutual contract/agreement with Mr Vengsarkar for period of three (3) years (that is, with effect from July 1, 2005 till June 30, 2008). Three (3) months before the expiry of the contract/agreement, the Management at its sole discretion, with/without assigning any reasons, can terminate/renew the contract/agreement for a further period on mutually agreeable terms and conditions. The same condition of notice is applicable to Mr Vengsarkar. During the three (3) years contract period, Mr Vengsarkar will be subjected to the conditions as laid down in this contract/agreement, but with specific reference to the following clauses:

- a) Mr Vengsarkar's services will be subjected to termination by 30 (thirty) days notice on either side or salary in lieu thereof. However in case of resignation, the Company reserves its right to relieve him from the Company's services earlier than the expiry of notice period.
- b) The Company shall be at liberty to terminate Mr. Vengsarkar's employment forthwith without notice or compensation in lieu of notice at time during the period of his employment, if he shall be guilty of any act of indiscipline, insubordination, dishonesty or other serious misconduct or neglect or incompetence in the discharge of duty or breach of any stipulations herein contained or if he becomes incapacitated or is adjudged insolvent or if he compounds with his creditors. For the purpose of the above, the Company's opinion as to whether any of the events mentioned herein has occurred shall be final and binding on Mr Vengsarkar, and he shall not be entitled to question the same on any ground whatsoever.
- c) Upon the termination of Mr. Vengsarkar's services, he shall handover charge to such person nominated by the Company and shall deliver to him such property and effects of the Company as may be in his possession including diaries, notes, notebooks, correspondence and any other records in whatever form either addressed to him and received by him for and on behalf of the Company, and copies of all communications addressed to him by any persons, institutions, bodies, corporates, etc. on behalf of the

Company.

Mr Vengsarkar will give an undertaking to the Company in the prescribed format for the Company's properties such as car for his use during the tenure of his services with the Company. However the car will be duly insured by the Company for all comprehensive risks, such that if it undergoes a theft or damage, or any other loss of any kind, despite the best bonafide efforts to ensure its safety, then Mr Vengsarkar shall not be accountable for the same, subject to his having taken the necessary action / steps for filing a proper claim e.g. filing a police complaint (FIR) within the time limit, informing the Commercial Department of the Company etc., so that the Company can recover maximum of such damage / loss.

Mr Vengsarkar will not be paid any sitting fees for attending the meetings of the Board of Directors or any Committee thereof.

Mr Vengsarkar will be reimbursed the expenses actually incurred for the business of the company subject to such limits as may be fixed by the Board from time to time.

The Board recommends this resolution for the approval of the members.

None of the Directors except Mr Bipin Vengsarkar is concerned or interested in this resolution.

ITEM NO.2

The Company's Non-Executive Directors are eminent professionals and industrialists in their respective fields and they have, rather they are greatly contributing to the growth of the Company by their rich experience. Considering the responsibilities and background of the Directors of the Company, the Board hereby approves and ratifies the payment upto Rs 5,000/- as sitting fees to the Non - Executive Directors including the Independent Directors of the Company. This sitting fee will be paid to every Non - Executive Directors including the Independent Directors of the Company for every meeting attended for the Company.

The Board hereby, further approves and ratifies the payment upto Rs 5,000/- as sitting fees to the Non - Executive Members including the Independent Members of the various Committees as specified in the Listing Agreement viz. Audit Committee, Shareholder's/Investors Grievance Committee, Remuneration Committee, etc. This sitting fee will be paid for every committee meetings attended for the Company.

Pursuant to the proposed amendments by SEBI in clause 49(I)(B) of the Listing Agreement for any fees/remuneration payable to the Non - Executive Directors/Members including Independent Directors/Members of the Company, the Company seeks your approval for the payment of sitting fees, as stated above, to the Non - Executive Directors/Members including Independent Directors/Members of the Company.

All directors, other than the Whole-time/Executive Directors of the Company, are interested in this resolution to the extent of the sitting fees payable to them in accordance with this proposed resolution.

The Board recommends this resolution for the approval of the members.

Dated: July 30, 2005

By Order of the Board Of Directors

REGISTERED OFFICE:

**'RASOI COURT',
20, SIR R N MUKHERJEE ROAD,
KOLKATA 700 001**

**SHOURABH SHARMA
COMPANY SECRETARY**

J.L. MORISON (INDIA) LTD.

