

Report on Corporate Governance

1. CORPORATE GOVERNANCE

Corporate Governance represents the value framework, rules, practices by which a company conducts its business activities. Corporate Governance essentially involves balancing the interests of many stakeholders in a company which include its shareholders, management, customers, suppliers, financiers, government and the community.

2. PHILOSOPHY OF JM FINANCIAL ON CORPORATE GOVERNANCE

At JM Financial, we believe in adopting the best in class Corporate Governance practices and strive to improve them continuously. We emphasise the importance of transparency and accountability in all our businesses. We believe good Corporate Governance is not just a principle but it is embedded in the manner every individual working in our companies conducts himself/herself.

Our actions are governed by our values and principles, which are reinforced at all levels within the Company. We are committed to doing things the right way which means taking business decisions and acting in a way that is ethical, in the interest of our stakeholders and is in compliance with applicable legislation. Our values reflect our continued commitment to ethical business practices across our operations.

Securities and Exchange Board of India has issued guidelines on the Corporate Governance for all listed companies. These are incorporated in Clause 49 of the Listing Agreement. At JM Financial, we diligently follow these guidelines.

Our multiple initiatives towards maintaining the highest standards of governance are detailed in this Report.

B. MEMBERSHIPS OF OTHER BOARDS

The number of directorships and committee Chairmanships/Memberships held by the Directors in other public companies as on March 31, 2015 are given below:

Name of the Director	Category	Number of directorships in other public companies	Number of committee positions held in other public companies		No. of shares held in the Company
			Chairman	Member	
Mr. Nimesh Kampani	Chairman & Managing Director	7	2	2	13,53,57,500*
Mr. E A Kshirsagar	Non-Executive & Independent Director	6	4	2	Nil
Mr. Darius E Udwardia	Non-Executive & Independent Director	9	2	7	Nil
Mr. Paul Zuckerman	Non-Executive & Independent Director	2	-	2	Nil
Dr. Vijay Kelkar	Non-Executive & Independent Director	6	1	1	Nil
Mr. Keki Dadiseth	Non-Executive & Independent Director	9	4	6	Nil
Ms. Jagi Mangat Panda	Non-Executive & Independent Director	4	1	1	Nil

* Includes 12,50,000 Equity Shares held by Nimesh Kampani HUF.

3. BOARD OF DIRECTORS

The Board of Directors of the Company are eminent people from various fields who in their individual capacity also focus on following the good governance practises. The Board oversees various aspects of business operations with an eye on right business practices.

A. COMPOSITION OF THE BOARD

The Board of Directors comprises 7 (seven) members out of which 6 (six) are Non-executive and Independent Directors and 1 (one) Chairman and Managing Director. The Board also has a Woman Director as required under Clause 49 of the Listing Agreement. The Directors have expertise in the fields of strategy, management, finance, law and economics. The Board provide leadership, strategic guidance, objective and independent views to the Company's management, thereby ensuring that the management adheres to high standards of ethics, transparency and disclosures.

The Board has received confirmation from the Non-Executive and Independent Directors that they qualify to be considered as independent as per the definition of 'Independent Director' stipulated in Clause 49 (II)(B) (I) of the Listing Agreement and Section 149(6) of the Companies Act, 2013 (hereinafter called "the Act"). None of the Directors of the Company is related to each other.

None of the Directors hold directorships in more than 20 companies. Further, any individual director's directorships in public companies do not exceed 10. None of the Directors is serving as a member of more than ten committees or as the Chairman of more than five committees across all the public companies of which he is a Director. Necessary disclosures regarding committee positions in other public companies as on March 31, 2015 have been made by the Directors.

Notes

1. Directorships mentioned as above do not include directorships of private limited companies, companies under Section 8 of the Act and of companies incorporated outside India.
2. Positions in only the Audit Committee and Stakeholders' Relationship Committee are considered for the purpose of reckoning the number of Chairmanships and Memberships held by the Directors.
3. None of the Non-Executive and Independent Directors has any material pecuniary relationship or transactions with the Company, other than the commission and sitting fees received by them for attending the meetings of the Board and its Committee(s) and professional fees received by the firm in which a Director is a partner.

C. BOARD MEETINGS AND BOARD PROCEDURE

The Company plans and prepares the schedule of the Board meetings in advance to assist the Directors in planning their calendar. The Board members are also given the option to attend the meetings through video conference. The schedule of meetings and the agenda thereof are finalised in consultation with the Chairman &

Managing Director. The agenda are pre-circulated with presentations, explanatory notes, supporting documents and executive summaries, if any, required.

The Board meets at regular intervals. Generally, seven meetings are held every year with at least one meeting in every quarter, inter alia, to consider, review and approve the quarterly results. Review of the business of the operating subsidiaries of the Group is a regular item on board agenda. Additional meetings of the Board are held when deemed necessary. In case of business exigencies or urgencies, the resolutions are passed by way of circulation to the extent permissible under the Act.

