



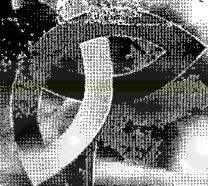
**JL MORISON**

# ANNUAL REPORT

2008-09

*Ushering the new era of 'enterprising' enthusiasm...*

2008-09



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# JL Morison Brings Playboy Fragrances to India

**PLAYBOY**   
new fragrance for men

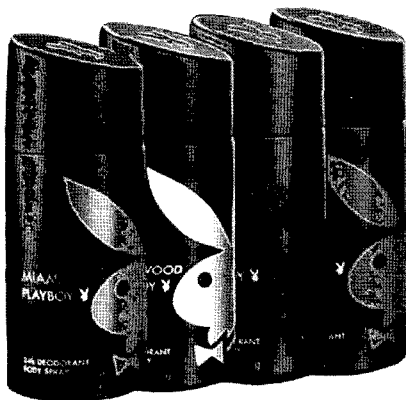


From Left to Right : Mr. Alphonsus Houtkamp, General Manager Asia-Coty Asia, Mr. Venkatesh Babu, Regional Managing Director-Coty Beauty Far East, Neha Dhupia-Bollywood Actress (Former Femina Miss India 2002), Mugdha Godse-Super Model turned Bollywood Actress, Mr. Raghu Mody-Chairman JLM, Mr. Biju Antony Sr. VP and Business Head-Lifestyle Division at JLM, Mr. Varunn Mody-Director JLM.

Playboy, the international fashion and lifestyle brand with its hugely popular Rabbit head logo entered the Indian market in a big way with the launch of Playboy Fragrances for men. Coty Inc has signed an agreement with J. L. Morison (India) Ltd. to exclusively market and distribute the same in India. Models-turned actresses Mugdha Godse and Neha Dhupia unveiled the fragrances in the presence of Mr. Fons Houtkamp, Head of Asia - Coty Beauty, Mr. Venkatesh Babu, Regional Managing Director- Coty, responsible for India, Mr. Biju Antony Sr. VP and Business Head -Lifestyle Division at JLM, Mr. Varunn Mody, Director JLM, and Mr. Raghu Mody, Chairman JLM.

Now party time will be only a spray away with the launch of 4 irresistible new fragrances from the iconic playboy brand. The brand will be made available in 4 different variants Hollywood Playboy, Malibu Playboy, Miami Playboy and Vegas Playboy each distinctive, contemporary fragrance capturing the essence of the glamorous lifestyle in some of the world's hottest cities.

Mr. Venkatesh Babu, Regional Managing Director- Coty who was instrumental in bringing the brand to India said, "The mass market in India has a large potential for international brands at the right price point offering. Our strategy for India through our partners, who have strong distribution infrastructure, will help us garner respectable market shares in the first year. We look at being leaders in the Men's deodorant and fragrance category with our brands in a few years." "The partnership with Coty is a significant development in building JLM as the leading marketing, sales and distribution Company in India" added Mr. Varunn Mody, Director JLM.



**BOARD OF DIRECTORS**

R. N. MODY	CHAIRMAN
VARUNN MODY	DIRECTOR
BIPIN VENGSAKAR	EXECUTIVE DIRECTOR (upto 08.01.09)
ATUL TANDAN	DIRECTOR
LT. GEN. (RETD.) K. S. BRAR	DIRECTOR
H. K. KEJRIWAL	DIRECTOR (upto 16.05.09)
D. L. LYON	DIRECTOR

**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  
PHONE : (033) 2248 0114/5  
FAX: (033) 2248 1200  
Website : www.jlmorisonindia.com

74<sup>th</sup> Annual General Meeting of the Company will be held on  
Tuesday, the 15<sup>th</sup> September, 2009 at 11:30 A.M. at Kala Kunj, 48,  
Shakespeare Sarani, Kolkata 700017.

