INTELLIGENCE SAYS,

A LEGACY IS BUILT SLOWLY. ONE ANNUAL REPORT AT A TIME.

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TWENTY FIFTH ANNUAL GENERAL MEETING

Day and Date	:	Wednesday, July 28, 2010
Time	:	3.30 P.M.
Venue	:	Y. B. Chavan Centre Gen. J. B. Marg Next to Sachivalaya Gymkhana Nariman Point Mumbai - 400 021

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BOARD OF DIRECTORS

Mr. Nimesh N Kampani - Chairman & Managing Director
Mr. M R Mondkar – *(upto March 31, 2010)*
Mr. Ashith N Kampani
Mr. E A Kshirsagar
Mr. D E Udwadia
Dr. Pravin P Shah
Mr. Paul Zuckerman
Dr. Vijay Kelkar *(from March 19, 2010)*

GROUP CHIEF OPERATING OFFICER

Ms. Dipti Neelakantan

GROUP HEAD - COMPLIANCE, LEGAL & COMPANY SECRETARY

Mr. P K Choksi

CHIEF FINANCIAL OFFICER

Mr. Manish Sheth

STATUTORY AUDITORS

M/s. Khimji Kunverji & Co.

PRINCIPAL BANKERS

HDFC Bank Limited

REGISTRARS & SHARE TRANSFER AGENTS

Sharepro Services (India) Private Limited
13 AB Samhita Warehousing Complex
2nd Floor, Sakinaka Telephone Exchange Lane
Off Andheri-Kurla Road, Sakinaka
Andheri (E), Mumbai - 400 072
Tel: 91-22-6772 0300/400
Fax: 91-22-2859 1568
Email: sharepro@shareproservices.com
Website: www.shareproservices.com

REGISTERED OFFICE

141, Maker Chambers III
Nariman Point
Mumbai - 400 021
Tel.: 91-22-6630 3030
Fax: 91-22-2202 8224
Email: shareholdergrievance@jmfinancial.in
Website: www.jmfinancial.in

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Notice

NOTICE IS HEREBY GIVEN THAT THE TWENTY FIFTH ANNUAL GENERAL MEETING OF THE MEMBERS OF JM FINANCIAL LIMITED (THE COMPANY) WILL BE HELD ON WEDNESDAY, JULY 28, 2010 AT 3.30 P.M. AT Y. B. CHAVAN CENTRE, GEN. J. B. MARG, NEXT TO SACHIVALAYA GYMKHANA, NARIMAN POINT, MUMBAI - 400 021 TO TRANSACT THE FOLLOWING BUSINESS:

ORDINARY BUSINESS

1. To receive, consider and adopt the audited Balance Sheet as at March 31, 2010 and the Profit & Loss Account for the year ended on that date together with the reports of the Board of Directors and the Auditors thereon.

2. To declare dividend.

3. To appoint a Director in place of Mr. Ashith N Kampani, who retires by rotation and being eligible, offers himself for re-appointment.

4. To appoint a Director in place of Mr. E A Kshirsagar, who retires by rotation and being eligible, offers himself for re-appointment.

5. To appoint M/s. Khimji Kunverji & Co., as the Statutory Auditors of the Company 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 Dr. Vijay Kelkar, who was appointed as an Additional Director of the Company by the Board of Directors pursuant to Section 260 of the Companies Act, 1956 ("the Act"), read with Article 117 of the Articles of Association of the Company and who holds office up to the date of this Annual General Meeting and in respect of whom the Company has received a notice in writing from a Member under Section 257 of the Act signifying her intention to propose him as a candidate for the office of Director, be and is hereby appointed as a Director of the Company liable to retire by rotation."

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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 Section 31 and other applicable provisions, if any, of the Companies Act, 1956, the Articles of Association of the Company be and are hereby altered by inserting the following new Article 24(a) after the existing Article 24:

POWER OF THE COMPANY TO PURCHASE ITS OWN SECURITIES

Power to purchase its own Securities

24 (a) Notwithstanding anything contained in these Articles and in pursuance of the applicable provisions of the Act, the Company may, purchase/buy back its own Shares or other Securities as it may think necessary, subject to such limits, restrictions, terms and conditions and subject to such approvals, as may be specified under the applicable provisions of the Act and the Securities and Exchange Board of India (Buy Back of Securities) Regulations, 1998.

For the purpose of this Article, Securities shall have the same meaning as assigned to it in the Securities Contracts (Regulation) Act, 1956 (42 of 1956) and includes hybrids."

"RESOLVED FURTHER THAT the Board be and is hereby authorised to do all such acts, deeds, matters and things as it may consider necessary, expedient, usual or proper to give full effect to the above resolution, including but not limited to filing of necessary forms with the Registrar of Companies and to comply with all other requirements in this regard."