The Board meetings are generally held at the registered office of the Company. The Board met eight times during the financial year 2014-15 – on May 6, 2014, July 3, 2014, July 31, 2014, September 19, 2014, November 4, 2014, December 12, 2014, January 28, 2015 and March 31, 2015. The gap between two meetings did not exceed 120 days. The required quorum was present at all the above meetings. The details of the attendance of the Directors at the Board Meetings and the last Annual General Meeting is as below:

Name of the Director	Category	No. of Board meetings held	No. of Board meetings attended	Attendance at the previous Annual General Meeting
Mr. Nimesh Kampani	Chairman & Managing Director	8	8	Yes
Mr. E A Kshirsagar	Non-Executive & Independent Director	8	8	Yes
Mr. Darius E Udawadia	Non-Executive & Independent Director	8	8	Yes
Mr. Paul Zuckerman	Non-Executive & Independent Director	8	7	Yes
Dr. Vijay Kelkar	Non-Executive & Independent Director	8	6	Yes
Mr. Keki Dadiseth	Non-Executive & Independent Director	8	7	Yes
Ms. Jagi Mangat Panda (appointed with effect from March 31, 2015)	Non-Executive & Independent Director	8	NA*	NA*

*Since appointed with effect from March 31, 2015

The Board is provided with the relevant information as stipulated under Clause 49 of the Listing Agreement viz., quarterly/half yearly unaudited financial statements and the audited annual accounts, corporate strategies, annual budgets and capital expenditure details. The members of the Board have access to the management as well as all information about the Company.

With regard to matters requiring the approval of the Board, all the concerned persons in the Company communicate with the Company Secretary in advance to enable inclusion of such matters in the agenda for the Board meetings. Where it is not practicable to circulate

any document or if the agenda is of confidential nature, the same is sent separately or tabled at the meeting. In special and exceptional circumstances, consideration of additional or supplementary items is taken up with the permission of the Chairman. The concerned officials of the Group are invited to attend the Board meetings to provide additional inputs for the items being discussed by the Board of Directors as and when necessary.

At the Board Meetings, the Senior Management and CEOs/ Business Heads of the operating subsidiaries/associate make presentation on various matters including the financial results, risk management, regulatory environment

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and any other issues which the Board wants to be apprised of. The Board members interact with the CEOs of the various operating subsidiary companies frequently both at the Board meetings and outside the Board meetings.

The Board periodically reviews compliance confirmation in respect of laws applicable to the Company and its subsidiaries. The minutes of the Board meetings of the unlisted subsidiaries and a summary of the key decisions taken by their respective Boards are tabled at the Board meetings of the Company on a quarterly basis. The draft minutes are circulated amongst the members of the Board for their perusal and comments. The changes, if any, received from the Directors are also incorporated in the Minutes, in consultation with the Chairman of the Board. The minutes are signed by the Chairman of the Board at the next meeting.

The Company has an effective post meeting follow-up, review and reporting process for the decisions taken by the Board and the Committees thereof. The important decisions taken at the Board/committee meetings are communicated to the concerned persons promptly. Action taken report on the decisions/minutes of the previous meetings is placed at the immediately succeeding meeting of the Board/committee for noting by the Board/committee.

The Company has in place mechanism to inform board members and periodically review at Board meetings risk assessment and risk management processes. The framework comprises an in-house exercise on Risk Management review, carried out periodically by the Company, which helps oversee the functioning of a structure to identify and mitigate various risks faced by the Group on a day to day basis. A detailed note on risk management is given in the Risk Management section of Management Discussion and Analysis Report.

D. MEETING OF INDEPENDENT DIRECTORS

The Company's Independent Directors met on December 12, 2014 without the presence of the Chairman & Managing Director and the Senior Management team. The meeting was attended by all the Independent Directors and was conducted to enable the Independent Directors to discuss matters prescribed under Schedule IV to the Act and Clause 49 of the Listing Agreement.

E. FAMILIARISATION PROGRAM FOR INDEPENDENT DIRECTORS

The Company has in place the Familiarisation program for Independent Directors appointed from time to time. The Program aims to provide insights into the Company to enable the Independent Directors to understand its business in depth, to familiarise them with the business functionalities and the processes of the Company and to assist them in performing their role as Independent Directors of the Company. The Company's Policy of conducting the Familiarisation Program is hosted on the website of the Company at www.jmfl.com.

F. CODE OF CONDUCT

The Company has adopted a Code of Conduct ("Code") which applies to all the Board members and Senior Management Personnel of the Company. It is the responsibility of all Board members and Senior Management Personnel to familiarise themselves with Code and comply with its provisions. The Code has been circulated to all the members of the Board and Senior Management Personnel and they have confirmed compliance with the Code. A declaration signed by the Chairman and Managing Director to this effect is given below.