NOTICE FOR THE ANNUAL GENERAL MEETING

NOTICE is hereby given that the **SEVENTIETH ANNUAL GENERAL MEETING** of the Members of **M/S J L MORISON (INDIA) LIMITED** will be held at Kala Kunj, 48 Shakespeare Sarani, Kolkata – 700 017, on **Wednesday, the 7th day of September, 2005 at 11.00 A M**, to transact the following business:

ORDINARY BUSINESS

1. To consider and adopt the Profit and Loss Account for the year ended on March 31, 2005 and the Balance Sheet as on that date and the Report's of the Directors' and the Auditor's thereon.
2. To declare Dividend for the year 2004-05.
3. To appoint a Director in the place of Mr. Atul Tandan, who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint a Director in the place of Mr. Herbert Wietelmann, who retires by rotation and being eligible, offers himself for re-appointment.
5. To reappoint the Auditors of the Company to hold office from the conclusion of this Meeting until the conclusion of the next Annual General Meeting and to authorise the Board of Directors to fix their remuneration.

SPECIAL BUSINESS

6. To consider, and if thought fit, to pass with or without modifications the following resolution as a **SPECIAL RESOLUTION** :

"RESOLVED THAT pursuant to section 149(2A) of the Companies Act, 1956 and all other applicable provisions, if any, consent be and is hereby accorded, with effect from March 2005, for the commencement of the business of trading in Oils as stipulated in Clause (d) of the Objects Clause of the Memorandum of Association of the Company.

RESOLVED FURTHER THAT such trading in Oils will include importing of Crude Palm Oil, Crude Degummed Soyabean Oil and other Crude and Refined Edible Oils and thereafter selling these Oils in the Indian markets or exporting them.

RESOLVED FURTHER THAT Mr. Shourabh Sharma, Company Secretary of the Company be and is hereby authorised to file the necessary returns with the Registrar of Companies and to comply with all other formalities and to take all the necessary steps/actions in connection with the commencement of this new business".

NOTES

1. A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND A PROXY NEED NOT BE A MEMBER. THE PROXY FORM SHOULD BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LATER THAN 48 HOURS BEFORE THE MEETING.
2. Explanatory statement pursuant to section 173(2) of the Companies Act, 1956 in respect of the items of Special Business is annexed hereto.
3. The Register of Members and the Share Transfer Books of the Company will remain closed from September 1, 2005 to September 7, 2005 (both days inclusive).

4. Shareholders are requested to forward all Share Transfers and any other communications to the Registrar & Share Transfer Agents (RTA) of the Company and are further requested to always quote their Folio Number in all correspondences with the Company.
5. The dividend, when declared, will be paid to those Members whose name appears in the Company's Register of Members as on September 7, 2005.
6. The Company has already transferred all Unclaimed Dividend declared upto the Financial year ended on March 31, 1994 to the General Revenue Account of the Central Government as required by the Companies Unpaid Dividend (Transfer to the General Revenue Account of the Central Government) Rules, 1978. Those shareholders who have so far not claimed or collected their dividend upto the afore-said financial year may claim their dividend from the Registrar of Companies, West Bengal, "Nizam Palace", II M.S.O. Buildings, 3rd floor, 234/4 Acharya Jagdish Chandra Bose Road, Kolkata – 700 020.
7. Pursuant to the provisions of Section 205A of the Companies Act, 1956, as amended, dividend for the financial year ended on March 31, 1995; March 31, 1996 and March 31, 1997, have been transferred to the Investor Education and Protection Fund (IEPF).

The details of Dividends paid by the Company and their respective due dates of transfer to Investor Education and Protection Fund, as per the Companies Act, 1956, if they remain unclaimed by the Shareholders are given below:

Date of Declaration of Dividend	Dividend for the year	Due Date for Transfer
September 29, 1998	1997-98	October 28, 2005

8. Shareholders seeking information on accounts published herein are kindly requested to furnish their queries to the Company at least ten days before the date of the Meeting.
9. Shareholders are requested to bring their copies of the Annual Report to the Meeting.
10. Members who hold the shares in dematerialized form are requested to bring their client ID and DPID numbers for easier identification of attendance at the meeting.
11. The shareholders, holding shares in identical order of names in more than one folio, are requested to write to the Company/RTA enclosing their Share Certificates to enable the Company to consolidate their holdings in one folio.
12. Re-appointment of Directors: The brief particulars of the Directors of the Company, retiring by rotation and proposed to be re-appointed at the ensuing Annual General Meeting are furnished under the Corporate Governance Report.

