

STRONG roots, STRONG branches

JM FINANCIAL

Ever wondered what keeps a mighty oak standing tall above the ground, with its lush canopy of leaves? Much of the reason is hidden deep into the earth. The unseen roots that fan out in the ground, keeping the oak balanced, and providing it nutrition and stability. This allows its branches and leaves to grow, and expand.

At JM Financial, we believe that our core values play the role of the roots, helping us remain focused, allowing us the strength and succor to grow and expand our various businesses. We are firmly anchored to our core values of Client focus, Integrity, Innovation, Implementation,

STRONG roots, STRONG branches

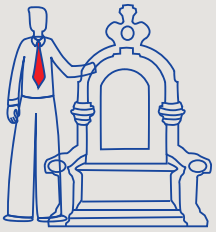
Teamwork, Partnership and Performance. These not only guide our thought, but also define our fundamental approach to non-negotiables in business.

These roots have strengthened our branches. JM Financial is today a leading provider of integrated financial services across Investment Banking, Institutional Equity Sales, Trading, Research and Broking, Wealth Management, Asset Management, NBFC, Private Equity, Real Estate Fund Management and Asset Reconstruction.

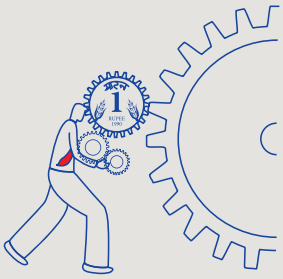
Powered by our deep and strong roots, we continue to build each of our businesses, to create everlasting value for all stakeholders.

OUR VALUES ARE OUR ROOTS

CLIENT FOCUS



We always put the interest of our clients before our own. Understanding our client needs, seeking new opportunities for them, addressing them and delivering unique solutions as per their expectations is imperative to us. The success of our clients is the biggest reward for us.



IMPLEMENTATION

Our expertise, experience and continuous focus on the quality of execution ensure effective implementation of our strategies.



INNOVATION

We understand our clients' needs and develop solutions for the most complex or the simplest financial transactions, whether for individuals or institutions. Creativity and innovation are driving factors in everything we do. Therefore, we encourage new ideas that help us address unique opportunities.





TEAMWORK

We believe extensive teamwork is what makes it possible for us to work together towards a common goal. We value and respect each individual's commitment to group effort.



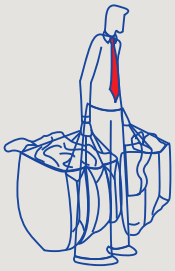
INTEGRITY

Integrity is fundamental to our business. We adhere to moral and ethical principles in everything we do as professionals, colleagues and corporate citizens. Our reputation based on our high standards of integrity is invaluable.



PARTNERSHIP

Our relationship with all our stakeholders reflects our spirit of partnership. Clients see us as trusted advisors, shareholders see us as partners and employees see us as family. We respect, trust and support all our stakeholders.



PERFORMANCE

We believe in the development of our human resource and continuously hone our skills, by setting higher targets of performance for ourselves. We strive to attract, develop and retain the best talent in the industry and also ensure they get their well-deserved rewards.

CONTENTS

Corporate Information	03
About JM Financial	04
Performance Review	05
Board of Directors	06
Firm Management	07
Our Businesses	08
Corporate Functions	11
Notice	12
Directors' Report	21
Management Discussion and Analysis	28
Report on Corporate Governance	42
General Shareholders' Information	55
Auditors' Certificate on Corporate Governance	62

Standalone Financial Statements

Auditors' Report	63
Balance Sheet	66
Statement of Profit and Loss	67
Notes to Financial Statements	68
Financial Information of Subsidiary Companies	91

Consolidated Financial Statements

Auditors' Report	92
Balance Sheet	93
Statement of Profit and Loss	94
Notes to Financial Statements	95