G. DECLARATION

I confirm that the Company has obtained the confirmation from all its Directors and Senior Management Personnel that they have complied with the provisions of the Code of Conduct for the financial year 2014-15.

Place : Mumbai

Nimesh Kampani

Date : May 29, 2015

Chairman & Managing Director

4. COMMITTEES OF THE BOARD:

The Board Committees focus on specific areas mentioned in their terms of reference and make informed decisions within the authority delegated to them. Each Committee of the Board is guided by its terms of reference. The Committees also make specific recommendations to the Board on various matters required. All observations, recommendations and decisions of the Committees are placed before the Board for its information or approval. All the minutes of committee meetings are placed before the Board for its noting.

The Company has following Committees of the Board. Specific terms of reference have been laid out for each of them.

Board constituted Committees as on March 31, 2015				
Audit Committee	Nomination and Remuneration Committee	Corporate Social Responsibility Committee	Stakeholders' Relationship Committee	Allotment Committee
Members Mr. E A Kshirsagar (Chairman) Dr. Vijay Kelkar Mr. Paul Zuckerman	Members Dr. Vijay Kelkar (Chairman) Mr. Darius E Udawadia Mr. E A Kshirsagar Mr. Nimesh Kampani	Members Mr. Nimesh Kampani (Chairman) Mr. Paul Zuckerman Mr. Keki Dadiseth	Members Dr. Vijay Kelkar (Chairman) Mr. Nimesh Kampani	Members Mr. Nimesh Kampani (Chairman) Mr. Darius E Udawadia

A. AUDIT COMMITTEE

The Audit Committee consists of three Non-Executive and Independent Directors. Mr. E A Kshirsagar, a Chartered Accountant, is the Chairman of the Committee. The other members are Dr. Vijay Kelkar and Mr. Paul Zuckerman, both very learned and experienced and well known in their respective fields. All members of the Committee are financially literate. The Company Secretary acts as the Secretary to the Committee. The Chief Financial Officer along with Internal Auditors and Statutory Auditors are invited to attend the meetings of the Committee.

Mr. Kshirsagar, the Chairman of the Committee, was present at the last Annual General Meeting (AGM) held on July 3, 2014.

Scope and Function

The broad terms of reference of the Audit Committee, inter alia, include:

- a. Review and monitor the Statutory Auditors' independence and performance and their remuneration;
- b. Effectiveness of audit process;
- c. Oversight of the Company's financial reporting process and the disclosure of its financial information;
- d. Reviewing with the management, the quarterly and annual financial statements before submission to the Board for approval, examination of the financial statements and the auditors' report;

- e. Select and establish accounting policies;
- f. Review Reports of the Statutory and the Internal Auditors;
- g. Approval (wherever necessary) of transactions of the Company with its related parties including subsequent modifications thereof;
- h. Scrutiny of intercorporate loans and investments;
- i. Valuation of undertakings or assets of the Company;
- j. Reviewing the risk assessment and minimisation procedures, evaluation of internal financial controls and risk management systems;
- k. Monitoring end use of the funds, etc;
- l. Functioning of the Whistle Blower Policy/Vigil Mechanism;
- m. Review of Financial Statements and investments of subsidiary companies;
- n. Management Discussion & Analysis of financial condition and results of operations;
- o. Review of material individual transactions with related parties not in normal course of business or which are not on an arm's length basis, if any.

The Chairman of the Audit Committee briefs the Board of Directors about significant discussions and decisions taken at the Audit Committee meetings.

Meetings and Attendance

The Audit Committee met four times during the financial year 2014-15 on May 6, 2014, July 31, 2014, November 4, 2014 and January 28, 2015. The required quorum was present for all the Audit Committee meetings. The details of attendance of the members at the said meetings are as below:

Name of the Member	Category	Position	No. of Meetings held	No. of Meetings attended
Mr. E A Kshirsagar	Non-Executive & Independent Director	Chairman	4	4
Dr. Vijay Kelkar	Non-Executive & Independent Director	Member	4	3
Mr. Paul Zuckerman	Non-Executive & Independent Director	Member	4	2

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B. NOMINATION AND REMUNERATION COMMITTEE

The Board of Directors constituted the Nomination and Remuneration Committee on May 6, 2014, comprising four Directors of which three are Non-Executive and Independent Directors. Dr. Vijay Kelkar, acts as the Chairman of the Committee. The other members of the Committee are Mr. E A Kshirsagar, Mr. Darius E Udawadia and Mr. Nimesh Kampani.

