

ANNEXURE-B

CORPORATE GOVERNANCE REPORT

The Securities and Exchange Board of India has stipulated Corporate Governance standards for Regulation of SEBI (LODR) 2015. Your company has put in place systems and procedures and is fully compliant with the standards.

1) Philosophy on Code of Governance

The basic philosophy of Corporate Governance at 'Jagsonpal Finance & Leasing Ltd' is to achieve business excellence and to create and enhance the value for its Stakeholders, Customers, Employees and Business Associates and thereby to make a significant contribution to the Economy. The Company endeavors to achieve the highest levels of transparency, accountability, integrity and responsibility by following the best practices in Corporate Governance.

2) Board of Directors

The business of the Company is managed by the Board of Directors. The Board formulates the strategy and regularly reviews the performance of the Company against previously agreed objectives. The Chairman and Managing Director along with the senior executives manage the day to day operations of the Company.

- a) The Board comprises of Executive and Non-executive Directors. The present strength of the Board of Directors is Five Directors. The Chairman and the Managing Director is an whole time director, one lady director (relative of Promoter), the remaining three out of five being non-executive Directors, who are independent Directors and are professionals and have expertise in their respective fields. None of the Directors holds Chairmanship of more than 5 Committees or membership in more than 10 Committees of Public Limited Companies.
- b) The constitution of the Board and the number of Directorships and Committee Memberships held in other companies as on date are given below :-

Name of Director	Category	No. of shares held in the Company as on 31.03.2017	No. of Directors in other Public Companies as on 31.03.2017	No. of Committee held in other Public Companies Chairman/Member as on 31.03.2017
Kanwarpal Singh Kochhar CMD	Promoter & Executive Director	1021710	Nil	Nil
Gurmeet Singh	Non-promoter Independent Non-Executive Director	Nil	Nil	Nil
Gurpreet Singh	Non-Promoter Independent Non-Executive Director	Nil	Nil	Nil
O P Tiwari	Non-Promoter Independent Non-Executive Director	Nil	Nil	Nil
Davinder Bir Kochhar	Promoter Independent Non-Executive Director	Nil	Nil	Nil

Attendance Record of the Directors

The Board of Directors met four times during the financial year 2016-2017. The interval between any two successive meetings did not exceed four months. Board Meetings were held on 30.05.2016, 12.08.2016, 12.11.2016, 13.02.2017. The attendance record of all Directors at Board meetings and the last Annual General Meeting (AGM) during the year 2016-17 is as under :-

Name of Director	No. of Board Meeting Attended	Attendance at Last AGM held on 30.09.2016
Kanwarpal Singh Kochhar CMD	4	Yes
Davinder Bir Kochhar	4	Yes
Gurmeet Singh	4	Yes
Gurpreet Singh	4	Yes
Om Parkash Tiwari	4	No

c) Meeting of Independent Directors

The Company's Independent Directors meet once in a financial year without the presence of Executive/Managing Director. Such meetings are conducted informally to enable Independent Directors to discuss matters pertaining to Company's affairs and put forth views to lead Independent Directors.

d) Information placed before the Board of Directors

The following information is regularly placed before the Board of Directors

- Minutes of the Committees
- Information on recruitment etc. of Senior officer just below the Board level
- Annual budgets/plans
- Capital budgets
- Quarterly results
- Material communications from Government bodies
- Material financial obligations
- Significant labour problems, if any.
- Sale of assets, investments, etc. which is not in the normal course of business.
- Trading of shares, Commodities etc.
- Compliance with statutory requirements

Besides above, all major decisions are considered by the Board.

3) Ethics / Governance Policies Committee

At your company , we strive to conduct our business and strengthen our relationships in a dignified, distinctive and reasonable manner. We adhere to ethical standards and some of these codes and policies are:

- Code of Conduct
- Code of Conduct for Prohibition of Insider trading
- Vigil Mechanism and Whistle Blower Policy
- Treatment of Related Party Transactions
- Policy for Selection of Directors and their Independence
- Remuneration Policy for Directors, KMP's and Other Employees

4) Audit Committee & Vigil Mechanism

The Company's Audit Committee consisted of three Non-Executive Independent Directors during the year. The qualification of the members of the Committee, its composition and terms of reference are as per the requirements of Regulation 18 of SEBI (LODR) Regulations, 2015. The Audit Committee interalia monitors and provides effective supervision of financial reporting process and ensures that financial statement is accurate, sufficient and credible. The Chairman of the Audit Committee, Mr. Gurmeet Singh has expert knowledge of finance and accounting. The Company Secretary of the Company acts as the Secretary of the Audit Committee. However, the board terms of reference of the Committee including,

- to review the company's financial reporting process and its financial statements.

