

JATTASHANKAR INDUSTRIES LIMITED

11 , Parasrampuria Apartment,
Film City Road , Gokuldham,
Goregaon (East), Mumbai-400063
Tel -28414262 /64 /66 Fax- 28414269

CORPORATE GOVERNANCE REPORT

(Under Clause 49 (VI) (i) of Listing Agreement)

I. The Company's Philosophy on Code of Governance

The Company's philosophy on Corporate Governance is to strive for attaining the optimum level of transparency and accountability in all facts of its operations and all dealings with shareholders, employees, lenders, creditors, customers and the government.

II. Board of Directors

(i) Composition and category of Director :

The strength of the Board was 4 Directors as on 31st March, 2012. The Composition and category of Directors on the Board of the Company are : 2 Executive/promoter Directors & 2 Independent Directors

II) Number of Board Meetings/ AGM held and attendance chart of each Director at the Board Meeting :

During the year 2011-10 10 times Board Meeting were held on 21/04/2011 , 30/04/2011 , 30/07/2011 , 06/09/2011 , 21/10/2011 , 31/10/2011 , 18/11/2011 ,29/11/11 ,21/01/2012 & 21/02/2011 & AGM were held on 30.09.2011 & all the 4 directors have attendend all Board Meetings & AGM

iii) Details of Directors with Memberships or Chairmanships:

Name of Director	Directorship in other Company	Chairman of Committee	Member of other Committee
Jattashankar Poddar	1	Share Holder Committee (SGC)	AC
Sharad Poddar	1	0	SGC, AC
Sandeep Modi	1	0	SGC,AC
Udit Master	0	Audit Committee(AC)	SGC

iv) Code of Conduct :

The Board has formulated a code of conduct for the Board Members and Senior Management Personnel of the Company. All Board Members and Senior Management Personnel have affirmed their compliance with the code for the financial year ended 31st March, 2012. A declaration to this effect signed by the Managing Director of the Company is given elsewhere in the Annual Report.

III. AUDIT COMMITTEE

The Composition of the Audit Committee and their attendance at the Audit Committee Meetings are as follows :

During the year 5 meeting of Audit Committee were held on 21/04/2011 , 31/07/2011 , 06/09/2011 , 31/10/2011 & 21/01/2012.All the members have attended same.

The Board of Directors of the Company has framed a Terms of Reference for the Audit Committee. The Terms of Reference is based on Clause 49 (II) (D) of the Listing Agreement. The Audit Committee performs its functions in accordance with the terms of reference. In addition, it exercises powers and reviews information as specified under Clause 49 (II) (C) and (E) of the Listing Agreement.

IV. REMUNERATION COMMITTEE

The Company has not constituted a separate committee to determine the terms of reference and remuneration package for its managerial personnel.

i) Remuneration Policy:

The Board of Directors determines the remuneration to be paid to Managing Director and other Directors of the Company. The same is within the limits approved by the Shareholders of the Company. Mr. Sandeep Modi Non Executive Independent Director, who was reire by Rotation, were re-appointed in AGM.

ii) Details of Remuneration paid to all the Director's:

- A. The Company does not have any pecuniary relationship or transactions with the non-executive directors..
B. During the year Company has paid aggregate value of remuneration to 2 Directors Mr Jattashankar Poddar and Sharad Poddar amounting to Rs. 2,40,000/- each,
C. The Company has not issued any stock options or paid any performance linked incentives or fixed component incentives to the Directors.

V. SHAREHOLDERS / INVESTORS GRIEVANCE COMMITTEE

A. The Composition of the Shareholders / Investors Grievance Committee and attendance of the members of the Committee at the Shareholders/Investors Grievance Committee Meetings are as follows:
During the year 4 meeting of Audit Committee were held on 21/04/2011 ,30/07/2011 , 31/10/2011 & 21/01/2012. All the members have attended same.

B. COMPLIANCE OFFICER:

As required by the Listing Agreement, the Company has appointed Mr. Laxmikant Singrodia as the Compliance Officer. Email address of Compliance Officer is jattashankarind@yahoo.com . No Complaints were pending at the beginning of the year and company has received 3 complaints during the year under review from the shareholders and all 3 complaints were disposed off to their satisfaction. No share transfers were pending as on 31st March, 2012.