**HEAD OFFICE**

"CRYSTAL"  
79, DR. ANNIE BESANT ROAD, WORLI  
MUMBAI - 400 018

**BRANCHES**

MUMBAI  
KOLKATA  
NEW DELHI  
CHENNAI

**WORKS**

E-95/1, MIDC WALUJ, NEAR SIEMENS FACTORY,  
WALUJ, AURANGABAD - 431 136  
MAHARASHTRA

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**ANNUAL REPORT 2008-09**

**NOTICE** is hereby given that the 74<sup>th</sup> ANNUAL GENERAL MEETING of the Members of J. L. MORISON (INDIA) LIMITED will be held at Kala Kunj, 48, Shakespeare Sarani, Kolkata 700017, on Tuesday, the 15<sup>th</sup> day of September 2009 at 11.30 A.M. to transact the following business:

**ORDINARY BUSINESS**

1. To receive, consider and adopt the Profit and Loss Account for the year ended on 31<sup>st</sup> March, 2009 and the Balance Sheet as on that date and the Reports of the Directors' and the Auditors' thereon.
2. To declare Dividend for the financial year ended on 31<sup>st</sup> March, 2009.
3. To appoint a Director in the place of Mr. R. N. Mody, who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint a Director in the place of Lt. Gen. (Retd.) K. S. Brar, who retires by rotation and being eligible, offers himself for re-appointment.
5. To re-appoint 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 modification the following Resolution as a **Special Resolution**:

**"RESOLVED THAT** pursuant to the provisions of Sections 198, 269 and 309 read with Schedule XIII and all other applicable provisions, if any, of the Companies Act, 1956, (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and such other approvals as may be necessary, the consent of the members of the Company be and is hereby accorded to the appointment of Mr. Varunn Mody as Executive Director of the Company for a period of 3 years with effect from 23<sup>rd</sup> August 2009 on the terms and conditions as mentioned in the attached explanatory statement and the agreement entered into between the Company and him, as placed before the meeting, with liberty to the Board of Directors to alter, vary or modify the terms and conditions of the appointment in such manner as may be required and agreed to by the Board and Mr. Varunn Mody.

**RESOLVED FURTHER THAT** in the event of absence or inadequacy of profits in any financial year during the currency of tenure of Mr. Varunn Mody as Executive Director of the Company, the payment of salary, perquisites and other allowances as approved by this resolution shall be payable as minimum remuneration to him.

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorized to do all such acts and deeds as may be necessary to give effect to the above resolution."

**By Order of the Board of Directors**

Place : Mumbai  
Date : 28<sup>th</sup> July, 2009

**Varunn Mody**  
Director

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

**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. The Register of Members and the Share Transfer Books of the Company will remain closed from 9<sup>th</sup> September, 2009 to 15<sup>th</sup> September, 2009 (both days inclusive).
3. 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.
4. The dividend, when declared, will be paid to those Members whose names appear in the Company's Register of Members as on 15<sup>th</sup> September, 2009.
5. The Company has already transferred all Unclaimed Dividend declared upto the financial year ended on 31<sup>st</sup> March, 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 aforesaid 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.
6. Pursuant to the provisions of Section 205A of the Companies Act, 1956, as amended, unpaid / unclaimed dividend for the financial years ended on 31<sup>st</sup> March, 1995, 31<sup>st</sup> March, 1996, 31<sup>st</sup> March, 1997, 31<sup>st</sup> March, 1998, 31<sup>st</sup> March, 1999, 31<sup>st</sup> March, 2000 and 31<sup>st</sup> March, 2001, have been transferred to the Investor Education and Protection Fund (IEPF).

The details of Dividend paid by the Company and its due date for transfer to Investor Education and Protection Fund, as per the Companies Act, 1956, if they remain unclaimed by the Shareholders is given below:

Date of Declaration of Dividend	Dividend for the year	Due Date for Transfer
25.09.2002	2001- 2002	24.10.2009

7. 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.
8. Shareholders are requested to bring their copies of the Annual Report to the Meeting.
9. 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.
10. 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.

**Details, as required under clause 49 of the Listing Agreement, of directors seeking appointment/reappointment at ensuing AGM:**

**Mr. R. N. Mody** is also director in Rasoi Ltd., Hindustan Composites Ltd., The West Coast Paper Mills Ltd., Prabhukripa Overseas Ltd. and Rasoi Express Pvt. Ltd. He is Executive Committee Member of Automotive Components Manufacturing Association of India (ACMA). Mr. Mody has been president of ASSOCHAM, Indo-American Chamber of Commerce & Industry of India, Asbestos Information Centre. He was also Chairman of Eastern Regional Office of Indo-Italian Chambers of Commerce & Industry. He holds 250 equity shares of the Company.

**Lt. Gen. (Retd.) K. S. Brar** has rich and varied management

experience. He is also director in Hindustan Composites Ltd. and Al Kabeer Exports (Pvt.) Ltd. He does not hold any shares of the Company.