Dated: April 27, 2005

By Order of the Board of Directors

Registered Office :

"Rasoi Court"
20 Sir R N Mukherjee Road,
Kolkata 700 001

SHOURABH SHARMA
COMPANY SECRETARY

J.L. MORISON (INDIA) LTD.

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

ITEM NO.6

As a diversification programme, your Company has entered into new trading business which includes importing of Crude Palm Oil, Crude Degummed Soyabean Oil and other Crude and Refined Edible Oils and thereafter selling these Oils in the Indian markets or exporting them. The said new business has vast potentials of growth in India due to emerging Crude and Refined Edible Oil markets in India. The Company is permitted to enter this activity vide clause (d) of the Objects Clause of the Memorandum of Association of the Company and the Company has commenced this activity in the month of March 2005. The Board has considered that the Company would earn substantial income in the said new trading business and would be of immense benefit to the treasury of the Company and would also ensure high returns to the Shareholders of the Company.

Pursuant to section 149(2A) of the Companies Act, 1956 the Company seeks your approval for commencement of this new business of trading in Oils as provided in clause (d) of the 'Objects Clause' of the Memorandum of Association of the Company, as this new business of trading in Oils is not 'germane' to the current business of the Company.

Accordingly, this resolution is placed before the shareholders for their approval.

No Director is interested or concerned in this resolution.

Dated: April 27, 2005

By Order of the Board Of Directors

REGISTERED OFFICE:

"RASOI COURT"

20, SIR R N MUKHERJEE ROAD,
KOLKATA 700 001

SHOURABH SHARMA
COMPANY SECRETARY

DIRECTORS' REPORT

To
The Members
J L Morison (India) Ltd.

Your Directors' have pleasure in presenting the 70th Annual Report and Statement of Accounts of the Company for the financial year ended on March 31, 2005.

	Rs in lakhs 2004-05	Rs in lakhs 2003-04
(a) Sales & Other Income	5039.10	4956.81
(b) Cost of Sales	4639.16	4462.68
(c) Gross Profit	399.94	494.13
(d) Interest (Net)	39.38	41.07
(e) Depreciation	53.65	49.58
(f) Operating Profit	306.91	403.48
(g) Profit on Sale of Investment	0.30	1.16
(h) Profit Before Tax (f + g)	307.21	404.64
(i) Provision for Taxation	79.52	108.20
(j) Net Profit after Tax	227.69	296.44
(k) Dividend @ 25%	34.13	34.13
(l) Dividend Tax	4.53	4.37
(m) Transfer to General Reserve	189.03	257.94

Dividend

Your Directors recommends a Dividend of 25% i.e. Rs.2.50 per share (Previous year - 25%).

Performance

During the year 2004-05 the consumer products market for the cosmet-

ics and toiletries categories in which the Company is a key player showed small growth.

Sales of NIVEA Moisturizing Creams, NIVEA Lotions, Men's shaving cream and NIVEA Deodorant grew well during the year, with some of these brands performing better than the category growth.

The Company is concerned that the products in the cosmetics and toiletries segment continue to be affected by the free availability of cheaper imported goods, which affects the sales of the NIVEA brands in main urban markets. With an intense competitive market conditions and consumers seeking bigger "value for money offers" in each purchase cycle, the Company once again offered some unique gift offers to retain customer loyalty and bring new customers to franchise the brand.

During the year sales of **EMOFORM®** – the toothpaste for sensitive teeth and gum care did not grow as we faced some shortages on account of shifting the manufacturing plant from Kolkata to Raichak, West Bengal. However, we are glad to report that the launched three new products in the oral care range to become a full line brand, which helps address several oral care problems faced by the patient for which the dentist looks to prescribe good brands.

The **MORISONS®** brand of Baby care products showed no growth as compared to previous year.

The Company is in the process of launching new Baby Care Products under the **MORISONS®** brand.