Scope and Function

The broad terms of reference of the Nomination and Remuneration Committee are:

- Formulate the criteria for determining qualifications, positive attributes and independence of a director;
- Identify and recommend to the Board of Directors, the appointment of persons considered capable and fit for the role of a director based on the criteria so formulated;
- Evaluation of Directors' performance;

The necessary quorum was present for all the Nomination and Remuneration Committee meetings. The details of attendance of the members at the said meetings are as below:

Name of the Member	Category	Position	No. of meetings held	No. of meetings attended
Dr. Vijay Kelkar	Non-Executive & Independent Director	Chairman	4	3
Mr. E A Kshirsagar	Non-Executive & Independent Director	Member	4	4
Mr. Darius E Udawadia	Non-Executive & Independent Director	Member	4	4
Mr. Nimesh Kampani	Chairman & Managing Director	Member	4	4

C. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

The Board of Directors constituted the Corporate Social Responsibility Committee on May 6, 2014, comprising three Directors including two Non-Executive and Independent Directors. Mr. Nimesh Kampani is the Chairman of the Committee. The other members are Mr. Paul Zuckerman and Mr. Keki Dadiseth.

Scope and Function

The terms of reference of the Corporate Social Responsibility (CSR) Committee are as follows:

- Formulating and recommending to the Board, CSR Policy which shall indicate the activities to be undertaken by the Company as specified in Schedule VII to the Act;
- Making recommendation on the amount of expenditure to be incurred on CSR activities;
- Instituting a transparent monitoring mechanism for implementation of the CSR activities to be undertaken by the Company.

The CSR Policy adopted in accordance with Section 135 of the Act and the details about initiatives taken by the Company on CSR during the year as per the annexure attached to the Companies (Corporate Social Responsibility Policy) Rules, 2014 is appended as an Annexure IV to the Directors' Report.

- Recommend to the Board of Directors a policy relating to the remuneration for the directors, key managerial personnel and other senior employees of the Company; and
- Recommending the appointment of Key Managerial Personnel (KMPs) and approving their remuneration.

Meetings and Attendance

The Nomination and Remuneration committee met four times during the financial year 2014-15 on July 3, 2014, December 12, 2014, March 19, 2015 and March 31, 2015, inter alia, to approve and recommend to the Board the policy for selection and appointment of directors, to identify and recommend appointment of a woman director on the board of the Company, policy for remuneration of directors & KMPs and policy for performance evaluation of directors. The Nomination and Remuneration Committee also carried out the performance evaluation of individual directors, the Board as a whole and the Committees thereof.

Meetings and Attendance

The CSR Committee met twice during the financial year 2014-15 on July 3, 2014 and December 12, 2014. The details of attendance of the members at the said meetings are as follows:

Name of the Member	Category	Position	No. of meetings held	No. of meetings attended
Mr. Nimesh Kampani	Chairman & Managing Director	Chairman	2	2
Mr. Paul Zuckerman	Non-Executive & Independent Director	Member	2	2
Mr. Keki Dadiseth	Non-Executive & Independent Director	Member	2	2

D. STAKEHOLDERS' RELATIONSHIP COMMITTEE

The Stakeholders' Relationship Committee is empowered to perform the functions of the board relating to handling of stakeholders' queries and grievances. It primarily focuses on the grievances of the investors/shareholders and speedy disposal thereof.

The Stakeholders' Relationship Committee comprises Dr. Vijay Kelkar and Mr. Nimesh Kampani, the Directors of the Company.

Dr. Vijay Kelkar is the Chairman of the Committee. The Company Secretary of the Company acts as the Compliance Officer and takes the Committee through each of the grievances, the steps taken and the responses given by the Company to redress the grievances of the shareholders/investors. The Chairman & Managing Director and the Company Secretary have been authorised by the Board for expediting the share transfer formalities.

Meetings and Attendance

The Stakeholders' Relationship Committee met 3 times during the financial year 2014-15 on May 6, 2014, July 31, 2014 and January 28, 2015. The details of attendance of the Members at the said meetings are as below:

Name of the Member	Category	Position	No. of meetings held	No. of meetings attended
Dr. Vijay Kelkar	Non-Executive & Independent Director	Chairman	3	3
Mr. Nimesh Kampani	Chairman & Managing Director	Member	3	3

Nature and number of Grievances

During the Financial Year 2014-15, the grievances received by the Company were general in nature, such as non-receipt of dividends and annual reports.

The following is the data of grievances received from shareholders during the year by the Company/its Registrars which were duly resolved.

Nature of Grievances	No of Grievances received	No of Grievances resolved	Pending Grievances
Non-receipt of Dividend	23	23	Nil
Non-receipt of Annual Report	1	1	Nil
Total	24	24	Nil

All grievances received during the year have been resolved and no grievances have remained unattended/pending as on March 31, 2015.

E. ALLOTMENT COMMITTEE

The Allotment Committee of the Board comprises two members of which one member is Non-executive and Independent Director viz., Mr. Darius E Udwardia and other member is Mr. Nimesh Kampani, the Chairman & Managing Director.

Scope and Function

The Allotment Committee, inter alia, considers and approves the allotment of shares/securities including those arising on account of exercise of stock options by the employees, attends to requests for issue of duplicate share certificates, issue of new share certificates upon rematerialisation and such other allied matters.