**Mr. Varunn Mody** is associated with the Company since 2003 as Member - Management Team and thereafter was appointed as Director of the Company w.e.f. 7<sup>th</sup> September, 2005. He is being appointed as an Executive Director of the Company w.e.f. 23<sup>rd</sup> August, 2009. He is also director in Hindustan Composites Ltd., Rasoi Express Pvt. Ltd. and Alipore Consultants Ltd. He is also a member of Managing Committee of ASSOCHAM, Young Business Leaders Forum and Managing Committee of ACMA and Executive Council Member of Indian Olive Association. He holds 135 equity shares of the Company.

**Explanatory statement pursuant to Section 173(2) of the Companies Act, 1956**

**Item No. 6:**

Mr. Varunn Mody is associated with the Company since 2003 as Member - Management Team and thereafter was appointed as Director of the Company w.e.f. 7<sup>th</sup> September 2005. Considering his experience and valuable contribution made by him to the business and management of the Company, the Board of Directors of the Company in their meeting held on 28<sup>th</sup> July 2009 decided to appoint him as an Executive Director of the Company for a period of 3 years with effect from 23<sup>rd</sup> August 2009, subject to the approval of the members of the Company in their general meeting.

The brief terms of appointment of Mr. Varunn Mody are given here-in-below:

1. The Executive Director shall, subject to the supervision and control of the Board of Directors of the Company, manage the business and affairs of the Company.
2. The Agreement shall be for a period of 3 (three) years with effect from 23<sup>rd</sup> August, 2009.
3. Remuneration:
  - a) Salary:  
Rs. 1,45,000/- (Rupees One Lakh Forty Five Thousand only) per month.
  - b) Commission:  
Subject to overall ceiling under section 198 and 309 of the Companies Act, 1956 based on the net profits of the Company for each financial year as the Board may in its absolute discretion determine.
  - c) Perquisites:  
The Executive Director shall be entitled to the following perquisites:
    - (i) Fully furnished rent free accommodation with gas, electricity, water, furnishing or in case accommodation is not provided Rs. 24,000/- (Rupees Twenty Four Thousand only) per month.
    - (ii) Reimbursement of medical expenses as per rules of the Company.

- (iii) Membership fees for maximum two clubs.
- (iv) Leave Travel Allowance as per rules of the Company.
- (v) Mediclaim policy for him and his family as per rules of the Company.
- (vi) Personal accident policy for him only as per rules of the Company.
- (vii) Company's contribution to Provident Fund, Superannuation Fund and Annuity Fund as per rules of the Company.
- (viii) Earned Leave and Encashment of Earned Leave at the end of the tenure, as per rules of the Company.
- (ix) Company maintained car for use on Company's business, telephone and other communication facilities at residence, will not be considered as perquisites.

- d) The Executive Director, so long as he functions as such, shall not be paid any sitting fees for attending the meetings of the Board of Directors or Committees thereof from the date of his appointment.
- e) Apart from the above terms and conditions governing remuneration, the aforesaid agreement contains further terms and conditions as to the provision for earlier termination of the appointment by either party by giving two months' notice in writing to the other party, non-participation in any selling agency of the Company, reimbursement of the entertainment, traveling and all other expenses incurred by him for the business of the Company, etc.
- f) In the event of loss or inadequacy of profits in any financial year, the Executive Director shall be paid remuneration by way of salary and perquisites as specified above.
- g) The remuneration and perquisites payable to Mr. Varunn Mody as provided hereinabove shall be subject to the overall ceiling on managerial remuneration as provided in Section 198, 309 and Schedule XIII of the Companies Act, 1956.

The details as required under Clause B of Section II of Part II of Schedule XIII to the Companies Act, 1956, are given here-in-below:

<b>I General Information</b>	
(1) Nature of industry	The Company is engaged in the business of marketing and distribution of various toiletry and fragrance products.
(2) Date or expected date of commencement of commercial production	The company is an existing company and is in operation since 1934.
(3) In case of new companies, expected date of commencement of activities as per project approved by the financial institutions appearing in the prospectus	N.A.
(4) Financial performance based on given Indicators	EPS : Rs. 5.89 Return on networth : 1.13%
(5) Export performance and net foreign exchange collaborations	Nil
(6) Foreign investments or collaborators, if any	Nil
<b>II. Information about the appointee</b>	
(1) Background details	Mr. Varunn Mody was appointed as Director of the Company on 7 <sup>th</sup> September, 2005. Mr. Mody is a commerce graduate and has good experience in field of finance, distribution and marketing. He is appointed as an Executive Director of the Company for a period of 3 years w.e.f. 23 <sup>rd</sup> August, 2009. Mr. Varunn Mody is a promoter director of the Company. Prior to becoming director of the Company he was engaged in the business of the Company as Member-Management Team.
(2) Past remuneration	As director of the Company, he was paid sitting fees for attending meetings of the Board of Directors.
(3) Recognition or awards	Mr. Varunn Mody is a commerce graduate having good experience in the industry in which the company operates.
(4) Job profile and his suitability	Mr. Varunn Mody will be engaged in day-to-day affairs of the Company and will be responsible for overall management.
(5) Remuneration proposed	As detailed here in above.
(6) Comparative remuneration profile with respect to industry	The remuneration payable to Mr. Varunn Mody is at par with the industry standards, in which it operates.
(7) Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel, if any.	Mr. Varunn Mody is a promoter director of the Company.
<b>III. Other information</b>	
(1) Reasons of loss or inadequate profits	Due to unfavorable market conditions and restructuring of business operations of the Company, the Company could not maintain high level of profits in comparison to the previous years.
(2) Steps taken or proposed to be taken for improvement and expected increase in productivity and profits in measurable terms	The Company hopes increase in revenues and profit margins in coming years with the signing of new partnerships and introduction of new products.

The agreement entered into between the Company and Mr. Varunn Mody, incorporating the above particulars of terms of appointment is available for inspection at the Registered Office of the Company on all working days excluding Saturdays upto the date of the ensuing Annual General Meeting between 11.00 a.m. and 1.00 p.m.

The above details shall be considered as an abstract of the terms of appointment under Section 302 of the Companies Act, 1956.

The Board recommends passing of the Special Resolution as set out at item no. 6 of the Notice.

Except Mr. R. N. Mody and Mr. Varunn Mody, no other Director is concerned or interested in the resolution.

**By Order of the Board of Directors**

Place : Mumbai  
Date : 28<sup>th</sup> July, 2009

**Varunn Mody**  
Director

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

## DIRECTORS' REPORT

To  
**The Members**  
**J. L. Morison (India) Ltd.**

Your Directors' have pleasure in presenting the 74<sup>th</sup> Annual Report and Statement of Accounts of the Company for the financial year ended on 31<sup>st</sup> March, 2009.

### Financial highlights

(Rs. in Lakhs)

	2008-09	2007-08
(a) Sales & Other Income	11,875.30	18,035.97
(b) Cost of Sales	11,444.84	17,094.78
(c) Gross Profit	430.46	941.19
(d) Interest (Net)	235.72	300.42
(e) Depreciation	101.97	100.15
(f) Operating Profit	92.77	540.62
(g) Profit Before Tax	92.77	540.62
(h) Provision for Taxation	16.01	138.71
(i) Depreciation of earlier year adjusted	(3.62)	-
(j) Net Profit after Tax	80.38	401.91
(k) Dividend	13.65	34.12
(l) Dividend Tax	2.32	5.80
(m) Transfer to General Reserve	64.41	361.99

### Dividend

Considering the financial position of the Company, your Directors recommend a dividend of Re. 1.00 (10%) per share (Previous year - Rs. 2.50 per share - 25%).

### Performance

2008-2009 has been a year where your company has entered into partnerships with global leaders in the fragrances category as well as the skin care and hair care categories. The Fast Moving Consumer Goods (FMCG) industry in India has grown at a slightly lower double digit rate of 12.6% in spite of the global recession. However, margins have been under pressure with increased petrochemical costs and corresponding increase in costs of raw materials.

The overall turnover of the company has seen a dip from 180 Crore to 118 Crore with the discontinuation of the Nivea business and the organization has been reorganized to focus on the newly created 3 divisions of Health Care, Consumer Products and Lifestyle Products.

As reported last year, the partnerships with Merisant Company USA and Hoya Co. of Japan have evolved in 2008-09 and the brands Equal and Bigen which your company exclusively distributes in India have gained respectable market share. We are working with these partners in extending the product portfolio in the coming years.