The sales of the **CARNATION®** range of foot care products improved during the year 2004-05. The Company introduced this product to larger number of markets. The unorganized competitive brands and fake products with extremely poor quality products have significantly affected the credibility of even organized sector brands, as the consumer would have had unfavorable experiences with product concept as such and becomes wary to purchase such products again even when offered under a good brand name.

New Products

The Company introduced PEARLZ the paste for removing stains, in July 2004, followed by EMOFORM Mouth rinse in September 2004 and finally EMOFORM-F, a fluoride based toothpaste in March 2005. These initiatives helped to improve the Oral care division's sales in 2004-05 as compared to the previous year. These new products have been received very favorably by the dentists and by the trade. At Raichak, a new Euro GMP compliant plant was commissioned in November 2004, which should help make an international quality product. During the year the Company expanded the CARNATION foot care range further by importing Heel Pads and In-soles in select retail stores.

With the health care industry registering healthy growth for the last few years and greater consumer awareness as well as professional focus on the "well being" business, your Company has is on the verge of tie-up with a MNC in the OTC segment for some advance products of international repute which would help grow the Company's business in this industry.

ISO 9001 : 2000

During the year 2003-04, your Company has upgraded its ISO certification from ISO 9002 to ISO 9001:2000 for manufacturing at Waluj factory and logistics at Head Office. This achievement in enhanced GMP standards has been reflected in maintaining and achieving International Product Quality.

J.L. MORISON (INDIA) LTD.

Public Deposits

As of March 31, 2005 there are no Public Deposits that are claimed and due.

Cost Audit

Pursuant to the provisions of section 233B of the Companies Act, 1956 the Central Government had directed your Company to conduct audit of the Cost Accounts relating to its Cosmetic & Toiletries products. The Company has submitted the Cost Audit Report duly audited by the Cost Auditor of the Company P M Nanabhoy & Company, Mumbai, to the Central Government upto the year 2003-2004.

Foreign Exchange Earnings and Outgo

During the financial year 2004-05, total foreign exchange used and earned was Rs. 377 lakhs and Rs. NIL, respectively.

Particulars of Conservation of Energy & Technology Absorption

Report required to be made pursuant to clause (e) of sub-section (1) of Section 217 of the Companies Act, 1956 read with the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 and forming part of the Directors' Report is annexed to this Report.

Particulars of Employees

During the year there were no employees in respect of whom information under section 217(2A) of the Companies Act, 1956 is required to be given in the Director's Report.

Directors

Mr. Vimal Bhandari and Mr. Haigreve Khaitan have retired from the Board due to their personal engagements. The Board places on record its appreciation of the valuable contribution made by Mr. Vimal Bhandari and Mr. Haigreve Khaitan in the Company's growth during their association with the Company.

Mr. Atul Tandan and Mr. Herbert Wietelmann retire by rotation and being eligible, offer themselves for re-appointment.

Auditors

The Auditors of the Company **M/s. Haribhakti & Co.**, Chartered Accountants, retire at the conclusion of the ensuing Annual General Meeting and being eligible, offer themselves for re-appointment. Re-appointment, if made, will be in accordance with the provision of section 224 (1B) of the Companies Act, 1956.

Stock Exchange(s)

The Company is listed with The Calcutta Stock Exchange, The Stock Exchange - Mumbai and at The Bangalore Stock Exchange and the Annual Listing Fees for the year 2004-2005 has been paid.

JLM Sutures (India) Limited

JLM Sutures (India) Limited, the hundred percent subsidiary of J L Morison (India) Limited, has applied for winding up with the Registrar of Companies, Bangalore, on December 29, 2003, under the Simplified Exit Scheme, 2003; but the Company has not yet received any orders from the Registrar of Companies, Karnataka in this respect.

Secretarial Compliance Certificate

Secretarial Compliance Certificate, as required under section 383A of the Companies Act, 1956, for the financial year 2004-05 is annexed forming part of this Annual Report.

Directors' Responsibility Statement

In accordance with the provisions of Section 217(2AA) of the Companies Act, 1956, and on the basis of the information placed, the Director's of the Company would like to state that :

- I. the applicable accounting standards have been followed and wherever required, proper explanations relating to material departures have been given.
- II. the Directors have selected such accounting policies and applied them consistently and made judgements and estimates that are 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 Profit or Loss of the Company for that period.