By Order of the Board

P K Choksi
Group Head - Compliance, Legal
& Company Secretary

Date: May 25, 2010

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

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NOTES:

A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT ONE OR MORE PROXIES TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE INSTRUMENT APPOINTING A PROXY IN ORDER TO BE VALID MUST BE DULY FILLED IN ALL RESPECTS AND SHOULD BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY **NOT LATER THAN 48 HOURS** BEFORE THE COMMENCEMENT OF THE MEETING.

1. The relevant Explanatory Statements pursuant to Section 173(2) of the Companies Act, 1956, in respect of the business item nos. 6 and 7 of the Notice as set out above are annexed hereto.

2. Members who hold shares in dematerialised form are requested to get their DP ID and Client ID numbers for easy identification of their attendance at the meeting.

3. Brief profiles of the Directors who are proposed to be appointed/re-appointed are given as Additional Information on Directors, which forms part of the Notice.

4. The Register of Members of the Company will remain closed from Thursday, July 22, 2010 to Wednesday, July 28, 2010 (both days inclusive).

5. Members while corresponding with the Company or its Registrars & Share Transfer Agents (RTA) viz., M/s. Sharepro Services (India) Private Limited, are requested to quote their respective Register Folio Numbers or DP ID and Client ID Numbers of their beneficiary account(s), as the case may be.

6. Pursuant to the provisions of Section 205A(5) of the Companies Act, 1956, the amount of dividend which remain unclaimed or unpaid for a period of seven years from the date of transfer of such amount to the Unpaid Dividend Account opened in pursuance of sub-section (1) of the said Section, is required to be transferred to the Investor Education and Protection Fund (IEPF) established by the Central Government. Accordingly, the unclaimed dividend in respect of the financial year 2002-03 is due for transfer to the IEPF in September 2010. The Members who have not yet claimed their dividend for the financial year 2002-03 or any subsequent financial years are requested to claim the same from the Company. No claims shall lie against the said Fund or the Company in respect of the amounts remaining unclaimed or unpaid after the said transfer to IEPF.

7. Pursuant to the provisions of the aforesaid Section, the Company has transferred Rs.119,395/-, being the unclaimed dividend for the financial year 2001-02 to IEPF on October 27, 2009.

8. Members are entitled to make nomination in respect of the shares held by them in physical form. Members desirous of making nominations may send their request in Form 2B in duplicate (which will be made available on request) to the RTA of the Company.

9. The Company has made necessary arrangements for the Members to hold their shares in dematerialised form. Those Members who are holding shares in physical form are requested to dematerialise the same by approaching any of the Depository Participants (DPs). In case any Member wishes to dematerialise his/her shares and needs any assistance, he/she may write to the Company Secretary at the Registered Office of the Company.

10. Members are requested to notify any change in their address immediately to their respective DPs or the RTA or to the Company, as the case may be so as to enable us to dispatch the dividend pay orders or Electronic Clearing Services (ECS)/National Electronics Clearing Services (NECS) intimation at the correct address.

11. **Payment of dividend through ECS/NECS :**

All companies are mandatorily required to use ECS/NECS facility wherever available for distributing dividends, wherein the dividend amount would be directly credited to the Members' respective bank accounts.

The Members, holding shares in dematerialised form are advised to intimate the bank details/change in bank details to their respective DPs. Those Members who are holding their shares in physical form are advised to send bank details/changes therein, if any, to the RTA or to the Company. In case of absence of ECS/NECS facility, the Company will send the dividend pay orders to the registered address of the Members.

To enable the Company to print the bank account details on the dividend pay orders as a security measure for the credit to the correct recipient, Members are required to update their bank account details with their respective DPs, RTA or the Company.

ANNEXURE TO NOTICE

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

Item no. 6

Dr. Vijay Kelkar was appointed as an Additional Director of the Company at the meeting of the Board of Directors held on March 19, 2010 in accordance with the provisions of Section 260 of the Companies Act, 1956 read with Article 117 of the Articles of Association of the Company. He holds office of a Director up to the date of the forthcoming Annual General Meeting. It is proposed to appoint him as a Director of the Company, liable to retire by rotation, at the forthcoming Annual General Meeting.

The Company has received a notice in writing from a Member of the Company signifying her intention to propose Dr. Kelkar as a candidate for the office of Director along with a deposit of Rs.500/- in accordance with Section 257 of the Act, which will be refunded to the Member if Dr. Kelkar is elected as a Director.

A brief profile of Dr. Kelkar is given as Additional Information on Directors, which forms part of the Notice.

The Board of Directors is of the view that your Company would benefit immensely from the rich and varied experience of Dr. Kelkar and accordingly commends the passing of the Ordinary Resolution proposed at item no. 6 of the accompanying Notice.

