J L MORISON

ANNUAL REPORT
2010-2011

fresh valley
AIR FRESHENER
in harmony with nature
ROSE
LAVENDER
JASMINE
SANDAL WOOD
LEMON

Morisons
Gentlemen
AFTER SHAVE LOTION
SHAVING CREAM
CLASSIC

Morisons
Baby Dreams
SOFT TOUCH

Morisons
Baby Dreams
Soothing Powder
Baby Dreams
Nourishing Bath Soap
Morisons
BabyDreams
softie

Morisons
Cologne
Pink
pour elle
Cologne
Blue
pour homme
Eau De Cologne

MORISONS
Sensitive Special Care
TOOTHBRUSH
For Sensitive Teeth & Gum Care
Rs. 30/-
Contains 100% DuPont™ Tynex® filaments.

Zero Gravity

BOARD OF DIRECTORS

R. N. MODY	CHAIRMAN
VARUNN MODY	DIRECTOR (Executive Director upto 15.01.2011)
ATUL TANDAN	DIRECTOR
LT. GEN. (RETD.) K. S. BRAR	DIRECTOR
D. L. LYON	DIRECTOR (upto 29.10.2010)
SHAMSUNDER AGGARWAL	DIRECTOR

BANKERS

CANARA BANK
BANK OF INDIA
CORPORATION BANK

AUDITORS

HARIBHAKTI & CO
CHARTERED ACCOUNTANTS
MUMBAI- 400 059

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.jlmorison.in

76th Annual General Meeting of the Company will be held on Friday, the 5th day of August, 2011 at 12:00 noon 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.

CONTENTS

Page No.

Notice 2

Directors' Report 7

Report on Corporate Governance 12

Management Discussion and Analysis 20

Auditors' Report 21

Balance Sheet 24

Profit & Loss Account 25

Cash Flow Statement 26

Schedules 1 to 15 27

NOTICE

NOTICE is hereby given that the 76th ANNUAL GENERAL MEETING of the Members of **J. L. MORISON (INDIA) LIMITED** will be held on Friday, the 5th day of August, 2011 at 12:00 noon at Kala Kunj, 48, Shakespeare Sarani, Kolkata- 700 17 to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March 2011 and the Profit and Loss Account for the year ended on that date and the Reports of the Directors' and the Auditors' thereon.

2. To declare Dividend for the financial year ended on 31st March 2011.

3. 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.

4. To appoint a Director in the place of Mr. Varunn Mody, 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 modifications, the following resolution as a **Special resolution:**

   "RESOLVED THAT pursuant to the provisions of Section 31 and other applicable provisions, if any, of the Companies Act, 1956, the Articles of Association of the Company be and are hereby amended as follows :

   (I) by insertion of the following new Articles as Article Nos. 24A to 24S after the existing Article 24:

24A	Notwithstanding anything contained in these Articles, the Company shall be entitled to dematerialise its existing securities, rematerialise its securities held in the Depositories and / or offer its fresh securities in a dematerialised form pursuant to the Depositories Act, 1996 and the rules framed thereunder, if any.	Dematerialisation of Securities
24B	Every person subscribing to or holding securities of the Company shall have the option to receive security certificates or to hold the securities with a Depository.	Option to receive Securities certificates or hold Securities with Depository
24C	If a person opts to hold his security with a Depository, the Company shall intimate such Depository the details of allotment of the security, and on receipt of the information, the Depository shall enter in its records the name of the allottees as the Beneficial Owner of the security.	
24D	All securities held by a Depository shall be dematerialised and be in fungible form. Nothing contained in Sections 153, 153A, 153B, 187B, 187C and 372A of the Act, shall apply to a Depository in respect of the securities held by it on behalf of the Beneficial Owner.	Securities in Depositories
24E	Notwithstanding anything to the contrary contained in the Act or these Articles, a Depository shall be deemed to be registered owner for the purpose of effecting transfer of ownership of security on behalf of the Beneficial Owner.	Rights of Depositories and Beneficial Owners
24F	Save as otherwise provided here in above, the Depository, as the registered owner of the securities, shall not have any voting rights or any other rights in respect of the security held by it.	
24G	Every person holding securities of the Company and whose name is entered as the Beneficial Owner in the records of the Depository shall be deemed to be a member of the Company. The Beneficial Owner of securities shall be entitled to all the rights and benefits and be subject to all the liabilities in respect of his securities, which are held by a Depository.	
24H	Except as ordered by a Court of competent jurisdiction or as required by law, the Company shall be entitled to treat the person whose name appears on the Register of Members as the holder of any share or where the name appears as the Beneficial Owner of shares in the records of the Depository as the absolute owner thereof and accordingly shall not be bound to recognise any benami trust or equitable, contingent, future or partial interest in any share, or (except only as is by these Articles otherwise expressly provided) any right in respect of a share other than an absolute right thereto in accordance with these Articles, on the part of any other person whether or not it has express or implied notice thereof, but the Board shall be entitled at their sole discretion to register any share in the joint names of any two or more persons or the survivor or survivors of them.	Beneficial Owner deemed as absolute owner