- to review the accounting and financial policies and practices and compliance with applicable accounting standards.
- to review the efficacy of the internal control mechanism, monitor risk management policies adopted by the company and its units and ensure compliance with regulatory guidelines.
- to review reports furnished by the internal and statutory auditors and ensure that suitable action is taken.
- to examine the accounting and disclosure aspects of all significant transactions.
- to review with management the annual, quarterly & half yearly financial statements including review of qualifications, if any, in the audit report before submission to the Board.
- to recommend appointment of external and internal auditors and fixation of audit fees.
- to seek legal or professional advice, if required.

Meetings & Attendance

The Audit Committee met four times during the financial year 2016-2017 on 30.05.2016, 12.08.2016, 12.11.2016, & 13.02.2017. The attendance of each Audit Committee Member is as under :

Name of the Member of Audit Committee	Category	No. of Meetings Attended
Mr. Gurmeet Singh	Chairman, Non – Executive Independent Director	4
Mr. Gurpreet Singh	Member - Non Executive Independent Director	4
Mr. Om Parkash Tiwari	Member – Non Executive Independent Director	4

5) Remuneration Committee and appointment, remuneration of Directors & Policy

Nomination and Remuneration and Compensation Committee

The company has a policy to appoint independent personnel as directors with requisite qualification & experience.

Mr. Om Prakash Tiwari (DIN 02471598), Chairman and Mr. Gurmeet Singh (DIN 00726815) & Mr. Gurpreet Singh (DIN 00718863) are members of the committee of the said Company and Company Secretary Acts as Secretary of the committee.

Brief Description of Terms of Reference

- To identify persons who are qualified to become Directors and who may be appointed in the senior management;
- To formulate a criteria for determining qualifications, positive attributes and independence of a director;
- To recommended to the Board, appointment and removal of the identified directors and senior management personnel based on the laid down criteria and formulated policy;
- To formulate criteria for evaluation of independent Directors and the Board and shall carry out evaluation of every director's performance;
- To review the performance of the Managing Director and Whole-time Director and recommend to the Board in this regard.

- To devise a policy on the Board diversity;
- To recommend to the Board a policy relating to the remuneration for the directors, key managerial personnel and other employees;
- To review the overall compensation policy and service agreements of the Managing Director and Whole-time Directors and other employees of appropriate cadres;
- To evaluate the remuneration paid by comparable organizations;

Remuneration Policy

The Company's inter-alia remuneration policy is determined by the success and performance of the individual employee and the company. The performance of the individual employee is measured through an annual appraisal process. The company, through its compensation program attracts, develops, motivates and retains its talented workforce.

The Company has not paid any remuneration and sitting fees to any of its Directors and any member of any committee.

a) SHAREHOLDING OF NON-EXECUTIVE DIRECTORS OF COMPANY

As on March 31, 2017, none of the Directors of the Company held any share in the Company.

b) MANNER OF EVALUATION OF PERFORMANCE OF BOARD OF DIRECTORS

The Performance of the directors is evaluated each year.

6) Stakeholder's Relationship committee

The Stakeholders Relationship Committee (SRC) consists Three Non-Executive Independent Director viz. Mr. Om Parkash Tiwari, Chariman of the Committee and Mr. Gurmeet Singh and Mr. Gurpreet Singh as its members during the year. The constitution was in accordance with the provisions of Regulation 20 of SEBI (LODR) Regulations, 2015 and the Companies Act, 2013.

The Stakeholders Relationship Committee reviews and redresses shareholder grievances / complaints and oversees the performance of the Registrars and Share Transfer Agents and recommends measures for overall improvement of the quality of investor services. Mr. Sumit Kumar Ghosh, Company Secretary of the Company acts as the Secretary to the Committee and as the Compliance Officer.

The complaints/queries/requests received from the shareholders have been duly attended to and resolved by furnishing requisite information/documents by the Company. A summary of complaints received and resolved by the Company during the financial year is given below:

	Received	Cleared
Non –Receipt of Share Certificates duly transferred	Nil	N.A
Non-Receipt of Dividend Warrants	Nil	N.A
Non – Receipt of Annual Report	2	2
Miscellaneous queries/requests	2	2
Letter from Stock Exchanges, SEBI and Ministry of Corporate Affairs	2	2

7)Share Transfer Committee

To expedite the transfer of shares and other related matters the power of share transfer and other matters (transmission and issue of duplicate shares etc.) has been delegated to the Share Transfer Committee comprising of independent directors and top officials of the Company. The committee meets

at least once in a fortnight. No investors' complaint was pending for a period exceeding one month.