VI. GENERAL BODY MEETINGS

Date time and venue for the last 3 Annual General Meetings held during the last 3 financial years are given below;

Year	Date	Place
2010-11	30/09/2011	Registered office
2009-10	30/09/2010	Registered office
2008-09	30/09/2009	Registered office

VII. Registrar and Transfer Agent –

M/S Sharex Dynamics (India) Pvt. Ltd.
Unit-1, Luthra Industrial Estate ,
Safed Pool, Andheri Kurla Road,
Andheri (East), Mumbai-400072

VIII. DISCLOSURES

- i. The Company has not entered into any materially significant related party transactions during the financial year that may have potential conflict with the interests of the Company at large.
ii. The details of all transactions with related parties are placed before the Audit Committee on quarterly basis.
iii. In the preparation of financial statements, the Company has followed the Accounting Standards issued by the Institute of Chartered Accountants of India to the extent applicable.
iv. The constitution of whistle blower policy is a non mandatory requirement. However the Company affirms that no employee has been denied access to the Audit Committee during the financial year 2011- 2012.
v. The Company has complied with all mandatory requirements of clause 49 of Listing Agreement.

IX. GENERAL SHAREHOLDER INFORMATION

Shares of Company are suspended from Trading in Bombay Stock Exchange since year 2006 due to non compliance of various listing agreement . Company has applied to BSE for Revocation of suspension & after compliance of various pending compliances same will be relisted .

**By order of the Board
JATTASHANKAR INDUSTRIES LIMITED**

**SD/-
Jattashankar Poddar
Managing Director**

**Place: Mumbai
Date: 03.09.2012**

JATTASHANKAR INDUSTRIES LIMITED

**11 , Parasrampuria Apartment,
Film City Road , Gokuldham,
Goregaon (East), Mumbai-400063
Tel -28414262 /64 /66 Fax- 28414269**

Certificate of Chief Executive Officer

We have reviewed the financial statements and the cash flow statement for the year ended March 31, 2012 and that to the best of our knowledge and belief.

1. These Statement do not contain any materially untrue statement or omit any material fact or contain statement that might be misleading;
2. These statement together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
3. To the best of our knowledge and belief, no transactions entered in to by the Company during the year ended March 31, 2012 which are fraudulent, illegal or violative of the Company's Code of Conduct.
4. We accept responsibility for establishing and maintaining internal control system and that we have evaluated the effectiveness of the internal control system of the company and we have disclosed to the auditors and the Audit committee, deficiencies in the design or operation of internal control system, if any, of which we are aware and steps we have taken or propose to taken to rectify these deficiencies.
5. We further certify that we have indicated to the Auditors and the Audit Committee:
 - a) There have been no significant changes in internal control system during the year.
 - b) There have been no significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
 - c) There have been no instances of significant fraud, of which we have become aware, involving management or an employee having a significant role in the Company's internal control system.

For Jattashankar Industries Ltd

Sd/-

**Jattashankar Poddar
Managing Director/Chief Executive Officer**

**Place: Mumbai
Date: 03.09.2012**

JATTASHANKAR INDUSTRIES LIMITED

**11 , Parasrampuria Apartment,
Film City Road , Gokuldhham,
Goregaon (East), Mumbai-400063
Tel -28414262 /64 /66 Fax- 28414269**

**CERTIFICATE ON COMPLIANCE WITH THE CONDITION OF CORPORATE GOVERNANCE
UNDER CLAUSE 49 OF THE LISTING AGREEMENT (S)**

To
**THE MEMBERS OF
JATTASHANKAR INDUSTRIES LIMITED,**

We have examined the compliance of conditions of Corporate Governance by **Jattashankar Industries Limited** (Formerly known as Jatta Poly-Yarn Limited) for the year ended on 31st March 2012 as stipulated in clause 49 of Listing Agreement of the said company with Stock Exchanges.

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof, adopted by the company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of an opinion on the financial statements of the company.

In our opinion and to the best of our information and according to the explanations given to us, We certify that the company has complied with the conditions of corporate Governance as stipulated in the above-mentioned Listing Agreement.

We state that such compliance is neither an assurance as to the future viability of the company nor the efficiency or effectiveness with which the management has conducted the affairs of the company.

Sd/-
Kala Agarwal
Practicing Company Secretary