Meetings and Attendance

The Allotment Committee met 12 times during the financial year 2014-15 on April 16, 2014, April 29, 2014, May 6, 2014, May 19, 2014, June 6, 2014, July 31, 2014, September 4, 2014, October 17, 2014, December 11, 2014, January 20, 2015, March 19, 2015 and March 31, 2015. The details of attendance of the Members at the said meetings are as below:

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Name of the Member	Category	Position	No. of meetings held	No. of meetings attended
Mr. Nimesh Kampani	Chairman & Managing Director	Member	12	12
Mr. Darius E Udwardia	Non-Executive & Independent Director	Member	12	12

5. DISCLOSURE IN RELATION TO REMUNERATION OF DIRECTORS

a. Remuneration of the Chairman & Managing Director

Mr. Nimesh Kampani, the Chairman & Managing Director of the Company was paid remuneration during the financial year 2014-15 in accordance with the terms and conditions of the Agreement entered into by the Company with him. The details of the remuneration paid/payable to Mr. Kampani during the FY 2014-15 are given below:

	(Amount in ₹)
Salary	96,00,000
Perquisites	78,71,654
Bonus	1,95,00,000
Contribution to Provident Fund	11,52,000
Total	3,81,23,654

No sitting fees was paid to Mr. Kampani for attending meetings of the Board or any committees thereof.

Mr. Kampani was appointed as the Managing Director of the Company for a period five years with effect from April 1, 2012. The term of Mr. Kampani has however been changed by the Board of Directors to make him a director 'liable to retire by rotation' to enable the Company to comply with the provisions of Section 152 of the Act. As per the Employment Agreement executed by the Company with Mr. Kampani, both the Company and Mr. Kampani are entitled to terminate the Employment Agreement by giving not less than six months' notice in writing to the other party.

b. Remuneration Policy for Non-executive & Independent Directors

The Company follows transparent process for determining the remuneration of Non-executive and Independent Directors. Their remuneration is governed by the role assumed, number of meetings of the Board and the committees thereof attended by them, the position held by them as the Chairman and member of the committees of the Board and overall contribution to the business. Besides this, the Board also takes into consideration the external track record, individual performance of such Directors and performance of the Company as well as the industry standards in determining the remuneration of Non-executive and Independent Directors.

The Non-executive and Independent Directors have contributed significantly and given constructive and useful feedback from time to time in the deliberations on the board matters.

Taking into consideration their contribution and the increasing responsibilities, an aggregate amount of ₹ 84.00 Lakh is proposed to be paid as commission to the Non-executive and Independent Directors of the Company for the financial year 2014-15. The details of sitting fees/commission paid/payable to the Non-executive and Independent Directors are given below:

Name of Director	Sitting fees paid during the financial year 2014-15						Commission for FY 2014-15
	Board Meeting	Audit Committee Meeting	Nomination and Remuneration Committee Meeting	Allotment Committee Meeting	Stakeholders' Relationship Committee Meeting	Corporate Social Responsibility Committee Meeting	
Mr. E A Kshirsagar	8,00,000	2,00,000	80,000	-	-	-	18,00,000
Mr. Darius E Udwardia	8,00,000	-	80,000	50,000	-	-	16,00,000
Mr. Paul Zuckerman	7,00,000	1,00,000	-	-	-	40,000	16,00,000
Dr. Vijay Kelkar	6,00,000	1,50,000	60,000	-	30,000	-	18,00,000
Mr. Keki Dadiseth	7,00,000	-	-	-	-	40,000	16,00,000

