



JL MORISON

ANNUAL REPORT

2011 - 2012

trusted for over
30
years

Morisons*
babydreams

THE CHOICE OF SMART MUMS

INDIA'S LEADING INFANT FEEDING AND ACCESSORIES BRAND



BREAST FEEDING IS BEST FOR YOUR BABY

OWN BRANDS DIVISION



Morison's
Gentlemen
Kamyabi ka naya chehra!



75 YEARS OF BUILDING BRANDS IN INDIA



BOARD OF DIRECTORS

RAGHU MODY	CHAIRMAN
VARUNN MODY	DIRECTOR
ATUL TANDAN	DIRECTOR
LT. GEN. (RETD.) K. S. BRAR	DIRECTOR (upto 18 th May, 2012)
SHAMSUNDER AGGARWAL	DIRECTOR
SANJAY KOTHARI	DIRECTOR (w.e.f. 5 th August, 2011)

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) 22480114/5

FAX : (033) 2248 1200

Website : www.jlmorison.in

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, AURANAGABAD - 431 136.
MAHARASHTRA.

77th Annual General Meeting of the Company will be held on Thursday, the 13th day of September, 2012 at 11.00 a.m. at Kala Kunj, 48, Shakespeare Sarani, Kolkata - 700 017.

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NOTICE

NOTICE is hereby given that the 77th Annual General Meeting of the members of J. L. Morison (India) Limited will be held on Thursday, the 13th day of September, 2012 at 11.00 a.m. at Kala Kunj, 48, Shakespeare Sarani, Kolkata - 700 017 to transact the following businesses:

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2012 and the Statement of Profit and Loss 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, 2012.
3. To appoint a Director in the place of Mr. Raghu Mody, who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint a Director in the place of Mr. Shamsunder Aggarwal, who retires by rotation and being eligible, offers himself for re-appointment.
5. To re-appoint the Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting up to 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(s), the following resolution as an **Ordinary Resolution**:
"RESOLVED THAT Mr. Sanjay Kothari, who was appointed as an Additional Director by the Board of Directors w.e.f. 5th August, 2011 in accordance with the provisions of Article No.117 of the Articles of Association of the Company and as per the provisions of Section 260 of the Companies Act, 1956 holds office upto the date of this Annual General Meeting and in respect of whom the Company has received a notice along with requisite deposit under Section 257 of the Companies Act, 1956 proposing his candidature for the office of Director, be and is hereby appointed as a Director of the Company, who shall be liable to retire by rotation."
7. To consider and if thought fit, to pass with or without modification(s), the following resolution as a **Special Resolution**:
"RESOLVED THAT pursuant to the provisions of Section 198, 269, 309, 387 and Schedule XIII and all other applicable provisions of the Companies Act, 1956 (including any statutory modification(s) or re-enactment thereof for the time being in force), the appointment of Mr. Sohan Sarda, General Manager - Finance of the Company as Manager under the Companies Act, 1956 for a period of 5 (five) years w.e.f. 1st April, 2012 be and is hereby approved and the following terms and conditions with respect to remuneration payable to him be and are hereby approved for a period of 3 (three) years with effect from that date:

- (a) Remuneration: Remuneration payable to Mr. Sohan Sarda shall be as follows (per month):

Sl.No.	Particulars	Amount(₹)
1.	Salary	1,25,000
2.	House Maintenance Allowance	20,000
3.	Education Allowance	1,083
4.	Leave Travel Allowance	7,000
5.	Other Reimbursable Allowance	39,000
	Total	1,92,083

- (b) **Others:**

1. Provident Fund: Company's contribution to Provident Fund will not exceed 12% of the salary.
2. Gratuity: Gratuity will be paid as per Company's normal rules.
3. Car : Company's car will be provided for office use.
4. Conveyance/Travelling : At actuals
5. Medical expenses: For him and his family members as follows:
 - a. Hospitalization benefits (Medical Insurance) – upto ₹ 2 Lacs p.a. (at actual);

- b. Accident Insurance for him – upto ₹ 2 Lacs p.a. (at actual);
- c. Reimbursement of domiciliary / routine medical expenses – upto ₹ 15,000/- p.a. (at actual);
- d. Reimbursement of spectacles – upto ₹ 15,000/- p.a. (at actual);
- e. Reimbursement of dental treatment – upto ₹ 10,000/- p.a.(at actual);
6. Mr. Sohan Sarda will be entitled to leave as per the rules of the Company as are applicable to other staff members of his category.
7. Leave encashment will be provided as per the 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.
8. Club Membership – Cost of membership of one club in Mumbai.

RESOLVED FURTHER THAT Mr. Sohan Sarda shall be entitled for such annual increments, during his tenure as Manager, as may be recommended by the Remuneration Committee and approved by the Board of Directors of the Company; however, such increment shall be limited to 25% of total cost to the Company each year.