Your company has successfully entered into a strategic partnership with the New York headquartered- Coty- the \$ 4 billion world's largest fragrance manufacturer for exclusive distribution and marketing of Playboy, Tonino Lamborghini and Pierre Cardin in India. Deodorants, Eau De Toilettes and After Shave Lotions in many variants, in these brands comprise of the product portfolio.

J. L. Morison has also entered into an exclusive distribution and marketing arrangement with the Chicago based Alberto Culver International the leading US manufacturer of well known brands for ST. Ives, scrubs, lotions, washes, Vo5, shampoos and conditioners and Alberto Balsam Shampoos. These brands are among the leading brands in the US and UK markets.

Both these two partnerships are long term partnerships and strategic to JLM's growth in the coming years, the turnover from which will also fill the vacuum created due to the exit of Nivea from the product portfolio.

The newly created Lifestyle division will focus on these brands with a separate sales team to build the JLM business. The Modern Trade in India which has grown considerably well in the last few years will be a focused channel for these lifestyle products. The listing of products have been completed with all major retail chains and we hope to achieve targeted sales in the coming years.

The Morisons range of products has also been extended with the introduction of 'Zero Gravity' range of men's deodorants. Available in 4 variants and affordable priced at MRP Rs. 130.00. The products have been well accepted by the Indian consumer and the initial results of the launch are extremely encouraging. The existing range of feeding bottles/nipples, colognes and brushes continue to do well. Your company will invest in building and extending the Morisons range for the long term.

The year has seen the highest sales for EMOFORM toothpaste since its introduction. EMOFORM mouth rinse is also slowly gaining market share in India with increased distribution and aggressive marketing. We continue our endeavor to build this division of the business and are in discussions with some leading consumer healthcare companies for partnerships.

With the addition of these new brands and the creation of separate business divisions, the transition from being a single brand organization to a multi brand organization is complete. The mixed product portfolio and the different skill sets required for these business prompted this move to ensure that each of the businesses grow and reap profits.

The Oil trading business continues with the vast potential in India, and we look to expand this business in the years to come.

### Public Deposits

During the year ended 31<sup>st</sup> March, 2009, the Company has not accepted or renewed any public deposits.

### 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, M/s.P. M. Nanabhoy & Company, Cost Accountant, Mumbai, to the Central Government upto the year 2007-2008.

### Particulars of Conservation of Energy, Technology Absorption & Foreign Exchange Earnings and Outgo

#### a) Conservation of Energy:

As required under Section 217(1)(e) of the Companies Act, 1956 and rules made therein the particulars of conservation of energy is given in Annexure, which is attached and forms a part of this report.



**b) Technology Absorption:**

As the Company's manufacturing activities are discontinued, the Directors have nothing to report as regards to the Technology Absorption.

**c) Foreign Exchange Earnings and Outgo:**

During the financial year 2008 - 2009, total foreign exchange used and earned was Rs. 7,328.97 Lakhs (previous year Rs.6,019.22 Lakhs) and Rs. Nil (previous year Rs. Nil) respectively.

**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. R. N. Mody, resigned from the Whole Time Directorship of the Company w.e.f. 1<sup>st</sup> August, 2008. However, he continues as Non-Executive Chairman of the Company.

Mr. Bipin Vengsarkar, Executive Director and Mr. H. K. Kejriwal, Director of the Company resigned from the directorship of the Company w.e.f. 8<sup>th</sup> January, 2009 and 16<sup>th</sup> May, 2009 respectively. The Board places its gratitude towards them for valuable guidance extended by them during their tenure as Directors of the Company.

Mr. R. N. Mody and Lt. Gen. (Retd.) K. S. Brar, Directors of the Company retire by rotation and being eligible, offer themselves for re-appointment.

Subject to the approval of the members of the Company in their general meeting, the Board of Directors appointed Mr. Varunn Mody, Director of the Company as Executive Director of the Company for a period of 3 years w.e.f. 23<sup>rd</sup> August, 2009.

Your directors recommend for the reappointment of Mr. R. N. Mody and Lt. Gen. (Retd.) K. S. Brar as Directors of the Company and for approval of appointment of Mr. Varunn Mody as Executive Director of the Company.

**Auditors**

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

**Stock Exchanges**

The Company's shares are listed at The Calcutta Stock Exchange Association Limited, Bombay Stock Exchange Limited and the Bangalore Stock Exchange and the Annual Listing Fees for the year 2009 - 2010 has been paid.