24I	Every Depository shall furnish to the Company information about the transfer of securities in the name of the Beneficial Owner at such intervals and in such manner as may be specified by the bye-laws and the Company in that behalf.	Depository to furnish information
24J	Upon receipt of certificate of securities on surrender by a person who has entered into an agreement with the Depository through a Participant, the Company shall cancel such certificate and substitute in its records the name of Depository as the registered owner in respect of the said securities and shall also inform the Depository accordingly	Cancellation of certificates upon surrender by a person
24K	If a Beneficial Owner seeks to opt out of a Depository in respect of any security, the Beneficial Owner shall inform the Depository accordingly.	Option to opt out in respect of any security
24L	The Depository shall, on receipt of information as above, make appropriate entries in its records and subsequently inform the Company.	
24M	The Company shall within thirty (30) days of the receipt of the intimation from the Depository and on fulfillment of such conditions and payment of such fees as may be specified by the regulations, issue the certificate of securities to the Beneficial Owner or the transferee as the case may be.	
24N	Notwithstanding anything in the Act, or these Articles to the contrary, where securities are held in a Depository, the records of the beneficial ownership may be served by such Depository on the Company by means of electronic mode or by delivery of floppies or discs.	Service of Documents
24O	Except as specifically provided in these Articles, the provisions relating to joint holders of shares, calls, lien on shares, forfeiture of shares and transfer and transmission of shares shall be applicable to shares held in Depository so far as they apply to shares in physical form subject to the provisions of the Depository Act.	Provisions of Articles to apply to shares held in Depository
24P	Notwithstanding anything in the Act, or these Articles where securities are dealt with by a Depository, the Company shall intimate the details thereof to the Depository immediately on allotment of such securities.	Allotment of Securities dealt with in a Depository
24Q	The shares in the capital shall be numbered progressively according to their several denominations provided, however, that the provision relating to progressive numbering shall not apply to the shares of the Company which are dematerialised or may be dematerialised in future or issued in future in dematerialised form. Every forfeited or surrendered share held in material form shall continue to bear the number by which the same was originally distinguished.	Distinctive number of securities held in a Depository
24R	The Company shall cause to keep a Register and Index of Members and a Register and Index of Debenture holders in accordance with Section 151 and 152 of the Act, respectively, and the Depositories Act, with details of shares and debentures held in material/physical and dematerialised form in any media as may be permitted by law including in any form of electronic media. The Register and Index of Beneficial Owners maintained by a Depository under Section 11 of the Depositories Act, 1996 shall be deemed to be Register and Index of Members and Register and Index of Debenture holders, as the case may be, for the purpose of the Act. The Company shall have the power to keep in any state or country outside India a branch Register of Members resident in that state or country.	Register and Index of Beneficial Owners
24S	The Company shall keep a Register of Transfers and shall have recorded therein fairly and distinctly particulars of every transfer or transmission of any share held in material form.	