8) JFLL' Code of conduct for prevention of insider trading

The Board of Directors has adopted the Trading Policy in accordance with the requirements of the SEBI (Prohibition of Insider Trading) regulation, 2015. The Insider Trading Policy of the Company lays down guidelines and procedures to be followed, and disclosure to be made while dealing with shares of the Company, as well as the consequence of violation. The Policy has been formulated to regulate, monitor and ensure reporting of deals by employees and to maintain the highest ethical standards of dealing in Company securities.

9) Listing Agreement

The securities and Exchange Board of India (SEBI), on September 2, 2015, issued SEBI (Listing Obligations and Disclosure Requirements) regulations, 2015 with Listing Agreements for different segment of capital marketsto ensure better enforceability. The said regulations were effective December 1, 2015. Accordingly, all listed entities were required to enter into the Listing Agreement within six months from the effective date. The Company entered into Listing Agreement with six months from the effective date. The Company entered into Listing Agreement with BSE Limited and Delhi Stock Exchange Ltd. within stipulated time period.

10) Compliance Certification of The Auditors

Certificate from the Company's Auditors, P.P. Thukral & Co. confirming compliance with conditions of Corporate Governance as stipulated under respective clause and other applicable as per LODR of the Listing Agreement, is attached to this report.

11) Audit Certification

The Company is in the regime of unqualified financial statements.

12) MD Certification

The Chairman and Managing Director of the Company give annual certification on the financial reporting and internal control of the Board in terms of applicable clause and other applicable provisions LODR of the Listing Agreement.

13) Disclosures :

There were no transactions of material nature with the Directors or the Management or relatives of the Directors during the financial year which could have potential conflict with the interests of the Company at large.

The company has complied fully with the requirements of the regulatory authorities on capital market. There have been no instances of non-compliance by the company on any matter related to the capital markets nor has any penalty or stricture been imposed on the company by the stock exchanges, SEBI or any statutory authority.

The Company has rigorously followed the accounting standards, laid down by the Institute of Chartered Accountants of India.

The Audit Committee regularly reviews the risk management strategy of the company to ensure the effectiveness of risk management policies and procedures.

The Managing Director of the company have furnished the requisite certificate to the board of directors as per regulations of SEBI LODR, 2015.

Whistle Blower Policy and affirmation that no personnel has been denied access to the Audit Committee. However, no person has been denied access to the Audit Committee.

14) COMPLIANCE WITH LAWS

As required under regulations of SEBI (LODR) Regulation, 2015 for the financial year 2016-17, the Company has submitted to the BSE, and DSE quarterly compliance reports signed by the Compliance Officer cum Company Secretary of the Company, confirming compliance with the mandatory requirements of the said Clause.

15) APPOINTMENT/RE-APPOINTMENT OF DIRECTORS

In accordance with the provisions of Companies Act, 2013 and Articles of Association of the Company, the brief resume(s) and other details relating to Mr. Om Prakash Tiwari, Director and Mr. Gurmeet Singh, Director as required to be disclosed under regulations of SEBI (LODR) 2015 are provided as under:

	I	II
Name of Director	Om Prakash Tiwari	Gurmeet Singh
DIN NO.	02471598	00726815
Date of Birth	25.08.1956	10.10.1963
Date of Re-Appointment	30.09.2014	30.09.2015
Expertise	32 Years experience	27 Years experience
Qualification	M.A. in Political Science from Gorakhpur, U.P. University.	Graduate From Delhi University.
List of Companies in which outside directorships held as on 31.03.2017	None	None
Chairman/Member of the Committees of the Board of the other Companies on which he is a Director as on 31st March, 2017	NIL	NIL

16) General Body Meetings

The details of Annual General Meetings held in last 3 years are as under :-

A. G. M.	DAY & DATE	VENUE	RESOLUTION PASSED
23 rd	Tuesday, 30 th September, 2014	Rajokari, New Delhi.	O-3 S-1
24th	Wednesday 30 th September 2015	Rajokari, New Delhi	O-4 S-2
25th	Friday 30 th September 2016	Rajokari, New Delhi	O-4 S-0

17) Means of Communication

Quarterly/yearly results are normally published into Financial Express and Jansatta (Hindi) newspapers. The audited annual account are posted to every member of the Company. Quarterly shareholding distribution and quarterly/yearly results submitted to the Stock Exchanges are posted on the website of the Company www.jagsonpal.co.in.