**Secretarial Compliance Certificate**

Secretarial Compliance Certificate received from M/s. Manish Ghia & Associates, Practicing Company Secretaries, as required under section 383A of the Companies Act, 1956, for the financial year 2008-2009 is annexed forming part of this Annual Report.

**Corporate Governance**

Management Discussion & Analysis and Report on Corporate Governance is annexed herewith and forms part of this 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 had been followed and wherever required, proper explanations relating to material departures have been given;
- II. the directors had 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 of the Company for that period;
- III. proper and sufficient care had 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 had been prepared on a going concern basis.

**Acknowledgement**

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

**For and on behalf of the Board of Directors**

Place: Mumbai  
Date : 28<sup>th</sup> July, 2009

**R. N. MODY**  
Chairman

**Registered Office:**

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

**ANNEXURE TO THE DIRECTORS' REPORT****CONSERVATION OF ENERGY FOR THE YEAR 2008-2009  
(POWER & FUEL CONSUMPTION)**

Particulars	Current Year 2008-09	Previous Year 2007-08
1 <u>Electricity</u>		
A Purchase in units (Lakhs)	0.55	3.08
Total Amount (Rs. Lakhs)	2.99	16.24
Rate/Unit (Rs.)	5.44	5.27
B <u>Own Generation</u>		
Through Diesel Generator in units (Lakhs)		0.005
Units / Per Ltr of Diesel oil	-	1.73
Cost / Unit (Rs.)	-	20.83
2 <u>Furnace Oil / LDO</u>		
Quantity (K Ltrs)	0.038	16.50
Total amount (Rs. Lakhs)	1.21	5.26
Average Rate Rs./ (Ltrs)	31.84	31.88

Note: The Company's manufacturing unit situated at Waluj, Aurangabad was closed with effect from 23<sup>rd</sup> August, 2008.



**COMPLIANCE CERTIFICATE**

Authorised Share Capital : Rs.3,00,00,000/-  
Company Registration No. : L51109WB1934PLC088167

To,

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

We have examined the registers, records, books and papers of **M/s. J. L. Morison (India) Limited (the Company)** as required to be maintained under the Companies Act, 1956 (**the Act**) and the rules made there under and also the provisions contained in the Memorandum and Articles of Association of the Company, for the financial year ended on **31<sup>st</sup> March, 2009 (financial year)**. In our opinion and according to the examination carried out by us and explanations furnished to us by the Company, its officers and agents, and to the best of our knowledge and belief, we certify that in respect of the aforesaid financial year:

1. The Company has kept and maintained the registers as stated in **Annexure 'A'** to this certificate, as per the provisions of the Companies Act, 1956 and the rules made thereunder and entries therein have been duly recorded.
2. The Company has 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 time prescribed under the Companies Act, 1956 and the rules made thereunder. The Company has paid the necessary additional fee for the documents filed after the time prescribed under the act.
3. The Company being a Public Limited Company, has the paid up capital of Rs. 1,36,50,340/- (Rupees One Crore Thirty Six Lacs Fifty Thousand Three Hundred Forty) as on 31<sup>st</sup> March, 2009 and the restrictive provisions of Section 3(1) (iii) of the Act are not applicable.
4. The Board of Directors duly met 5 (five) times on 8<sup>th</sup> May, 2008, 25<sup>th</sup> July, 2009, 24<sup>th</sup> October, 2008, 8<sup>th</sup> January, 2009 and 29<sup>th</sup> January, 2009 as per information and explanation given by the management, proper notices were given and the proceedings were properly recorded and signed including the circular resolutions passed in the Minutes Book maintained for that purpose.
5. The Company has closed its Register of Members on 25<sup>th</sup> September, 2008 and necessary compliance of Section 154 of the Act has been made.
6. The Annual General Meeting for the financial year ended on 31<sup>st</sup> March, 2008 was held on 25<sup>th</sup> September, 2008 and as per information and explanation given by the management, the Company has given adequate notice to the members of the Company and the resolutions passed thereat were duly recorded and signed in the Minutes Book maintained for that purpose.
7. No Extra - Ordinary General Meeting was held during the financial year.
8. The Company has not advanced any loans to its directors or persons or firms or companies referred to under Section 295 of the Act.
9. The Company has not entered into any contracts falling within the purview of Section 297 of the Act.
10. The Company has made necessary entries in the register maintained under Section 301 of the Act.
11. As there were no instances falling within the purview of Section 314 of the Act, the Company was not required to obtain any approval from the Board of Directors, Members or Central Government.
12. The duly constituted Committee of the Board of Directors has approved the issue of duplicate share certificates.
13. The Company :
  - (i) has delivered all the share certificates on lodgement thereof for transfer / transmission or any other purpose in accordance with the provisions of the Act.
  - (ii) has deposited the amount of dividend declared at the Annual General Meeting held on 25<sup>th</sup> September, 2008 into a separate Bank account on 29<sup>th</sup> September, 2008 which was within five days from the date of declaration of such dividend.
  - (iii) has posted warrants for dividends to all members within a period of 30 (thirty) days from the date of declaration and that all unclaimed / unpaid dividend has been transferred to Un-paid dividend Account of the Company with HDFC Bank Ltd., Mumbai.
  - (iv) has transferred the amounts lying in unpaid dividend account which remained unclaimed or unpaid for a period of seven years to the Investor Education and Protection Fund.
  - (v) has duly complied with the requirements of Section 217 of the Act.
14. The Board of Directors of the Company is duly constituted. There was no appointment of additional director, alternate director and directors to fill casual vacancy during the financial year.
15. During the financial year under review, the Company re-appointed Mr. Bipin Vengsarkar as an Executive Director for a period of 3 years w.e.f. 1<sup>st</sup> April, 2008 and has complied with the requirements of the Act.
16. The Company has not appointed any sole selling agent during the financial year.
17. The Company has made necessary application to the