Dr. Kelkar is concerned or interested in the resolution proposed at item no. 6 of the Notice since it relates to his own appointment.

Item no. 7

Pursuant to the provisions of Section 77A of the Companies Act, 1956, a company may purchase its own shares or other specified securities provided such buy back of shares or specified securities is authorized by its Articles of Association.

The Articles of Association of your Company do not at present authorise the buy back by the Company of its own shares or other securities.

It is therefore proposed to alter the Articles of Association of the Company, by inserting a new Article 24 (a) after Article 24. The proposed insertion of the new Article 24 (a) in terms of the Special Resolution at item no. 7 of the Notice is of an enabling nature; there is no intention, at present, to buy back the shares/other securities of your Company.

Section 31 of the Companies Act, 1956 requires passing of the Special Resolution for any alteration of the Articles of Association of your Company. Hence the resolution at item no. 7.

A copy of the Company's Memorandum and Articles of Association will be available for inspection at the registered office of the Company between 2.00 p.m. and 4.00 p.m. on any working day (Monday to Friday).

The Board commends passing of the Special Resolution proposed at item no. 7 of the accompanying Notice.

By Order of the Board

P K Choksi
Group Head - Compliance, Legal
& Company Secretary

Date: May 25, 2010

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

ADDITIONAL INFORMATION ON DIRECTORS SEEKING APPOINTMENT/ RE-APPOINTMENT

Name	**Mr. Ashith N Kampani**
Age	46 years
Qualification	B.Com
Brief Profile	• Mr. Ashith N Kampani, has over 29 years of experience in the Indian capital markets. • During these 29 years, he has been servicing various segments including Retail, High Net Worth Individuals, Corporates and Institutional Investors globally of Investment Banking and Broking business of the JM Financial Group. • Mr. Ashith N Kampani, who is a younger brother of Mr. Nimesh N Kampani, began his career with the family's stock broking firm in 1982, and then, from 1991 to 2007, he has been engaged in various group ventures including his stint with JM Financial's Institutional equity broking joint venture with Morgan Stanley. • Currently he looks after the business development for the Group. • Presently, he is not on the Board of any other public company. • Mr. Ashith N Kampani is also a member of the managing committee of the Bombay Chamber of Commerce and Industry, and is the Chairman of Young Bombay Forum, the initiative taken by Bombay Chamber of Commerce and Industry to nurture young leaders in India to become globally competitive and contribute towards Nation Building.
Shareholding in the Company	Mr. Kampani held 275 equity shares in the Company as on March 31, 2010.

Name	**Mr. E A Kshirsagar**
Age	68 Years
Qualification	Chartered Accountant (India, and England & Wales)
Brief Profile	• Mr. Kshirsagar is a specialist in corporate strategy and structure, disinvestments – central/state government, private sector. He was associated with the management consultancy division of A F Ferguson for over three decades and retired in 2004 as a Director-in-Charge. • Mr. Kshirsagar is on the Board of the following other public companies: ● Batliboi Limited ● HCL Infosystems Limited ● Merck Limited ● Rallis India Limited ● Tata Chemicals Limited

Membership of Committees in other Public Companies	**Name of the Company**	**Audit Committee**	**Shareholders' Grievance Committee**
	Batliboi Limited	Chairman	–
	HCL Infosystems Limited	Member	Member
	Merck Limited	Member	–
	Rallis India Limited	Chairman	Chairman
	Tata Chemicals Limited	Member	–

Shareholding in the Company	Mr. Kshirsagar did not hold any equity shares in the Company as on March 31, 2010.

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Name	**Dr. Vijay Kelkar**
Age	68 Years
Qualification	Doctorate degree in development economics from the University of California at Berkeley
Brief Profile	• Dr. Kelkar is the former Finance Secretary to the Government of India. • He has held many senior level positions in the Government of India including the most recent position as the Chairman of the Finance Commission; Advisor to Minister of Finance; Finance Secretary, Government of India; Secretary of Ministry of Petroleum & Natural Gas and Chairman of the Tariff Commission. He has also served in several key posts in international organisations such as Director and Coordinator of International Trade Division, UNCTAD, Switzerland and Executive Director for India, Sri Lanka, Bangladesh and Bhutan at the International Monetary Fund, United States of America. • He is currently the Chairman of India Development Foundation, India and Chairman of Forum of Federations, Canada. He is also the Non executive Chairman of the National Stock Exchange of India Limited. • Dr. Kelkar is on the Board of following other public companies: – National Stock Exchange of India Limited – Tata Consultancy Services Limited – JSW Steel Limited – Lupin Limited – Green Infra Limited
Shareholding in the Company	Dr. Kelkar did not hold any equity shares in the Company as on March 31, 2010.