(II) by insertion of the following New Article No. 65A after the existing Article 65

65A	Subject to the provisions of sections 77A, 77AA, 77B and 217 (2B) of the Act, the Company is hereby authorised to buy-back the Company's shares or other specified securities out of its free reserves or its securities premium account or from the proceeds of any shares or other specified securities; Provided that no buy-back of any kind of shares or other specified securities shall be made out of the proceeds of an earlier issue of the same kind of shares or the same kind of other specified securities.	Buy-Back of shares

(III) by inserting following para at the end of the existing Article 83:

Notice and other documents of General meeting of the company can be given to shareholders even by email provided every shareholder should be given advanced opportunity to register their email address and changes therein from time to time with the company. In case any member has not registered his email address with the company, the service of notice and documents should be in accordance with the provisions of section 53 of the Companies Act, 1956. The Notice of the General Meeting must inform the shareholders regarding availability of participation in the meeting through Video Conferencing and must provide necessary information to shareholders to access the available facility of video conferencing.	Notice of Meeting

(IV) by inserting following para at the end of the existing Article 86:

Members attending the meeting through the Video conferencing will not be counted for the purpose of ascertaining the quorum of the meeting.	Quorum for the General Meeting

(V) by substituting the existing Article no. 141 with the following new Article 141:

141	The Directors may meet either in person or through video conferencing, capable of recording and recognizing the participation of the directors, for the dispatch of business from time to time and shall so meet at least once in every three months and at least four such meetings shall be held in every year. The Directors may adjourn and otherwise regulate their meetings, as they think fit. The provisions relating to notice, agenda, quorum and minutes stated hereinafter shall mutates mutandis apply to the meetings held through such video conferencing.	Meeting of Directors

(VI) by substituting the existing Article no. 142 with the following new Article 142 :

142	Notice of every meeting of the Board shall be given in writing to every Director whether in or outside India or through written communication sent electronically, and otherwise regulate their meetings, as they think fit Notice of the Board Meeting must inform directors regarding availability of participation through video conferencing and should also provide necessary information to enable the directors to access the available facility of Video conferencing. Notice of the meeting shall also seek confirmation from the Director as to whether he will attend the meeting physically or through electronic mode and shall also contain contact number (s), email addresses of the Secretary / designated officer to whom the director shall confirm in this regard.	Notice of the Meeting

(VII) by substituting the existing Article no. 143 with the following new Article 143 :

143	Subject to Section 287 of the Act the quorum for a meeting of the Board shall be one third of its total strength (any fraction contained in that one third being rounded off as one) or two directors, present in person or attending through video-conferencing, whichever is higher, provided that where at any time the number of interested directors exceeds or is equal to two thirds of the total strength the number of the remaining director that is to say, the number of directors who are not interested shall be the quorum during such time provided such number is not less than two. Provided that any Director participating through video conferencing shall attend in person at least one Board Meeting held every year.	Quorum

Place : Mumbai
Date : 25th May, 2011

By Order of the Board of Directors

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/ HERSELF 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 Monday, 1st August, 2011 to Friday, 5th August, 2011 (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 as recommended by the Board of Directors, if approved by the shareholders at the Annual General meeting shall be paid to those members whose names appear on the Register of members of the company as on 5th August, 2011. In respect of Shares held in electronic form, dividend will be payable on the basis of beneficial ownership as at the close business hours on 5th August, 2011 as per the details furnished by National Securities Depository limited (NSDL) and Central Depository Services (India) Limited (CDSL) for the purpose as on that date.

5. The unclaimed dividend up to the financial year 2002-2003 has been transferred to the Investor Education and Protection Fund (IEPF) as required under section 205-A and 205-C of the Companies Act, 1956. The Balance amount unpaid Dividend Account for the financial year 2003-2004 is due for transfer to the Investor Education and Protection Fund administered by the Central Government during the month of October 2011. The Shareholders whose dividend is unclaimed for the aforesaid financial year are requested to claim it immediately from the company. Further Shareholders are requested to note that no claim shall lie against the said fund or the Company in respect of any amounts which were unclaimed for period of seven years from the date that these became first due for payment and no payment shall be made in respect of any such claim.