Central Government for appointing Cost Auditors. The Company was not required to obtain any approvals from Company Law Board, Regional Director, Registrar and / or such authorities prescribed under the various provisions of the Act during the financial year.

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 any shares during the financial year.
21. There was no redemption of preference shares or debentures during the financial year.
22. There were no transactions necessitating the Company to keep in abeyance the rights to dividend, rights shares and bonus shares pending registration.
23. The Company has not invited / accepted any deposits including any unsecured loans during the financial year which is falling within the purview of section 58A read with the Companies (Acceptance of Deposit) Rules, 1975 / the applicable directions issued by the Reserve Bank of India / any other authorities.
24. The Company has not made any borrowings during the financial year except borrowings made in due course of business activities.
25. The Company has made loans and advances, or given guarantees or provided securities to other bodies corporate in compliance with the provisions of the Act and has made necessary entries in the register kept for that 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 financial year.
27. The Company has not altered the provisions of the Memorandum with respect to the objects of the Company during the financial year.
28. The Company has not altered the provisions of the Memorandum with respect to name of the Company during the financial year.
29. The Company has not altered the provisions of the Memorandum with respect to share capital of the Company during the financial year.
30. The Company has not altered its Articles of Association during the financial year.

31. There were no prosecution initiated against or show cause notices received by the Company and no fines or penalties or any other punishment was imposed on the Company during the financial year, for offences under the Act.
32. The Company has not received any money as security from its employees during the financial year.
33. The company has deposited both employee's and employer's contribution to Provident Fund with prescribed authorities pursuant to Section 418 of the Companies Act.

**For MANISH GHIA & ASSOCIATES**  
Company Secretaries

Place: Mumbai  
Date : 16.05.2009

**Manish L. Ghia**  
Partner  
M. No. ACS 7254  
C. P. No.3531

#### **ANNEXURE "A"**

##### **Registers maintained by M/s. J. L. Morison (India) Limited**

- 1) Register of Members under Section 150 of the Companies Act, 1956.
- 2) Index of Members under Section 151 of the Companies Act, 1956.
- 3) Register of Share Transfers / transmission.
- 4) Register and Returns under Section 163 of the Companies Act, 1956 (including copies of all annual returns prepared under Section 159 & Section 160 of the Companies Act, 1956)
- 5) Register of Directors under Section 303 of the Companies Act, 1956.
- 6) Register of Contracts and Disclosure of Directors Interest under Section 301 of the Companies Act, 1956.
- 7) Register of Directors shareholdings under Section 307 of the Companies Act, 1956.
- 8) Minutes Book of the Meetings of Board of Directors and General Meetings under Section 193 of the Companies Act, 1956.
- 9) Register of Shareholders' / Proxys' Attendance.
- 10) Register of Renewal, Split, Consolidation and Duplicate Share Certificates.
- 11) Register of Charges under Section 143 of the Companies Act, 1956.