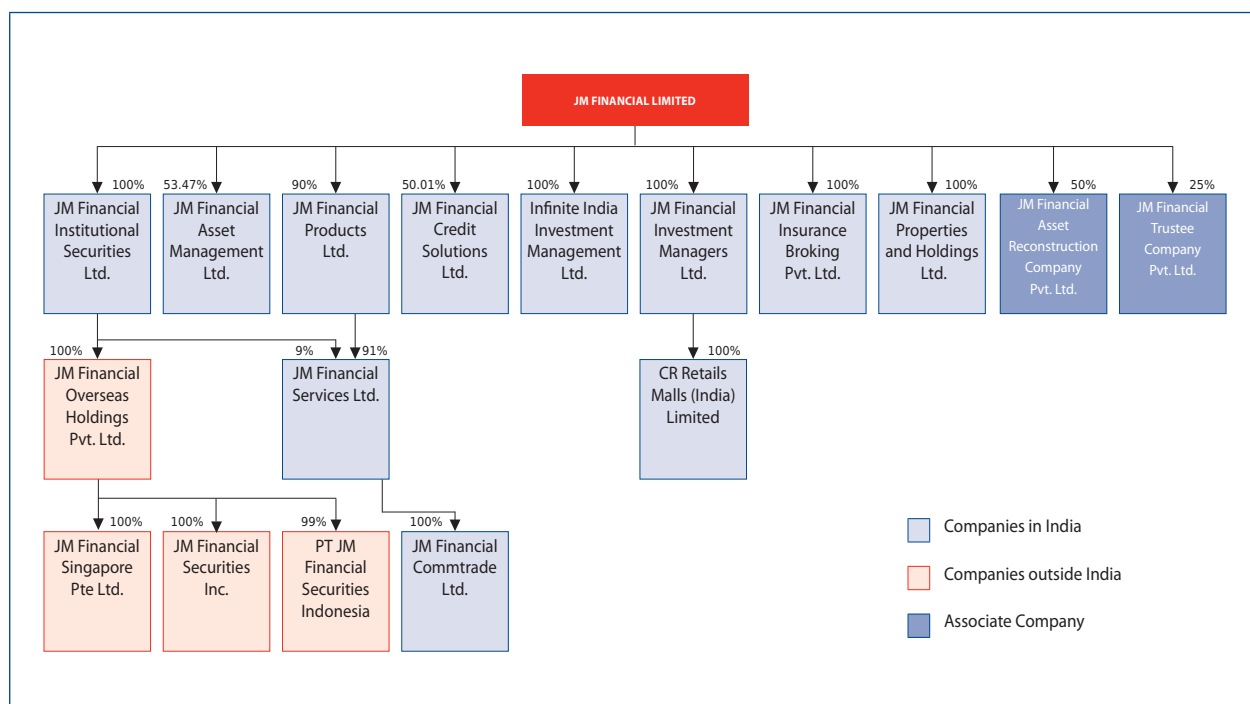
Note : The above does not include the fees paid to Non-executive and Independent Directors for attending the Independent Directors Meeting held on December 12, 2014.

During the financial year 2014-15, the Company paid ₹ 56,400/- as professional fees to M/s. Udhwadia Udeshi & Argus Partners, a legal firm, of which Mr. Darius E Udhwadia is a founder partner.

Other than the above, no payments have been made to any of the Non- executive and Independent Directors by the Company.

6. SUBSIDIARY AND ASSOCIATE COMPANIES:

The Company had the following subsidiary and associates companies, as on March 31, 2015.



Clause 49 of the Listing Agreement defines “material non-listed Indian subsidiary” as an unlisted subsidiary, incorporated in India, whose income or net worth (i.e., paid up capital and free reserves) exceeds 20% of the consolidated income or net worth respectively, of the listed holding company and its subsidiaries in immediately preceding accounting year.

As per the above definition, the details of material non-listed Indian subsidiaries of the Company as on March 31, 2015 are given below. In accordance with the provisions of the Listing Agreement, the following Non-executive and Independent Directors of the Company are also Non-executive and Independent Directors on the Boards of the material non - listed Indian subsidiaries as on March 31, 2015:

Name of the material non-listed subsidiaries	Name of the Independent Directors
JM Financial Products Limited	Mr. E A Kshirsagar Mr. Darius E Udhwadia
JM Financial Services Limited	Mr. Keki Dadiseth

The minutes of the Board meetings of the unlisted Indian subsidiary companies are placed at the Board meetings of the Company. The management also periodically brings to the attention of the Members of the Audit Committee, a statement of significant transactions and arrangements entered into by all the unlisted subsidiary companies.

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7. GENERAL BODY MEETINGS:

a. The location, time and venue of the last three Annual General Meetings and one Extra-Ordinary General Meeting are as under:

Date of AGM / EGM	Venue	Time	Whether Special Resolution passed	Summary of Special Resolutions
August 13, 2012 AGM	Rama Watumull Auditorium Kishinchand Chellaram College DinshawWachha Road, Churchgate Mumbai – 400 020	4.00 p.m.	Yes	<ul style="list-style-type: none"> Approval pursuant to Section 314(1) of the Companies Act, 1956 for Ms. Amishi Kampani, daughter of Mr. Nimesh Kampani, the Chairman and Managing Director, to hold the office or place of profit in JM Financial Institutional Securities Limited, a wholly owned subsidiary of the Company. Re-appointment of Mr. Nimesh Kampani as the Managing Director of the Company for the period of 5 (five) years.
June 14, 2013 EGM	Kamalnayan Bajaj Hall, Ground Floor, Bajaj Bhavan, Jamnalal Bajaj Marg, Nariman Point, Mumbai - 400021	4.00 p.m.	Yes	<ul style="list-style-type: none"> Issue of up to 2,32,93,878 Warrants on preferential basis to Mr. Vikram Shankar Pandit (1,16,46,939 Warrants), Mr. Hariharan Ramamurthi Aiyar (58,23,470 Warrants) and Mrs. Aparna Murthy Aiyar (58,23,469 Warrants)
July 31, 2013 AGM	Kamalnayan Bajaj Hall, Ground Floor, Bajaj Bhavan, Jamnalal Bajaj Marg, Nariman Point, Mumbai - 400021	4.00 p.m.	Yes	<ul style="list-style-type: none"> Payment of commission per annum to the Non-executive Directors of the Company between 1% and 3% of the net profits.
July 3, 2014 AGM	Kamalnayan Bajaj Hall, Ground Floor, Bajaj Bhavan, Jamnalal Bajaj Marg, Nariman Point, Mumbai - 400021	4.00 p.m.	Yes	<ul style="list-style-type: none"> Alteration of Articles of Association.

