

JSGCL/FIN/413/2014

November 13, 2014

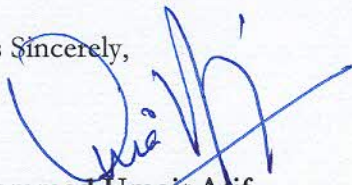
The General Manager
Karachi Stock Exchange Limited
Stock Exchange Building
Stock Exchange Road
Karachi

Dear Sir

Notice of Extra Ordinary General Meeting

Enclosed please find notice of Extra Ordinary General meeting to be held on December 05, 2014 .

Yours Sincerely,



Muhammad Umair Anif
Company Secretary

CC:
The Secretary
Islamabad Stock Exchange Limited
ISE Towers
55 – B, Jinnah Avenue
Islamabad

Executive Director
Enforcement Department
Securities and Exchange Commission of Pakistan
NIC Building
Jinnah Avenue
Islamabad

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NOTICE OF EXTRAORDINARY GENERAL MEETING

Notice is hereby given that an Extraordinary General Meeting of JS Global Capital Limited (the "Company" or "JSGCL") will be held at Defence Authority Creek Club, Zulfiqar Street No.1, Phase VIII, Defence Housing Authority, Karachi on Friday, December 05, 2014 at 8:00 a.m., to transact the following businesses:-

I. SPECIAL BUSINESS:

To consider and if thought fit, to pass the following resolution as Special Resolution (with or without modifications) by majority of not less than three-fourth (3/4th) of such members who are entitled to vote and are present in person or by proxy(ies) at the meeting for approval of investment in the TFC VIII of Jahangir Siddiqui & Co. Limited and act as a facilitator to the Market Maker to the TFC issue.

"RESOLVED THAT consent and approval be and are hereby accorded under Section 208 of the Companies Ordinance, 1984 to allow the Company to invest in its capacity as a facilitator to the Market Maker (which shall be any reputed Trading Right Entitlement Certificate (TREC) holder of the Lahore Stock Exchange Limited) , an amount of up to Rs.30 million (being 4% of the issue size) as well as to further invest Rs. 7.5 million (being 1% of the issue size) in the rated, to be listed and secured term finance certificates (TFC VIII) issued by Jahangir Siddiqui & Company Limited under Section 120 of the Companies Ordinance, 1984, carrying a coupon of 6 month KIBOR plus 1.75% per annum for a maximum tenor of 5 years.

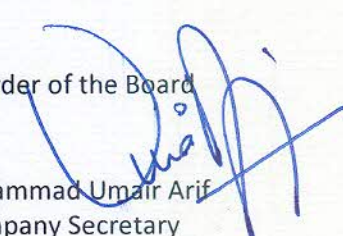
II. OTHER BUSINESS:

To decide any other matter in relation to the above items and/or to transact any other business with the permission of the Chair.

Karachi: November 14, 2014

By Order of the Board

Muhammad Umair Arif
Company Secretary



Notes:

- (i) The Share transfer books of the Company will remain closed from November 28, 2014 to December 05, 2014 (both days inclusive) for determining the entitlement of shareholders for attending the Extraordinary General Meeting.
- (ii) Physical transfers and deposit requests under Central Depository System received at the close of business on November 27, 2014 by the Company's Registrar i.e. Technology Trade (Private) Limited, located at Dagia House, 241-C, Block-2 P.E.C.H.S., Karachi, will be treated as being in time for entitlement to attend the meeting.
- (iii) A Member of the Company entitled to attend and vote may appoint another member as his/her proxy to attend and vote instead of him/her.
- (iv) Proxies must be received at the Registered Office of the Company not less than 48 hours before the time of the meeting.
- (v) Beneficial owners of physical shares and the shares registered in the name of Central Depository Company of Pakistan Limited (CDC) and/or their proxies are required to produce their original Computerized National Identity Cards (CNICs) or Passports for identification purpose at the time of attending the meeting. The Proxy Form(s) must be submitted with the Company within the time stipulated in para (iv) above, duly signed and witnessed by two persons whose names, addresses and CNIC numbers must be mentioned on the Proxy Form(s), along with attested copy(ies) of the CNICs or the Passport(s) of the beneficial owners and the proxy(ies). In case of corporate entity(ies), the Board of Directors' Resolution/Power of Attorney with specimen signature(s) shall be submitted (unless it has been provided earlier) along with the Proxy(ies) Form(s) to the Company.
- (vi) Shareholders are requested to notify any change in their address immediately to the Company's Share Registrar, Technology Trade (Private) Limited.