CORPORATE INFORMATION

BOARD OF DIRECTORS

Mr. Nimesh Kampani - Chairman & Managing Director
Mr. Ashith Kampani
Mr. E A Kshirsagar
Mr. D E Udwadia
Dr. Pravin P Shah
Mr. Paul Zuckerman
Dr. Vijay Kelkar

GROUP CHIEF OPERATING OFFICER

Ms. Dipti Neelakantan

GROUP HEAD - COMPLIANCE, LEGAL & COMPANY SECRETARY

Mr. P K Choksi

GROUP CHIEF FINANCIAL OFFICER

Mr. Manish Sheth

STATUTORY AUDITORS

M/s. Khimji Kunverji & Co.

PRINCIPAL BANKERS

HDFC Bank Limited

REGISTERED OFFICE

141, Maker Chambers III
Nariman Point
Mumbai - 400 021

Tel.: 91-22-6630 3030
Fax: 91-22-2202 8224

Email: shareholdergrievance@jmfl.com
Website: www.jmfl.com

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 / 2850 8927

Email: sharepro@shareproservices.com
Website: www.shareproservices.com

ABOUT JM FINANCIAL

JM Financial, one of India's leading financial services groups, offers an array of services to corporations, financial institutions, high net-worth individuals and retail investors.

The JM Financial Group is known for its diverse financial services such as Investment Banking, Institutional Equity Sales, Trading, Research and Broking, Wealth Management, Equity Broking, Portfolio Management, Asset Management, Commodity Broking, NBFC, Private Equity, Real Estate Fund Management and Asset Reconstruction.

JM Financial has pioneered several strategies and transactions for a wide client base spread across geographies and thus developed rich experience and expertise. Every idea is unique to the need of the client and supported by superior execution to deliver maximum benefits.

Over the years, JM Financial has partnered with several leading Indian and International corporate houses and earned their trust and confidence. The Group's well-established processes ensure total confidentiality for all clients, thereby giving them absolute confidence on conflict management and maintenance of confidentiality.

A people-focused organisation, JM Financial has a rich mix of professionals from diverse backgrounds who bring varied talents, knowledge and experiences to the workplace, thereby helping businesses to grow to the next level.

JM Financial Group is deeply committed to investing in initiatives that improve and foster communities enabling them to sustain themselves. The Group, along with its employees, actively supports various causes related to education, healthcare and relief for the lesser privileged.

JM Financial has to its credit several national and international accolades for its superior advice and execution capabilities.

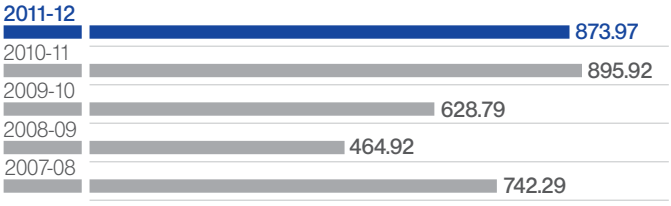
Diverse Financial Services

Investment Banking, Institutional Equity Sales, Trading, Research and Broking, Wealth Management, Equity Broking, Portfolio Management, Asset Management, Commodity Broking, NBFC, Private Equity, Real Estate Fund Management and Asset Reconstruction.

PERFORMANCE REVIEW

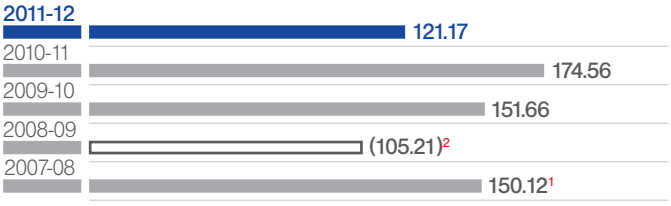
Consolidated Gross Income

[₹ in Crore]