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

- IV. the Accounts have been prepared on a going concern basis.

Acknowledgement

Your Directors acknowledge the support given by the Shareholders, Bankers, Trade and Employees and looks forward for their continued support.

The Directors would also like to place on record their appreciation and gratitude to **Beiersdorf AG, Dr. Wild & Company Limited** and **Cuxson Gerrard & Company** for their co-operation and support to your Company.

Dated: April 27, 2005

On Behalf of the Board of Directors

REGISTERED OFFICE:

"RASOI COURT"

20, SIR R N MUKHERJEE ROAD,
KOLKATA - 700 001

RAGHU MODY
CHAIRMAN

ANNEXURE TO THE DIRECTORS' REPORT

CONSERVATION OF ENERGY - YEAR 2004-05 (POWER & FUEL CONSUMPTION)

Particulars	Current Year 2004-05	Previous Year 2003-04
1 Electricity		
A Purchase in units (Lakh)	2.06	1.63
Total Amount (Rs. Lakh)	8.16	7.14
Rate/Unit (Rs.)	3.96	4.38
B Own Generation		
Through Diesel Generator in		
Units - Lacs	0.03	0.02
Units / Per Ltr of Diesel oil	2.44	0.92
Cost/Units (Rs.)	18.70	25.90
2 Furnace Oil / LDO		
Quantity (K Ltrs)	19.50	21.00
Total amount (Rs. Lakhs)	4.85	4.26
Average Rate Rs./ (Ltr)	24.80	20.29

Highlights

- A. Close monitoring helped to keep electricity consumption under control inspite of additional machines put to use and increase in production during the year.
- B. Rate of Diesel has continued to increase during this year also, however total output/units generation per litres of Diesel Oil has improved considerably during the year resulting in lower cost of own generation as compared to previous year. Power Generation is also high due to lesser dependency on the DG set as normal power supply was received from MSEB during the year.
- C. Increase in the rate of LDO has increased the LDO cost although LDO consumption was kept under control.

J.L. MORISON (INDIA) LTD.

Ranjeet Agrawal,
Company Secretary

4129, D-Wing,
Oberoi Garden Estate,
Chandivali Farm Road,
Andheri(E), Mumbai - 400 072.

SECRETARIAL COMPLIANCE CERTIFICATE

To,
The Members,
J. L. Morison (India) Ltd.,
'Rasoi Court',
20, Sir R N Mukherjee Road, Kolkata 700 001

I have examined the registers, records, books and papers of **M/s J. L. Morison (India) Ltd.**, as required to be maintained under the Companies Act, 1956, (the Act) and the rules made thereunder and also the provisions contained in the Memorandum and Articles of Association of the Company for the financial year ended on 31st March, 2005. In my opinion and to the best of my information and according to the examinations carried out by me and explanations furnished to me by the Company, its officers and agents, I certify that in respect of the aforesaid financial year:

- 1 The Company has kept and maintained all registers as stated in Annexure 'A' to this certificate, as per the provisions and the rules made thereunder and all entries therein have been duly recorded.
- 2 The Company has duly filed the forms and returns as stated in Annexure 'B' to this certificate, with the Registrar of Companies, Regional Director, Central Government, Company Law Board or other authorities within the time prescribed under the Act and the rules made thereunder.
- 3 The Company is a public company and therefore the clause of minimum prescribed capital and maximum number of members is not applicable to the Company.
- 4 The Board of Directors duly met four (4) times on 10.05.2004, 28.07.2004, 28.10.2004 and 21.01.2005 in respect of which meetings proper notices were given and the proceedings were properly recorded in the Minutes Books maintained for the purpose.
- 5 The Company has closed its Register of Members from 23.09.2004 to 29.09.2004 (both days inclusive) and necessary compliance of Section 154 of the Act has been made.
- 6 The Annual General Meeting for the financial year ended on March 31, 2004 was held on September 29, 2004 after giving due notice to the members of the Company and the resolutions passed thereat were duly recorded in the Minutes Book maintained for the purpose.
- 7 No Extra Ordinary General Meeting was held during the financial year.
- 8 The Company has not advanced any loan to its directors and/or persons or firms or companies referred to under Section 295 of the Act.
- 9 The Company has entered into the following Contracts, which falls within the purview of Section 297 of the Act:
 - a) Purchase of 23552 Equity Shares of Rasoi Limited of Rs.10/- each at Rs.54/- per share from Shri R N Mody, Executive Chairman of the Company vide an arrangement dated January 17, 2005.
 - b) Leave and Licence Agreement dated February 27, 2004 with Smt. S D Mody, w/o of Shri R N Mody - Executive Chairman of the Company for the flat owned by Smt. S D Mody at 30, Paschim Marg, New Delhi. During the year vide letter dated March 19, 2005 the monthly rent has been reduced to Rs.10,000/- p.m. from Rs.25,000/- p.m.
- 10 The Company has maintained the register under section 301 of the Companies Act, 1956.
- 11 As there were no instances falling within the purview of section 314 of the Act, the Company has not obtained any approvals from the Board of Directors, Members or the Central Government as the case may be.