6. 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.

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

8. Members who hold the shares in dematerialized form are requested to bring their client ID and DPID for easier identification of attendance at the meeting.

9. 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.

By Order of the Board of Directors

Place : Mumbai
Date : 25th May, 2011

Varunn Mody
Director

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

Details as required under clause 49 (IV) (b) of the Listing Agreement, of Directors Seeking Appointment, of directors seeking appointment / reappointment at ensuing AGM:

Lt. Gen. (Retd.) K.S. Brar, aged 77 years, has a rich and varied management experience He does not hold any shares in the Company.

Mr. Varunn Mody aged 27 years, is a young entrepreneur having good knowledge of Business. Mr. Varunn Mody is also Director in Hindustan Composite Limited, Alipore Consultance Limited, and Rasoi Express Private Limited. He holds 135 shares in the Company.

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

Item No. 6

(I)

To have provisions in Articles of Association of the Company in tendum with applicable provisions regarding holding of shares of the Company in dematerialized form, it is proposed to insert new Articles 24A to 24S after the existing Article 24 of the Articles of Association of the Company.

(II)

To have provisions in Articles of Association of the Company in tendum with applicable provisions of sections 77A, 77AA, 77B and all other applicable provisions of the Companies Act, 1956 regarding the Buy-Back of its own Securities, it is proposed to insert new Article 65A after the existing Article 65 of the Articles of Association of the Company.

(III) & (IV)

The Ministry of Corporate Affairs, as a matter of Green Initiative has come out with the General Circular No. 27/2011 dated May 20, 2011 whereby participation by shareholders in general meeting under the Companies Act, 1956 is allowed through electronic mode. In view of availing the said facilities it is necessary to make the suitable alteration in the existing provisions of the Articles of Association of the Company.

Therefore it is propose to insert the suitable para after the existing Article 83 & 86, as set out at Item No. 6(II) & 6(III), to enable the Company to hold shareholders meeting and sending the requisite documents through e-mode

(V), (VI) & (VII)

The Ministry of Corporate Affairs, as a matter of Green Initiative has come out with the another General Circular No. 28/2011 dated May 20, 2011 whereby participation by directors in meeting of Board / Committee of directors under the Companies Act, 1956 is also allowed through electronic mode. In view of availing the said facility it is necessary to make the suitable alteration in the existing provisions of the Articles of Association of the Company.

Therefore it is propose to substitute existing Article 141, Article 142 and Article 143 with the new Article 141, Article 142 & Article 143 respectively, as Set out at Item No. 6(IV), 6(V) & 6(VI), to enable the Company to hold directors meeting through electronic mode

Consent of the Members by way of Special Resolution is required to carry out the proposed alterations in the Articles of Association of the Company.

Your Directors recommend to pass the Special Resolution as set out in Item No. 6 of the Notice.

None of the directors of the Company are concerned or interested in the above said resolution.

A copy of the Articles of Association of the Company together with the proposed alterations would be available for inspection by the member at the Registered Office of the Company during business hours on any working days.

By Order of the Board of Directors

Place : Mumbai
Date : 25th May, 2011

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) Limited

Your Directors' have pleasure in presenting the 76th Annual Report and Statement of Accounts of the Company for the financial year ended on 31st March, 2011.

Financial Highlights

(Rs. in Lakhs)

		2010-11	2009-10
(a)	Sales & Other Income	10,209.48	8,325.53
(b)	Cost of Sales	9,986.53	8,015.82
(c)	Gross Profit	222.95	309.71
(d)	Interest	132.58	192.24
(e)	Depreciation	83.31	86.86
(f)	Profit before tax and prior period adjustments	7.06	30.61
(g)	Provision for Taxation	6.23	9.10
(h)	Prior period adjustment	-	51.57
(I)	Net Profit after Tax	0.83	73.08
(j)	Balance brought forward from Previous Year	55.28	
(k)	Dividend	13.65	13.65
(l)	Dividend Tax	2.21	2.32
(m)	Transfer to General Reserve	-	1.83
(n)	Transfer to P & L account	40.25	55.28

Dividend

Considering the financial position of the Company, your Directors recommend a dividend of Re. 1/-(10%) per share (Previous year – Re. 1/-(10%) per share).