**STATEMENT UNDER SECTION 160(1)(b)
OF THE COMPANIES ORDINANCE, 1984
RELATING TO SPECIAL BUSINESS**

Jahangir Siddiqui & Co. Ltd. ("JSCL" or the "Issuer") has been a significant contributor to the Debt Capital Markets through issuance of various Term Finance Certificates (TFCs) and has so far issued seven TFCs (both listed and unlisted) out of which six have been fully redeemed in a timely manner while the seventh issue shall mature in October 2016.

JSCL has issued TFC VIII, a rated, to be listed and secured instrument, to raise funds for the subscription of preference share issue by JS Bank (a subsidiary of JSCL). The said TFCs have an issue size of Rs. 750 million (inclusive of a green shoe option of RS. 250 million) having a tenor of 5 years, carrying semi-annual coupon payments of 6 months KIBOR + 1.75% p.a. The said TFCs shall be redeemed in ten stepped-up semi-annual installments, with their first redemption due on the 6th month after the issue date. The issue date was April 08, 2014 consequent to which first redemption has taken place on October 08, 2014.

PACRA has assigned the subject instrument a rating of "AA+" (Double A plus). Such rating denotes a very low expectation of credit risk emanating from a strong capacity for timely payment of the Issuer's financial commitments.

The TFC VIII Issue carries a call option allowing JSCL to call the TFC's at any time in full on a coupon payment date, subject to a 30 days notice and a premium of 0.25% of the outstanding value of the TFCs.

The TFC VIII Issue shall also be listed on the Lahore Stock Exchange. Moreover, the TFC VIII Issue has been secured by pledge of listed securities, including but not limited to, EFU Life Assurance Limited, EFU General Insurance Limited, Singer Pakistan Limited and Hum Network Limited, placed in a designated account with the Central Depository Company of Pakistan Limited along with a margin of 35%. The security shall be held and maintained by the Trustee to the issue.

Under the applicable listing rules, a member of the Lahore Stock Exchange Limited has to be appointed as the Market Maker for the said TFC issue by JSCL. JS Global Capital Limited (JS Global or the Company) shall act as a facilitator to the market maker by holding inventory of up to 4% of the said TFC issue by entering into a facilitator agreement with the Market Maker,

In light of the vast experience of JS Global in the domain of debt securities, the management has considered the viability of investing in (and acting as facilitator to the Market Maker for) the JSCL's TFC VIII Issue.

The role of the Company as facilitator will be to hold upto 4% of the said TFCs amounting to Rs.30 million at all times till the maturity (or earlier redemption/call) of the TFC VIII issue in its capacity as a facilitator to the Market Maker.

In addition thereto, the Company intends to invest a further 1% in the said TFC issue, amounting to Rs. 7.5 million.

JS Global shall receive a fee of Rs. 200,000/- for its role as facilitator.