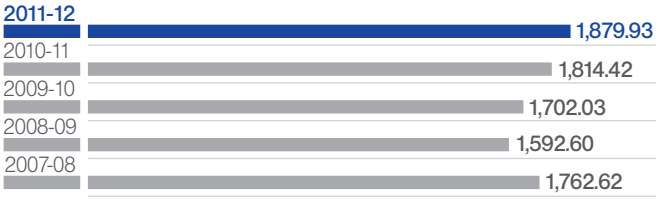
Consolidated Profit / (Loss)

[₹ in Crore]



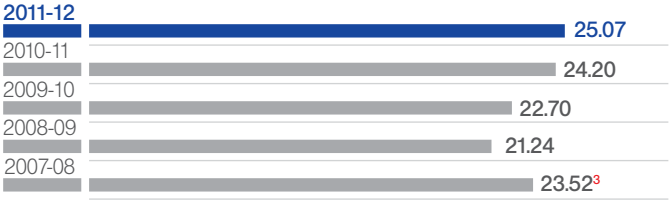
Consolidated Networth

[₹ in Crore]



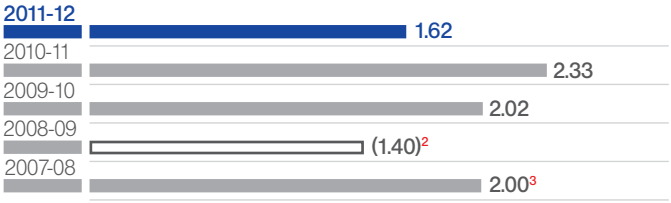
Consolidated Book Value Per Share

[₹]



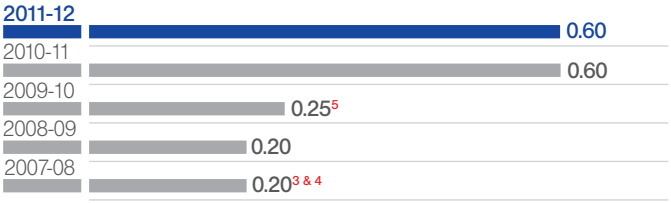
Consolidated Earnings Per Share

[₹]



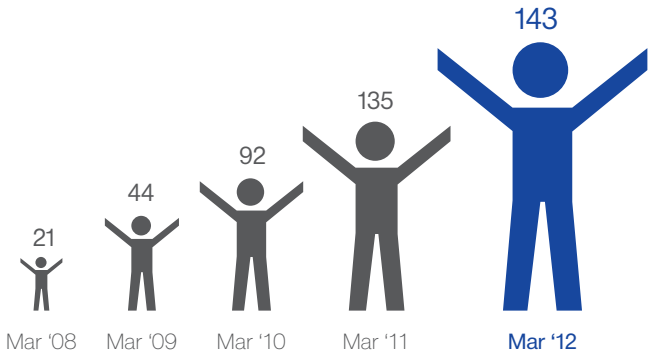
Dividend Per Share

[₹]

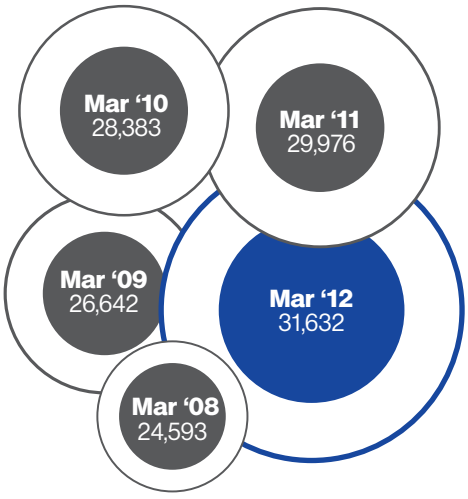


1 The profit after tax for the year 2007– 08 excludes ₹ 1,156.95 Crore being exceptional income earned upon termination of Joint venture with Morgan Stanley.
2 As a matter of abundant caution, the Company and its subsidiaries had made a provision for diminution in value of long term investments aggregating ₹ 136.72 Crore resulting in a loss during the year.
3 Adjusted for split and bonus issue.
4 Excludes Special dividend of ₹ 0.80 per share.
5 Excludes Silver Jubilee Dividend of ₹ 0.25 per share.