- 12 The Company has issued all the duplicate share certificates under approval of the Board of Directors of the Company.
- 13 The Company has:
 - i) delivered all the certificates on lodgment thereof for transfer/transmission or any other purpose in accordance with the provisions of the Act ;
 - ii) deposited the amount of dividend declared in a separate Bank Account on 1.10.2004 which is within two days from the date of declaration of such dividend ;
 - iii) posted warrants for dividend to all the members within a period of thirty days from the date of declaration and that all unclaimed dividend has been transferred to Unpaid Dividend Account of the Company with IDBI Bank, Kolkata;
 - iv) pursuant to the provisions of Section 205A of the Companies Act, 1956, as amended, unclaimed dividend for the financial year ended on March 31, 1997, which remained unclaimed or unpaid for a period of seven years, have been transferred to the Investor Education and Protection Fund (IEPF) during the year.
 - v) duly complied with the requirements of section 217 of the Act.
- 14 The Board of Directors of the Company is duly constituted and the appointment of directors, additional directors, alternate directors and directors to fill casual vacancies has been duly made.
- 15 The Company has not appointed any Managing Director / Whole-time Director / Manager during the financial year.
- 16 The Company has not appointed any sole-selling agents during the financial year.
- 17 The Company was not required to obtain any approvals of the Central Government, Company Law Board, Regional Director and Registrar of Companies and / or such other authorities prescribed under the various provisions of the Act.
- 18 The directors have disclosed their interest in other firms/companies to the Board of Directors pursuant to the provisions of the Act and the rules made thereunder.
- 19 The Company has not issued shares/debentures/other securities during the financial year.
- 20 The Company has not bought back shares during the financial year ending 31st March, 2005.
- 21 There was no redemption of preference shares/debentures during the financial year.
- 22 There were no transactions necessitating the Company to keep in abeyance the rights to dividend, right shares and bonus shares pending registration of transfer of shares.
- 23 The Company has not invited / accepted any deposits including any unsecured loans falling within the purview of section 58A read with Companies (Acceptance of Deposit) Rules, 1975 during the financial year.
- 24 The Company has not made any borrowing in excess of aggregate of the paid up capital of the Company and its free reserves.
- 25 The Company has made loans or advances or given guarantees or provided securities to other bodies corporate and consequently entries have been made in the register kept for the purpose.
- 26 The Company has not altered the provisions of the memorandum with respect to situation of the Company's registered office from one state to another during the year under scrutiny.
- 27 The Company has not altered the provisions of the memo-

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- random with respect to the objects of the Company during the year under scrutiny.
- 28 The Company has not altered the provisions of the memorandum with respect to name of the Company during the year under scrutiny.
- 29 The Company has not altered the provisions of the memorandum with respect to share capital of the Company during the year under scrutiny.
- 30 The Company has not altered its articles of association during the year under scrutiny.
- 31 There was / were no prosecution initiated against or show cause notices received by the Company during the financial year, for offences under the Act.
- 32 The Company has not received any security from its employees during the year under certification.
- 33 The Company has deposited both Employee's and Employer's contribution to Provident Fund with prescribed authorities pursuant to Section 418 of the Act.

Place : Mumbai
Dated: April 21, 2005

Ranjeet Agrawal
C.P. No.: 5832.