b. SPECIAL RESOLUTIONS PASSED THROUGH POSTAL BALLOT

During the financial year 2014-15, the Company passed the following Special Resolutions by postal ballot on December 22, 2014. In accordance with the applicable provisions of the Act and the Listing Agreement, the Company did provide to its shareholders the facility to cast their votes electronically through the e-voting platform of National Securities Depository Limited, as an alternate to casting votes by physical ballot. The Company had appointed Ms. Jayshree S Joshi, Company Secretary, Proprietor of M/s. Jayshree Dagli & Associates, Company Secretaries, Mumbai, as Scrutiniser to conduct the Postal Ballot process in a fair and transparent manner.

The details of the Special Resolutions passed through Postal Ballot including the votes cast in favour and against are given below. All the resolutions were passed with requisite majority.

Resolution No.	Description	No. of votes in favour (% of total votes casted)	No. of votes against (% of total votes casted)	Result
1	To approve the issue of Non-Convertible Debentures for an amount not exceeding ₹ 1,000 crore.	61,90,95,684 (99.9972%)	17,398 (0.0028%)	Passed with requisite majority
2	To authorise the Board of Directors to dispose of the whole or substantially the whole of the undertaking of the Company including by way of mortgage and/or creation of security interests on movable and/or immovable properties of the Company, both present and future, in respect of its borrowings.	60,70,91,965 (98.0558%)	1,20,36,921 (1.9442%)	Passed with requisite majority

Resolution No.	Description	No. of votes in favour (% of total votes casted)	No. of votes against (% of total votes casted)	Result
3	To approve transactions/contracts/ arrangements with a related party viz., JM Financial Products Limited, a subsidiary of the Company (not exceeding ₹ 500 Crore during any one financial year).	9,81,04,442 (97.0179%)	30,15,479 (2.9821%)	Passed with requisite majority
4	To approve transactions/contracts/ arrangements with a related party viz., JM Financial Services Limited, a subsidiary of the Company (not exceeding ₹ 500 Crore during any one financial year).	9,80,96,411 (97.0177%)	30,15,454 (2.9823%)	Passed with requisite majority
5	To approve transactions/contracts/ arrangements with a related party viz., JM Financial Asset Management Limited, a subsidiary of the Company (not exceeding ₹ 200 Crore during any one financial year).	8,59,86,929 (85.1793%)	1,49,61,224 (14.8207%)	Passed with requisite majority
6	To approve transactions/contracts/ arrangements with a related party viz., JM Financial Credit Solutions Limited (formerly known as FICS Consultancy Services Limited) a subsidiary of the Company (not exceeding ₹ 500 Crore during any one financial year).	9,80,86,276 (97.0063%)	30,27,079 (2.9937%)	Passed with requisite majority
7	To approve transactions/contracts/ arrangements with a related party viz., JM Financial Asset Reconstruction Company Private Limited, an associate of the Company (not exceeding ₹ 500 Crore during any one financial year).	8,61,89,441 (85.2154%)	1,49,53,574 (14.7846%)	Passed with requisite majority
8	To approve transactions/contracts/ arrangements with a related party viz., Messers Astute Investments, a partnership firm of which JM Financial Services Limited and JM Financial Commtrade Limited, subsidiaries of the Company are partners (not exceeding ₹ 200 Crore during any one financial year).	8,61,66,578 (87.7394%)	1,20,40,768 (12.2606%)	Passed with requisite majority

None of the businesses proposed to be transacted at the forthcoming AGM require passing of a Special Resolution through Postal Ballot.

8. MANAGEMENT DISCUSSION AND ANALYSIS

The Management Discussion and Analysis Report for the financial year 2014-15, as per the requirements of Listing Agreement, is given in a separate section forming part of the Annual Report.

9. DISCLOSURES

A. POLICY DETERMINING MATERIAL SUBSIDIARIES AND RELATED PARTY TRANSACTIONS

Pursuant to requirements of Clause 49 of Listing Agreement, the Company has adopted the policy determining material subsidiaries and the policy on related party transactions and the said policies are available on the Company's website at www.jmfl.com.

B. DISCLOSURE ON MATERIAL RELATED PARTY TRANSACTIONS

All material transactions entered into with related parties as defined under the Act and Clause 49 of the Listing Agreement during the financial year 2014-15 were in the ordinary course of business. No materially significant related party transactions have been entered into during financial year 2014-15 having potential conflict with the interest of the Company at large.

