

JATTASHANKAR INDUSTRIES LIMITED

11 , Parasrampuria Apartment,
Film City Road , Gokuldham,
Goregaon (East), Mumbai-400063
Tel 28414262/64/66 Fax-28414269
Email: jattashankarind@yahoo.com
CIN - L17110MH1988PLC048451

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, 2014. 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 2013-14 9 times Board Meeting were held on 16/05/2013 , 29/05/2013 , 14/08/2013 , 03/09/2013 , 19/10/2013 , 15/11/2013 , 24/12/2013 ,13/02/2014 ,06/03/2014, & AGM were held on 30.09.2013 & all the 4 directors have attendend all Board Meetings & AGM

iii) Details of Directors with Memberships or Chairmanships:

Name of Director	Directorship in other	Chairman of Committee	Member of other Committee
Jattashankar Poddar	2	Share Holder Committee (SGC)	AC,RC
Sharad Poddar	2	0	SGC, AC,RC
Sandeep Modi	1	Remuneration Committee	SGC,AC
Udit Master	0	Audit Committee(AC)	SGC,RC

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, 2014. 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 29/05/2013 , 14/08/2013 , 03/09/2013 , 15/11/2013 & 13/02/2014.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 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.In last year AGM as on 30.09.2013,memebrs has approved increase in minimum remuneration upto Rs. 2 Lacs ,in the year of inadequate profit or Loss , of Mr. Jattashankar Poddar,Managing Director and Mr. Sharad Poddar ,Whole Time Director as per Schedule XIII of Companies Act 1956 . Now as per New Companies Act 2013 ,the limit of minimum remuneration has been increased for both of them as per recommendation of Remuneration Committee duly approved by Board of Directors as per Board Resolution dated 14.08.2014 subject to approval of members by special Resoluton in coming as on 29.09.2014

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.10,80,000/- each,

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 29/05/2013 , 14/08/2013 , 15/11/2013 & 13/02/2014. All the members have attended same.

B. COMPLIANCE OFFICER:

As required by the Listing Agreement, Dr.Sharad Poddar is the present 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 1 complaints during the year under review from the shareholder and same were disposed off to their satisfaction. No share transfers were pending as on 31st March, 2014.

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
2012-13	30/09/2013 at 9.00 a.m.	Registered office
2011-12	28/09/2012 at 9.00 a.m.	Registered office
2010-11	30/09/2011 at 10.00 a.m.	Registered office

No Special Resolution nor any Resolution by Postal Ballot were passed during last year.

VII. DISCLOSURES

i.Related Party Transaction:

There are related party transactions i.e. transactions of the Company with its Promoters,Directors or Management,their subsidiaries or relatives,not conflicting with Company's interest at large,the details of which have been shown in Note No.27 of Balance-Sheet .

ii.There has been no incidence of non-compliance by the Company of any statutory regulations nor any penalty orstructure has been imposed by the Stock Exchange or any other statutory authority,on any matter relating to the capital market over the last 3 years

iii.The details of all transactions with related parties are placed before the Audit Committee on quarterly basis.

iv. 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.

v. 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 2013- 2014.

vi. The Company has complied with all mandatory requirements of clause 49 of Listing Agreement.

VIII. MEANS OF COMMUNICATION

i) Quarterly Result

The Quarterly financial result of the company are reviewed by Audit Committee and thereafter approved and taken on records by the Board of Directors within the prescribed time frame and immediately sent to stock exchange . For Last Quarter Audited Financial result reviewed by Audit Committee and duly approved and taken on records by Board is submitted to Stock Exchange.

ii) Annual Report

Annual report contains Notice , Director's Report ,Corporate Governance Report,Management Discussion and Analysis ,Certification of Corporate Governance ,Auditor's Report ,Audited Financial statement with Notes .

iii) Both Quarterly report and Annual Report has been uploaded in company's website www.jsil.in

iv) All shareholders are requested to register their email address to Registrar and Transfer Agent Sharex Dynamics (I) Pvt Ltd. for the purpose of service of documents under section 53 of the Companies Act, 1956 by email instead of by post in view of circular No. 17/95/2011 CL-V.

IX. GENERAL SHAREHOLDER INFORMATION

- a) Company has paid Annual Listing Fees of Bombay Stock Exchange for FY 2013-14. Company has applied for voluntary delisting of shares from Delhi Stock Exchange ,Madras Stock Exchange and Ahemdabad Stock Exchange .
- b) Other Information
- i) AGM Date – 29.09.2014 at 09.00 am at Parasrampuria Aprt, Film Citi Road, Goregaon(E), Mumbai—400063
 - ii) No shares has been traded in BSE during the year 2013-14
 - iii) Stock Code – Bombay Stock Exchange Ltd -514318
 - iv) ISIN Code INE722N01014
 - v) Book Closure Date-24.09.2014 to 29.09.2014
 - vi) Registrar and Transfer Agent – Sharex Dynamics (India) Pvt. Ltd.
Unit-1, Luthra Industrial Estate , Safed Pool, Andheri Kurla Road, Andheri (East), Mumbai-400072
 - vii) Shares of Company has been admitted for Dematerialiazation at Central Depository Services (I) Ltd (CDSL) . As on date 3284200 shares (74.86%) of the company are dematerialised at CDSL.
 - viii) Distribution of Shareholding as on Date were as under

Range	Number of Shareholders	% of total holders	Total Shareholding(in Rs)	% in capital
1 - 5000	3157	95.46	5140000	11.72
5001- 10000	99	2.99	771000	1.76
10001- 20000	29	0.89	441000	1.01
20001- 30000	6	0.18	173000	0.39
30001- 40000	2	0.06	80000	0.18
40001- 50000	2	0.06	87000	0.20
50001- 100000	3	0.09	230000	0.52
100001 & Above	9	0.27	36949000	84.22
	3307	100.00	43871000	100.00

Place-Mumbai
Date: 14.08.2014

By order of the Board
JATTASHANKAR INDUSTRIES LIMITED
SD/-
JATTASHANKAR PODDAR
Managing Director

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Certificate of Chief Executive Officer

We have reviewed the financial statements and the cash flow statement for the year ended March 31, 2014 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, 2014 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: 14.08.2014**