PRESENCE IN CITIES



REGISTERED INDEPENDENT FINANCIAL ADVISORS



BOARD OF DIRECTORS



From Left to Right

1. **Mr. Paul Zuckerman**
   Non Executive & Independent Director

2. **Mr. D E Udwadia**
   Non Executive & Independent Director

3. **Dr. Pravin P Shah**
   Non Executive & Independent Director

4. **Mr. Nimesh Kampani**
   Chairman and Managing Director

5. **Dr. Vijay Kelkar**
   Non Executive & Independent Director

6. **Mr. Ashith Kampani**
   Non Executive Director

7. **Mr. E A Kshirsagar**
   Non Executive & Independent Director

FIRM MANAGEMENT

Nimesh Kampani
Group Chairman



JM Financial today is a large vibrant financial services group with multiple businesses. The organisation has a strong edifice and it draws inspiration and strength from its set of values and beliefs that have stood the test of time. Our adherence to these beliefs has sustained our success and continues to guide us as we navigate our way into the future.

Dipti Neelakantan
Group Chief Operating Officer



Built over decades, we have always placed franchise and our basic values above short -term goals. This helps sustain and build our best practices work environment and grow the business on strong roots.

V P Shetty
Executive Chairman, JM Financial Products Ltd.



Strong organisations with strong vision and values have built India. JM Financial has a proud place among this esteemed group of businesses. We truly cherish this position and are committed to grow on these strong roots.

OUR BUSINESSES REFLECT OUR DIVERSITY



INSTITUTIONAL SECURITIES GROUP

"The Institutional Securities Group with its mix of businesses gives the organisation significant room for growth and is well positioned to generate value on a long - term basis. We plan to bring in sharper focus on our international business and offer our clients innovative and strategic solutions which form the hallmark of JM Financial group."

Vishal Kampani, MD & CEO,
Institutional Securities Group



"We have over the years created a unique culture with a set of strong values that bind us together. With a team of dynamic professionals we aim to deliver value and emerge stronger as a franchise."

Atul Mehra, MD & Co-CEO,
Investment Banking



"At JM Financial, our commitment to our core values has helped build and grow strong goodwill. A strongly rooted business is often able to surpass challenges and generate value on a long-term basis."

Adi Patel, MD & Co-CEO,
Investment Banking



"The challenges of the current South East Asian environment parallel challenges in early stages of the development of India's own financial markets - challenges which JM Financial met then with creative advice and innovative products, and challenges we will meet in future by deploying the same standards of creativity and innovation."

Greg Terry, Executive Vice Chairman,
Asia Pacific, Ex-India



"Clients today are demanding global expertise and connectivity, innovative ideas and solutions and excellence in execution. With our expanding network, strong relationships and high-calibre people, we are ideally positioned to capitalise on the opportunities that exist in the global environment."

Amitava Guharoy, MD & CEO,
Investment Banking, Asia Pacific, Ex-India



"We have always had a strong sectoral focus in research. We have tried to differentiate by the depth and extent of coverage. The endeavor going forward would be to provide clients a greater flavor on global comparisons and a better international perspective."

Sameer Lumba, MD & CEO,
Institutional Equities



"The Fixed Income Business is focused on underwriting and pricing credit solutions with an emphasis on risk management at the asset and portfolio level"

Shashwat Belapurkar, MD & CEO,
Fixed Income & Real Estate



"We follow a disciplined approach towards investing and have established a long term preferred partner status with leading local developers in key markets thereby offering a pre-eminent real estate investment platform to the investor community."

R K Narayan, ED & COO,
Real Estate Fund Management