General Shareholder Information

Annual General Meeting : Friday, 29th September, 2017 at 9:00 A.M.
Khasra No. 498, 500 Village Ghitorni, New Delhi-110030

Cut-off Date for e-voting September 22nd, 2017 has been fixed as the cut-off date to record entitlement of the shareholder to cast their vote electronically.

Dates of Book Closure : September 23rd to September 29th, 2017 (both days inclusive).

Financial Calendar (tentative)

Results for the quarter ending

June 2017	2nd week of August, 2017
September 2017	2nd week of November, 2017
December 2017	2nd week of February 2018
March 2018	4th week of May 2018

FINANCIAL YEAR : April 1 to March 31

Listing on Stock Exchanges

The Company's entire equity share capital comprising of 5500400 equity shares of Re.10 each is listed at the following Stock Exchanges :

Sl. No. Name of Stock Exchanges

1. Mumbai Stock Exchange
2. Delhi Stock Exchange

The Company has paid listing fees for the Financial Year 2016-2017 to above the aforesaid Stock Exchanges.

Stock Price Data/Stock Performance: Year 2016-2017

Market Price Data (Rs.)

STOCK CODE (BSE) - 530601 Value in Rs.

DEMAT ISIN NUMBER : INE582C01015 (NSDL/CDSL)

Bombay Stock Exchange (BSE)

Month	High	Low	Volume No. of Shares
April, 2016	2.67	2.32	929
May, 2016	2.76	2.15	3257
June, 2016	2.15	1.90	1341

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FINANCE & LEASING LTD.

July, 2016	1.90	1.81	789
August, 2016	2.77	1.99	16237
September, 2016	2.90	1.98	3384
October, 2016	2.38	2.16	5918
November, 2016	2.90	2.20	10733
December, 2016	2.33	2.03	431
January, 2017	2.34	2.13	807
February, 2017	2.64	2.23	21333
March, 2017	3.14	2.48	272

Registered Office

JAGSONPAL FINANCE & LEASING LTD, D-28, First Floor, Greater Kailash Enclave-I, New Delhi - 110 048.

Share Transfer Agents

Mas Services Ltd.

T-34, 2nd Floor Okhla Industrial Area Phase-II, New Delhi-110020

Tel : (011) 26387281, 26387282, 26387283, Fax : (011) 26387384, Email : info@masserv.com, www.masserv.com

All dematerialization requests and other communications regarding change of address, and name change (enclosed form for Transmission/name change) and queries related to investor services may be sent at the above address to Mr. Swarn Mangla (General Manager).

Share Transfer System

The share transfer/transmission committee of the Board does the approval of transfer of shares in the physical mode. The committee meets frequently for approving share transfers and other related activities. The shares for transfer received in physical mode, are transferred expeditiously. The share certificates duly endorsed are returned immediately to the shareholders. Confirmation in respect of the requests for dematerialisation of shares is sent to the respective depositories i.e. National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) within 15 days.

Distribution of Schedule as on 31.03.2017

Nominal Value of each share Rs. 10

Numbers of Shareholders	% to Total	Share Holding of Nominal Value of Rs.	No. of Shares	Amount in Rs.	% to Total
4679	90.626	1 TO 5000	662467	6624670	12.044
220	4.261	5001 TO 10000	176592	1765920	3.211
124	2.402	10001 TO 20000	181089	1810890	3.292
46	0.891	20001 TO 30000	116730	1167300	2.122

15	0.291	30001 TO 40000	52870	528700	0.961
9	0.174	40001 TO 50000	43500	435000	0.791
26	0.504	50001 TO 100000	198537	1985370	3.61
44	0.852	100001 AND ABOVE	4068615	40686150	73.969
5163	100.000	TOTAL	5500400	55004000	100.000

TOTAL SHARE HOLDERS IN NSDL	864	TOTAL SHARES IN NSDL	3576486
TOTAL SHARE HOLDERS IN CDSL	416	TOTAL SHARES IN CDSL	153075
TOTAL SHARE HOLDERS IN PHY	3883	TOTAL SHARES IN PHY	1770839
TOTAL SHARE HOLDERS	5163	TOTAL SHARES	5500400

Shareholding Pattern (as on 31.3.2017) :

Category	No. of Shares	% Holding
* PROMOTERS/DIR/RELATIVES	3077010	55.941
BANKS	1600	0.029
NRI'S	500100	9.092
BODIES CORPORATE	44978	0.818
PUBLIC	1876712	34.120
Total	5500400	100.000

* Associates not related to promoters but shown in above clause.

