

AIM FINANCIAL**jig FINANCIAL LIMITED**

Registered Office: 141, Maker Chambers III, Nariman Point, Mumbai —400 021

TO THE MEMBERS OF JIG FINANCIAL LIMITED

ABSTRACT OF TERMS OF RE-APPOINTMENT OF MR. NIMESH N KAMPANI AS MANAGING DIRECTOR AND THE MEMORANDUM OF INTEREST UNDER SECTION 302 OF THE COMPANIES ACT, 1956

Based on the recommendation of the Nomination Committee of the Board, the Directors at their meeting held on March 30, 2012, have re-appointed Mr. Nimesh N Kampani, as Managing Director of JM Financial Limited (‘the Company’) for a period of 5 (five) years with effect from April 1, 2012, in accordance with Section 269 and other applicable provisions of the Companies Act, 1956 (‘the Act’) read with Schedule XIII thereto at the remuneration and other terms and conditions as contained in the draft agreement (‘the Agreement’) to be entered into between the Company and Mr. Kampani. The aforesaid appointment as well as the remuneration proposed to be paid to Mr. Kampani as Managing Director is subject to the approval of the members of the Company in general meeting.

Pursuant to Section 302 of the Act, an abstract of the terms of Mr. Kampani's re-appointment as Managing Director including the remuneration proposed to be paid to him, are set out below

The Company to employ Mr. Kampani and Mr. Kampani to serve the Company as its Managing Director for a period of 5 (five) years from April 1, 2012.

2. Mr. Kampani to discharge such functions, exercise such powers and perform such duties as the Board shall from time to time determine and entrust to him. Subject to such restrictions or limitations as the Board may in its discretion determine, Mr. Kampani to have general control of business and management of day to day affairs of the Company.
3. Mr. Kampani to undertake such travel as may be needed in the interests of the Company's business or as directed by the Board from time to time.
4. The Company to pay to Mr. Kampani the following:
 - A. (i) A Salary of Rs. 6,00,000/- (Rupees Six Lakh only) per month in the scale of Rs. 6,00,000/- (Rupees Six Lakh only) to Rs. 10,00,000/- (Rupees Ten Lakh only) per month, with such annual increments as may be decided by the Board or Compensation Committee of the Board during the tenure of Mr. Kampani as Managing Director
 - (ii) Performance Bonus of up to 5% of the consolidated net profits of the Company and its subsidiaries/associates as decided by the Board or Compensation Committee of the Board on an annual basis. The payment of such amount shall be subject to the applicable provisions of the Companies Act, 1956 and the approval of the Central Government, if any required.
- B. Mr. Kampani to be entitled to the following perquisites:
 - (i) The Company to provide Mr. Kampani fully furnished residential accommodation and its up-keep and maintenance to be borne and paid by the Company.
 - (ii) The Company to provide Mr. Kampani up to two motor cars along with chauffeur and the maintenance and up-keep of the said cars to be borne and paid by the Company.
 - (iii) The Company to provide gas, electricity and water at Mr. Kampani's residence at the Company's Cost
 - (iv) The Company to reimburse the actual medical expenses incurred in India and/or abroad by Mr. Kampani and his spouse.

- (v) The Company to pay for the annual and/or membership fees of not more than two clubs on behalf of Mr. Kampani.
- (vi) The Company to provide life cover and personal accident insurance for Mr. Kampani in accordance with Rules of the Company for the time being in force.
- (vii) The benefit of the Company's Provident Fund Scheme in accordance with the Rules of the Scheme for the time being in force.
- (viii) Gratuity as per the Rules of the Company for the time being in force.
- (ix) Encashment of un-availed leave at the end of Mr. Kampani's tenure as Managing Director as per the Rules of the Company for the time being in force.

C. Valuation of perquisites:

Perquisites to be valued as per Income Tax Rules, wherever applicable, and in the absence of any such Rules, to be valued at actual cost.

- D. (i) Mr. Kampani to be entitled to leave on full remuneration for a period of 25 days for every 12 months' service and sick leave as per the Rules of the Company for the time being in force.**
- (ii) The Company to provide two telephones at the residence of Mr. Kampani and two mobile phones, the expenses of which to be borne and paid by the Company.**

E. Computation of ceiling;

The contribution to provident fund, gratuity and encashment of leave shall not be included in the computation of perquisites for the purposes of ceiling to the extent these are not taxable under the Income-tax Act. 1961.

F. Minimum remuneration:

In the event of loss or inadequacy of profits during Mr. Kampani's tenure as Managing Director, the remuneration as set out above, will be paid or granted to him as minimum remuneration, provided that the total remuneration by way of salary, perquisites and performance bonus shall not exceed the applicable ceiling in terms of Schedule XIII to the Act, as may be amended from time to time, or such other higher amount as may be approved by the Central Government

5. Mr. Kampani to comply with the Company's Code of Conduct as amended from time to time.
6. The Company to be entitled to terminate the employment of Mr. Kampani as Managing Director by giving 30 days' written notice, inter alia, if Mr. Kampani commits a breach of the terms of the Agreement
7. Either party may terminate the Agreement by giving not less than 6 (six) months' notice *in writing* to the other without assigning any reason.
8. No alteration to the Agreement to be valid and binding unless made in writing and agreed by both parties.

Mernorapdum of concern or interest

Mr. Nimesh N Kampani is interested in his re-appointment as Managing Director and payment to him of remuneration as mentioned above. Mr. Ashith N Kampani, a director of the Company and a brother of Mr. Nimesh N Kampanl. may also be deemed to be concerned or interested in the above re-appointment

By order of the Board

Place: Mumbai
Date : March 30, 2012

P K Cholcsi
Group Head – Compliance, Legal
& Company Secretary