Performance

The year under review, is a year of consolidation for the Company. The partnerships with leading brands, divisionalisation and with clear focus on the expanded portfolio has proved to be a good exercise which resulted into increase in turnover growth as compared to previous year's levels.

The Company also introduced air fresheners, under its own brand: Fresh Valley, in five fragrances. This incurred product development costs, which we should more than recover next year, as the initial market response is encouraging.

Zero Gravity is further being extended into other personal care and grooming products and Baby range products have also extended into ancillary products such as teether, feeding cups, brushes etc to build a strong and sustainable own brand business.

During the year the sales of EMOFORM the toothpaste for sensitive teeth and gum care, recorded a good growth. This division has further extended to cater the need of dentist requirement by introducing the brand such as Flexi- Gel, Linkage, Impression Paste and Resto etc.

The Coty range of products such as Playboy men's and Women's range products are growing steadily.

Public Deposits

During the year ended 31st March 2011, the Company has not accepted or renewed any public deposits.

Cost Audit

The Company has made an application to the Central Government for seeking exemption from appointment of cost auditor for the financial years 2009-10, 2010-11 and 2011-12 and the same is pending with the Central Government.

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

In view of the nature of activities currently being carried out by the Company, your director have nothing to report as required under the Companies (Disclosure of particulars in the Report of Board Directors) Rules, 1988 with respect to conservation of energy, technology absorption respectively are not applicable to the Company.

During the Financial year 2010-11, total foreign exchange used and earned was Rs. 4,547.17 Lakhs (previous year Rs. 3,693.83 Lakhs) and Rs. 163.20 lakhs (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. Varunn Mody, Executive Director of the Company resigned from such post w.e.f 15.01.2011, however he continues as Non-Executive Director of the Company.

Mr. D.L. Lyon, independent director of the company resigned from the Directorship of the Company w.e.f. 29.10.2010. The Board places its gratitude towards him for valuable guidelines extended by him during his tenure as Director of the Company.

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

Your directors recommend for the reappointment of Lt. Gen. (Retd.) K.S. Brar and Mr. Varunn Mody as Directors of the Company.

Auditors

M/s. Haribhakti & Co., Chartered Accountants, Statutory Auditors of the Company holds office as such upto the conclusion of the ensuing Annual General Meeting and being eligible, offer themselves for reappointment. They have also confirmed that their re-appointment, if made, will be in accordance with the provision of section 224 (1B) of the Companies Act, 1956.

Your directors recommend the reappointment of M/s. Haribhakti & Co., Chartered Accountants, as Statutory Auditors

of the Company to hold office as such from the conclusion of ensuing Annual General Meeting till the conclusion of next Annual General Meeting and to audit financial accounts of the Company for the year 2011 - 12.

Stock Exchanges

The Company's shares are listed at Bombay Stock Exchange Limited, The Calcutta Stock Exchange Association Limited and the Bangalore Stock Exchange and the Annual Listing Fees for the year 2011 - 12 has been paid to all the stock exchanges.

Secretarial Compliance Certificate

As required under Section 383A of the Companies Act, 1956, Secretarial Compliance Certificate received from M/s. Manish Ghia & Associates, Practicing Company Secretaries, Mumbai for the financial year 2010 - 11 is annexed herewith and forms part of this Annual Report.

Corporate Governance

As required under Clause 49 of the Listing Agreements entered into with various stock exchanges, Management Discussion & Analysis and Report on Corporate Governance are annexed herewith and form 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 Directors 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 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 Partners and Employees and look forward for their continued support.

For and on behalf of the Board of Directors

Place : Mumbai
Date : 25th May, 2011

R. N. Mody
Chairman

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