Other information

- Due to strong rating of the TFC VIII and its attractive coupon, the management has proposed to invest in, and to act as facilitator to the Market Maker for, the said TFC issue;
- JSCL is an associated company of JS Global, hence, JS Global would require a Special Resolution in terms of Section 208 of the Companies Ordinance, 1984 (Ordinance), to make the said investment (whether directly or in the capacity of a facilitator to the market maker). To give effect to the above, the management has proposed to consider and if thought fit, to pass a Special Resolution (with or without modification) by majority of not less than three-fourth (3/4th) of such members who are entitled to vote and are present in person or by proxy(ies) at the meeting for approval of an investment upto Rs. 30 million in the TFC VII issue of JSCL as a facilitator to the Market Maker along with an additional investment of Rs. 7.5 million.
- JS Global had previously sought approval from its shareholders at its Annual General Meeting held on March 27, 2014, under the provisions of Section 208 of the Ordinance to invest in the JSCL's TFC VIII Issue to the extent of Rs. 50 million as well as to act as market maker to the issue. However, JSCL eventually decided not to get the TFC's listed on the Karachi Stock Exchange. Consequently, JS Global could no longer act as the market maker to the TFC VIII issue as it is not a TREC Holder of the Lahore Stock Exchange. Moreover, JS Global could also not hold the said TFCs of the TFC VIII issue of JSCL as the purpose of such an investment was to act as a market maker, which, as detailed above, was consequently not possible. Hence, JS Global off-loaded all the TFCs of TFC VIII issue of JSCL held by it (totaling Rs. 40 million) and thereafter, decided to (a) explain to its members why the previous special resolution obtained under the provisions of Section 208 of the Ordinance could not be implemented and (b) to seek a fresh approval under the provisions of Section 208 of the Ordinance to invest (till maturity or earlier redemption/call) up to 4% in the TFC VIII issue of JSCL in its capacity as the facilitator to the market maker for the said TFC issue, as well as investing a further 1% of the TFC issue, which is the purpose for calling this Extraordinary General Meeting (EOGM) and for passing the special resolution in question
- The Securities & Exchange Commission has vide its letter (Ref: F.No. SMD/CIW/OTC/01/2013) dated 3rd October, 2014, permitted the Market Maker to the issue to make arrangements with a TREC holder of any stock exchange to hold the inventory of JSCL's TFC VIII on its behalf. JS Global, being a TREC holder of Karachi

Stock Exchange, is consequently permitted to hold the inventory on behalf of the Market Maker to JSCL's TFC VIII issue and hence, shall act as a facilitator as envisaged in the resolution being proposed.

The information and particulars required under Regulation 3(a) of the Companies (Investment in Associated Companies or Associated Undertakings) Regulations, 2012 are as under:-

Sr. No.	Description	The information and particulars required
1	Name of the associated company or associated undertaking along with criteria based on which the associated relationship is established.	<p>a) Jahangir Siddiqui & Co. Ltd. (JSCL)</p> <p>b) JSCL holds 70.42% voting shares of JS Bank Limited which in turn holds 51.05% shares of the Company. Due to these shareholdings, JSCL is the holding company of JS Bank Limited, while JSGL is the subsidiary of JS Bank Limited.</p>
2	Purpose, benefits and period of investment.	<p>a) Purpose To invest till maturity (or earlier redemption/call) an amount up to Rs.30 million (i.e 4% of the total issue) in JSCL's rated, to be listed and secured eighth term finance certificates issue (TFC VIII Issue) in order to act as facilitator to the Market Maker and to maintain sufficient inventory thereof, also in addition thereto, to make a further investment of Rs.7.5 million (i.e. 1%) in the TFC issue.</p> <p>b) Benefits For acting as a facilitator to the market maker, the Company would be entitled to a fixed annual fee of Rs. 200,000/- The Company has sufficient surplus funds which are often invested in instruments like T-Bills, PIBs, term deposits, etc.. The said TFCs shall carry a return of 6 months KIBOR + 1.75% p.a. The Company is, therefore, expected to earn additional income through such investment.</p> <p>c) Period of Investment The tenor of the said TFC VIII Issue is five years, and the investment is intended to be held till maturity (or earlier redemption/call by JSCL).</p>
3	Maximum amount of investment.	The Company is expected to set aside a maximum of Rs.37.5 Million for investment and acting as facilitator to the Market Maker appointed by JSCL for its TFC VIII issue.