Report Corporate Governance (contd.)

C. NO PENALTY OR STRICTURES

There have been no instances of non-compliances by us and no penalties and/or strictures have been imposed on us by Stock Exchanges or SEBI or any statutory authority during the previous three financial years.

D. CODE OF CONDUCT FOR PREVENTION OF INSIDER TRADING

The Company has adopted a code of conduct for prevention of insider trading with a view to regulate trading in securities by the Directors and employees of the Company. The Code requires pre-clearance for dealing in the Company's shares and prohibits the purchase or sale of the Company's shares by the Directors and employees while in possession of unpublished price sensitive information in relation to the Company or its securities.

The Company has appointed the Company Secretary as the Compliance Officer to ensure compliance of the said Code by all the Directors, Senior Management Personnel and employees likely to have access to unpublished price sensitive information.

E. VIGIL MECHANISM/WHISTLE BLOWER POLICY

The Vigil Mechanism/Whistle Blower Policy has been adopted to provide appropriate avenues to the employees to bring to the attention of the management, the concerns about any unethical behaviour, by using the mechanism provided in the Policy. In cases related to financial irregularities, including fraud or suspected fraud, the employees may directly approach the Chairman of the Audit Committee of the Company. We affirm that no director or employee has been denied access to the Audit Committee during financial year 2014-15. The Policy provides that no adverse action shall be taken or recommended against an employee in retaliation to his/her disclosure in good faith of any unethical and improper practices or alleged wrongful conduct. This Policy protects such employees from unfair or prejudicial treatment by anyone in the Group.

10. MEANS OF COMMUNICATION

Effective communication of information is an essential component of Corporate Governance. It is the process of sharing information, ideas, thoughts, opinions and plans to all stakeholders which promotes management – shareholder relations. The Company regularly interacts with its members through multiple channels of

communication such as results announcement, annual reports, media releases, and Company's website and through green initiatives.

a. QUARTERLY RESULT

The unaudited quarterly/half yearly financial results are announced within forty five days of the end of the quarter. The audited annual financial results are announced within sixty days of the close of the financial year as per the requirements of the Clause 41 of the Listing Agreement. The aforesaid financial results are sent to BSE Limited (BSE) and the National Stock Exchange of India Limited (NSE) where the Company's shares are listed, promptly after the said results are approved by the Board. These results are thereafter published within forty eight hours in one English newspaper and one vernacular newspaper as well as placed on the Company's website viz., www.jmfl.com.

b. WEBSITE

The Company's website www.jmfl.com provides information about the businesses carried on by its subsidiaries and associates. It is the primary source of information to all the stakeholders of the Company and to general public at large. It also contains a separate dedicated section on shareholders information. Financial results, Annual Reports, Shareholding Pattern, official news releases, Quarterly Corporate Governance Report and other general information about the Company is also available on its website.

c. ANNUAL REPORT

Annual Report containing, inter alia, the Standalone and Consolidated Financial Statements, Directors' Report, Auditors' Report and other important information is circulated to members of the Company prior to the AGM. The Report on Management Discussion and Analysis forms part of the Annual Report. The Annual Report of the Company is also available on the website of the Company in a user friendly and downloadable format.

d. REMINDER TO SHAREHOLDERS

Individual reminders are sent each year to those shareholders whose dividends have remained unclaimed from the date they become due for payment, before transferring the monies to the Investor Education & Protection Fund (IEPF). The information on unclaimed dividend is also posted on the website of the Company as aforesaid.

e. CORPORATE FILING AND DISSEMINATION SYSTEM (CFDS)

In compliance with Clause 52 of the Listing Agreement entered with Stock Exchanges, the financial results, shareholding pattern and quarterly report on Corporate Governance are filed electronically through CFDS portal, website – www.corpfiling.co.in, which is jointly owned, managed and maintained by the BSE and NSE.

f. NSE ELECTRONIC APPLICATION PROCESSING SYSTEM (NEAPS) AND BSE PORTAL FOR ELECTRONIC FILING

The financial results, shareholding pattern and quarterly report on Corporate Governance are filed electronically through NSE Electronic Application Processing System (NEAPS) portal i.e., www.connect2nse.com/listing and BSE portal i.e., <http://listing.bseindia.com>.

g. DESIGNATED EXCLUSIVE EMAIL-ID

The Company has designated shareholdergrievance@jmfli.com as an email id for the purpose of registering complaints by investors and the same is displayed on the Company's website.

h. PRICE SENSITIVE INFORMATION

All price sensitive information and such other matters which in the opinion of the Company are of importance to the shareholders/investors are promptly intimated to the Stock Exchanges.

11. NON-MANDATORY REQUIREMENTS

The Board has taken cognizance of the non-mandatory requirements of Clause 49 of the Listing Agreement and shall consider adopting the same at an appropriate time.