Dematerialisation of Shares & Liquidity :

The Company's equity shares are compulsorily traded in the demat form with effect from 26.02.2001. The Company entered into an Agreement with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) for dematerialisation of shares. As on 31.03.2017, 67.80% of total equity share capital of the Company had been dematerialised. The ISIN allotted by NSDL/CDSL is INE582C01015.

SEBI Complaints redress systems (SCORES):

The investor complaints are processed in a centralized web-based complaints redressal systems. The salient features of this systems are Centralised database of all complaints, online upload of Action Taken reports (ATRs) by concerned companies and online viewing by investors of actions taken on the complaints and its current status.

Address for Correspondence

Please contact the Compliance officer of the company at the following address regarding any questions or concerns:

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Mr. Sumit Kumar Ghosh, Compliance Officer & Company Secretary
Jagsonpal Finance & Leasing Ltd., D-28, First Floor,
Greater Kailash Enclave - I, New Delhi - 110 048.
Tel : 011- 49025758, Fax : 011- 41633812
Email Id : jagsonpalfinance@gmail.com, info@jagsonpal.co.in Website: www.jagsonpal.co.in
CIN :L65929DL1991PLC043182

MD CERTIFICATION in accordance of SEBI (LODR) REGULATION, 2015.

To : The Board of Directors of Jagsonpal Finance & Leasing Ltd., Delhi

I, Kanwarpal Singh Kochhar, Managing Director of Jagsonpal Finance & Leasing Ltd. have reviewed the financial statements and cash flow statement for the year ended 31st March, 2017 and to the best of our knowledge and belief, certify that:

1. Based on information and knowledge, these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
2. Based on our knowledge and information, the financial statements, and other financial information included in this report, present in all material respects, a true and fair view of the company's affairs, and are in compliance with the existing accounting standards and/or applicable laws and regulations;
3. To the best of our knowledge and belief, no transactions entered into by the company during the year are fraudulent, illegal or violative of company's code of conduct;
4. The undersigned is responsible for establishing and maintain-ing internal controls, and we have disclosed to the auditors and Audit Committee, deficiencies in the design or operation of internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
5. We have disclosed based on our most recent evaluation, wherever applicable, to the company's auditors and the audit committee of the company's Board of Directors:
 - a) significant changes in internal controls during the year.
 - b) significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
 - c) instances of significant fraud of which we are aware and the involvement therein, if any, of the management or an employee having a significant role in the company's internal control system.

Place : New Delhi
Dated : 27.05.2017

Kanwarpal Singh Kochhar
CMD (DIN NO. 00529230)

DECLARATION ON CODE OF CONDUCT

To,
The Members of
Jagsonpal Finance & Leasing Ltd.

In accordance with Regulation 26(3) of the SEBI Listing Obligations & Disclosures Requirements (LODR), Regulations, 2015. I hereby confirm that all the Directors and the Senior Management personnel of the Company have affirmed compliance to their respective Codes of Conduct, as applicable to them for the year ended 31st March 2017.

For Jagsonpal Finance & Leasing Ltd.
(Kanwarpal Singh Kochhar)
CMD(DIN NO. 00529230)

Place : New Delhi
Date : 27.05.2017

Auditors' Certificate regarding compliance of conditions of Corporate Governance

**To The Members
Jagsonpal Finance & Leasing Ltd.**

We have audited the quarterly financial results of **Jagsonpal Finance & Leasing Limited** for the quarter ended 31.03.2017 and the year to date results for the period 01.04.2016 to 31.03.2017, attached herewith, being submitted by the company pursuant to the requirement of regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. These quarterly financial results as well as the year to date financial results have been prepared on the basis of the interim financial statements, which have been prepared in accordance with the recognition and measurement principles laid down in Accounting Standard for Interim Financial Reporting (AS 25 / Ind/ AS 34), prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued there under, or by the Institute of Chartered Accountants of India, as applicable and other accounting principles generally accepted in India.

We conducted our audit in accordance with the auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial results are free of material misstatements(s). An audit includes examining, on a test basis, evidence supporting the amounts disclosed as financial results. An audit also includes assessing the accounting principles used and significant estimates made by management. We believe that our audit provides a reasonable basis for our opinion.

In our opinion and to the best of our information and according to the explanations given to us these quarterly financial results as well as the year to date results:

- (i) Are presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 in this regard; and
- (ii) Give a true and fair view of the net profit and other financial information for the quarter ended 31.03.2017 as well as the year to date results for the period from 01.04.2016 to 31.03.2017.

For P. P. THUKRAL & CO.
Chartered Accountants
(Suresh Sethi)
Partner
M.No.:089318
F.R.N.000632N

Place: New Delhi
Date: 27/05/2017