RESOLVED FURTHER THAT in the event of loss or inadequacy of profits in any financial year of the Company during the tenure of Mr. Sohan Sarda as Manager of the Company, the remuneration as provided here-in-above shall be payable as minimum remuneration to him.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to take all actions and do all such deeds, matters and things, as may be required from time to time to give effect to the above resolution.”

8. To consider and if thought fit, to pass with or without modification(s), the following resolution as a **Special Resolution**:

“**RESOLVED THAT** pursuant to the provisions of Section 314 and all other applicable provisions, if any, of the Companies Act, 1956 (including any statutory modification(s) or re-enactment thereof for the time being in force), the appointment of Mrs. Sakshi Mody, a relative of Mr. Raghu Mody and Mr. Varunn Mody, Directors of the Company, as a General Manager – Corporate with effect from 1st April, 2012 on the following remuneration be and is hereby approved.

1. Salary : ₹ 12,00,000/- p.a.
2. Perquisites : ₹ 1,80,000/- p.a. (Rent free accommodation)

RESOLVED FURTHER THAT the Board of Director of the Company be and is hereby authorised to take all such actions and do all such deeds, matters and things, as may be required from time to time to give effect to the above resolution”.

By Order of the Board of Directors

Place : Mumbai
Date : 18th May, 2012

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 AT THE MEETING IS ENTITLED TO APPOINT ONE OR MORE PROXY TO ATTEND AND VOTE, IN CASE OF POLL ONLY, INSTEAD OF HIMSELF/ HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE PROXY FORM, IN ORDER TO BE EFFECTIVE, SHOULD BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LATER THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.**
2. Brief resume of the Directors proposed to be appointed/re-appointed at the ensuing Annual General Meeting in terms of clause 49 of the Listing Agreement is annexed to the Notice.
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. (a) Register of Members and the Share Transfer Books of the Company will remain closed from Monday, 10th September, 2012 to Thursday, 13th September, 2012 (both days inclusive) for determining the name of members eligible for dividend on Equity Shares, if approved by the shareholders at the ensuing Annual General Meeting.
 (b) The dividend on Equity Shares, if declared at the Annual General Meeting, will be credited / dispatched between 21st September, 2012 and 25th September, 2012 to those members whose names shall appear on the Company's Register of Members on 13th September, 2012; in respect of the shares held in dematerialized form, the dividend will be paid to members whose names are furnished by National Securities Depository Limited and Central Depository Services (India) Limited as beneficial owners as on that date.
5. The unclaimed dividend up to the financial year 2003-04 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 lying in unpaid Dividend Account for the financial year 2004-05 is due for transfer to the Investor Education and Protection Fund administered by the Central Government during the month of October, 2012. The shareholders whose dividend remained unclaimed for the aforesaid financial year and following financial years are requested to claim it immediately from the Company. Further, the Shareholders are requested to note that no claim shall lie against the said fund or the Company in respect of any amounts which remained unclaimed for a 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 are kindly requested to furnish their queries to the Company at least ten days before the date of the meeting so that the information required may be made readily available at the meeting.
7. Shareholders are requested to bring their Attendance Slip along with their copy of 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 for better service.
10. Members holding shares in physical form are requested to notify immediately any change in their address or bank mandates to the Company / Registrar and Share Transfer Agents quoting their Folio Number. Members holding shares in the electronic form may update such details with their respective Depository Participants.

By Order of the Board of Directors

Place : Mumbai
 Date : 18th May, 2012

Varunn Mody
 Director

Registered Office:

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

Details as required under clause 49(IV)(G) of the Listing Agreement of Directors seeking appointment/re-appointment at ensuing AGM:

1. **Mr. Raghu Mody**, aged 73 years, is graduate from Cambridge University. He has over 40 years of experience as a leading industrialist.

He 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, Indo American Chamber of Commerce & Industry and Indian Vanaspati Producers Association. He was also Chairman of Indo-Italian Chambers of Commerce & Industry and Asbestos Information Centre.

He is a member of Audit Committee in Hindustan Composites Ltd and Rasoi Ltd. and also is a member of Share Transfer Committee of the Company.

As on 31st March, 2012, Mr. Raghu Mody holds 250 Equity Shares of the Company.

2. **Mr. Shamsunder Aggarwal**, aged 75 years, is graduate in Business Management from New York University. He has rich experience in Service Industry. He was pioneer to establish Diners Club Credit Card business. Mr. Aggarwal is on the Governing Board of Lala Lajpatrai College of Commerce, Mumbai.

Mr. Aggarwal is also director in DBS Corporate Services Pvt. Ltd., DBS Financial Services Pvt. Ltd., DBS Internet Services Pvt. Ltd., Copper Rollers Pvt. Ltd. and Global Offshore Services Limited. He is an Executive Committee member of Indo-American Chamber of Commerce. He is also a member of Remuneration Committee of the Company.