ANNEXURE-A

Registers as maintained by the Company are:

- 1 Register of Members under section 150.
- 2 Register of Directors, Managing Director, Manager & Secretary under section 303.
- 3 Register of Directors' Shareholding under section 307.
- 4 Minutes Books of proceedings of Board and that of shareholders.
- 5 Minutes Books of the proceedings of the Committees.
- 6 Register of Charges under section 143
- 7 Register of Investments under section 49
- 8 Register of Particulars of Contracts in which directors are interested under section 301.

ANNEXURE -B

Forms and Returns as filed by the Company with the Registrar of Companies, Regional Director, Central Government or other authorities during the financial year ending on 31st March, 2005.

S. No.	Form No./Return	Filed under Section	For	Date of Filing
1	Annual Return	159	2003-04	23.11.2004
2	Balance Sheet	220	2003-04	08.10.2004
3	Compliance Certificate	383A	2003-04	08.10.2004
4	Form No. 32	303	Resignation of Director – Mr. Vimal Bhandari	08.09.2004
5	Form No. 32	303	Appointment of Director – Mr. H K Kejriwal	26.10.2004
6	Form No. 32	303	Resignation of Director – Mr. Haigreva Khaitan	23.11.2004
7	Form No. 23	192	Reconstitution of Agreement with the Mr. Jimmy R Anklesaria - Managing Director	02.11.2004

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REPORT ON CORPORATE GOVERNANCE

In compliance with Clause 49 of the Listing Agreement with Stock Exchange (s), the Company submits the report on the matters mentioned in the said clause and on the practices as followed by the Company:

1. Company's Governance Philosophy

Your Company firmly believes in and continues to practice good Corporate Governance. Over the years, your company has complied with the broad principles of Corporate Governance through a strong emphasis on transparency, empowerment, accountability and integrity.

2. Board of Directors

The Board of Directors comprises of a Chairman & Whole-time Director, Managing Director and 5 Independent & Non- Executive Directors. During the year, Four (4) Board Meetings were held on 10.05.2004, 28.07.2004, 28.10.2004 and 21.01.2005.

The composition of the Board of Directors and their attendance at the Meetings during the year and at the last Annual General Meeting as also the number of other Directorships / Memberships of Committees' are as follows:

Name of the Director	Designation	Category	No. of Board Meetings attended	Attendance at last AGM	No. of outside Directorships held		No. of outside Committees	
					Public	Private	Member	Chairman
Shri R N Mody	Chairman & Wholetime Director	Executive & Promoter	2	Yes	9	-	3	2
Mr. J R Anklesaria	Managing Director	Executive & Non Independent	4	Yes	-	-	-	-
Mr. Haigreave Khaitan*	Director	Non Executive & Independent	2	No	18	2	8	-
Mr. Lawson Lyon	Director	Non Executive & Independent	-	No	-	-	-	-
Lt. Gen.(Retd) K S Brar	Director	Non Executive & Independent	3	Yes	1	1	2	-
Mr. Vimal Bhandari*	Director	Non Executive & Independent	1	No	11	-	20	1
Mr. H K Kejriwal	Director	Non Executive & Independent	4	No	4	1	-	-
Mr. H Wietelmann	Director	Non Executive & Independent	-	Yes	-	-	-	-
Mr. Atul Tandan	Director	Non Executive & Independent	4	Yes	2	3	-	-

* Mr. Haigreave Khaitan and Mr. Vimal Bhandari resigned during the year due to their personal commitments

3. Directors' Interest in the Company & Remuneration:

Given below are the details of actual payments made during the financial year 2004-05 to the Directors of the Company:

Name of the Director	Relationship with Other Directors	Salaries & Perquisites (Rs. in lacs)	Sitting Fees for Board and Committee Meetings (Rs. in Lacs)
Mr. Raghu Mody	-	12.51	-
Mr. J R Anklesaria	-	21.00	-
Mr. H Khaitan	-	-	0.12
Lt. Gen. (Retd.) K S Brar	-	-	0.21
Mr. Vimal Bhandari	-	-	0.05
Mr. Atul Tandan	-	-	0.28
Mr. H K Kejriwal	-	-	0.26
Mr. H Wietelmann	-	-	-
Mr. Lawson Lyon	-	-	-