As on 31st March, 2012, Mr. Shamsunder Aggarwal does not hold any shares in the Company.

3. **Mr. Sanjay Kothari**, aged 49 years, is a Chartered Accountant, Cost Accountant and Company Secretary and has also done Diploma in Business Finance. He has 25 years of experience in Finance & Taxation.

He is also director in Chartered Finance & Leasing Ltd., Fortune Equity Brokers (India) Ltd., Fortune Financial Services (India) Ltd., Sound Capital Markets Ltd. and The West Coast Paper Mills Ltd. He is a member of Audit Committee in Fortune Financial Services (India) Ltd., The West Coast Papers Mills Ltd. and of the Company and is also a member of Remuneration Committee of Fortune Financial Services (India) Ltd. and The West Coast Papers Mills Ltd.

As on 31st March, 2012, Mr. Sanjay Kothari does not hold any shares in the Company.

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

Item No. 6

Mr. Sanjay Kothari was appointed as an Additional Director of the Company w.e.f. 5th August, 2011. Mr. Sanjay Kothari, aged 49 years, is a Chartered Accountant, Cost Accountant and Company Secretary and has also done Diploma in Business Finance. He has 25 years of experience in Finance & Taxation.

Pursuant to the provisions of Section 260 of the Companies Act, 1956, Mr. Sanjay Kothari holds office as such upto the date of this Annual General Meeting. The Company has received a notice along with requisite deposit under Section 257 of the Companies Act, 1956 proposing his candidature for the office of Director.

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

Except Mr. Sanjay Kothari none of the directors of the Company are concerned or interested in the said resolution.

Item No. 7

Mr. Sohan Sarda, General Manager – Finance of the Company has been associated with the Company since 2005. He is a member of the Institute of Chartered Accountants of India and has completed Company Secretary course and possesses vast knowledge and experience in the field of Accounts, Taxation, Finance and General Administration. The Board of Directors of the Company has appointed him as Manager of the Company under the provisions of the Companies Act, 1956 and Clause 49 of the Listing Agreement for a period of 5 (five) years with effect from 1st April, 2012, subject to approval of the members in their General Meeting. The approval of members is being sought for appointment of Mr. Sohan Sarda as Manager for a period of 5 (five) years and payment of remuneration to him for a period of 3 (three) years as set out at Resolution no. 7

The details as required under proviso (iv) to Clause B of Part II of Schedule XIII to the Companies Act, 1956, are given below:

I	General Information	
	(1) Nature of industry	The Company is engaged in the business of marketing and distribution of personal care, life style and FMCG 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 : ₹ 0.71 / Return on network : 0.14%
	(5) Export performance and net foreign exchange collaborations	Nil
	(6) Foreign investments or collaborators, if any	Nil
II	Information about the appointee	
	(1) Background details	Mr. Sohan Sarda is a fellow member of the Institute of Chartered Accountants of India and also completed Company Secretary course. He is associated with the company since 2005 and handling finance, accounts, secretarial, banking, commercial, taxation and General administration.
	(2) Past Remuneration	₹ 20 Lacs p.a. (Approx.)
	(3) Recognition or awards	Mr. Sohan Sarda is having good experience in the industry in which the company operates.
	(4) Job profile and his suitability	Being a professional (CA & CS) and having experience with company will be able to discharge his responsibilities.
	(5) Remuneration proposed	₹ 25 Lacs per annum (approx.)
	(6) Comparative remuneration profile with respect to industry	At par with the industry standards in which the Company operates.
	(7) Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel, if any	No relationship with any promoter, directors or managerial personnel.
III	Other information	
	(1) Reasons of loss or inadequate profits	Due to unfavorable market conditions, the company could not achieve high levels of profits.
	(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 revenue and profit margins in coming years with the signing of new partnerships and introduction of new range of products.

The Board recommends passing of the Special Resolution as set out at item no. 7 of the Notice.

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

Item No. 8

The Board of Directors of the Company appointed Mrs. Sakshi Mody, a relative of Mr. Raghu Mody and Mr. Varunn Mody, Directors of the Company as General Manager – Corporate w.e.f. 1st April, 2012. She is an MBA by qualification and possesses diversified knowledge and experience in different areas of business.

As per the provisions of section 314(1)(b) of the Companies Act, 1956, the approval of members is required in case of the appointment of any relative of director(s) holding any office or place of profit, if remuneration exceeds ₹ 50,000/- per month.

The approval of members is being sought for appointment of Mrs. Sakshi Mody made as General Manager – Corporate and payment of remuneration to her as set out at Resolution No. 8 of the Notice.

The Board recommends passing of the Special Resolution as set out at item no. 8.

Except Mr. Raghu Mody and Mr. Varunn Mody, none of the directors of the Company are concerned or interested in the said resolution.

By Order of the Board of Directors

Place: Mumbai
Date : 18th May, 2012

Varunn Mody
Director