4	Maximum price at which securities will be acquired.	The TFCs have a face value of Rs. 5,000 each and will be acquired at the prevailing market price
5	Maximum number of securities to be acquired.	At par value, the company can acquire up to a maximum of 7,500 units of TFCs
6	Number of securities and percentage thereof held before and after the proposed investment.	Before Investment : NIL After Investment: 7,500 units of the face value of Rs. 5,000/- or 5% of the total issue size
7	In case of investment in listed securities, average of the preceding twelve weekly average price of the security intended to be acquired.	Not Applicable.
8	In case of investment in unlisted securities, fair market value of such securities determined in terms of Regulation 6(1).	Not Applicable.
9	Break-up value of securities intended to be acquired on the basis of the latest audited financial statements.	Not Applicable.
10	Earning / (loss) per share of the associated company or associated undertaking for the last three years.	JSCL Sep '14 (9M) Dec '13(12M) Dec '12(18M) Jun'11(12M) EPS/LPS 0.18 0.24 3.1 (1.67)
11	Sources of fund from which securities will be acquired.	The Company will use funds from its own sources as it has sufficient liquidity for the said investment

12	<p>Where the securities are intended to be acquired using borrowed funds,-</p> <p>(I) justification for investment through borrowings; and</p> <p>(II) detail of guarantees and assets pledged for obtaining such funds.</p>	Not Applicable.
13	Salient features of the agreement(s), if any, entered into with its associated company or associated undertaking with regards to the proposed investment.	The Company shall hold maximum 4% of outstanding issue at all times till the maturity (or earlier redemption/call by JSCL) as a facilitator to the Market Maker of the issue as well as an additional 1% as an investor.
14	Direct or indirect interest of directors, sponsors, majority shareholders and their relatives, if any, in the associated company or associated undertaking or the transaction under consideration.	JSCL holds 70.42% voting shares of JS Bank Limited which in turn holds 51.05% shares of the Company. However, all three companies i.e. JSGCL, JS Bank Limited and JSCL are listed on one or more Stock Exchanges in Pakistan and they have made all necessary disclosures on interests, if any, of the directors, sponsors, majority shareholders and their relatives, in these companies. There is no undisclosed, direct or indirect interest of any directors, sponsors, majority shareholders and their relatives, in the associated company or the proposed Facilitator Agreement under consideration, except in their respective capacities mentioned above.
15	Any other important details necessary for the members to understand the transaction.	In anticipation of being appointed as the market maker, JS Global had invested Rs. 40 million in JSCL's TFC VIII after seeking approval from its shareholders under the provisions of Section 208 of the Ordinance at its Annual General Meeting held on March 27, 2014, However, JSCL eventually decided not to get the TFC's listed on the Karachi Stock Exchange. Consequently, JS Global could no longer act as the market maker to the TFC VIII issue as it is not a TREC Holder of the Lahore Stock Exchange. Therefore, JS Global off-loaded its investment (totaling Rs. 40 million)

16	<p>In case of investment in securities of a project of an associated company or associated undertaking that has not commenced operations, in addition to the information referred to above, the following further information, is required, namely,-</p> <ul style="list-style-type: none"> (I) description of the project and its history since conceptualization; (II) starting and expected date of completion of work; (III) time by which such project shall become commercially operational; and (IV) expected time by which the project shall start paying return on investment. 	Not Applicable.

The Directors of the Company shall submit an undertaking to the shareholders at the EOGM to be held on December 05, 2014 that they have carried out due diligence for the proposed investment and the due diligence report with signed recommendations of the Directors shall be available for inspection by the members at the EOGM.

Information required under Regulation 4 of the Companies (Investment in Associated Companies or Associated Undertakings), Regulations, 2012, is as follow:-

Mr. Mahboob Ahmed, the Chairman/Director of JSCL, the investee company holds 8,693 shares in the Company (JS Global). Mr. Khurshid Hadi, Director of the Company holds 8,500 shares in JSCL, the investee company.

No other Director or sponsor of JSCL holds any shares of the Company and no other Director or sponsor of the Company holds any shares of JSCL.

JSCL holds 70.42% voting shares of JS Bank Limited and JS Bank Limited in turn holds 51.05% shares of the Company.

The interest of the Directors of the Company in the proposed investment is limited only to the extent of their being Directors of the Company.

Latest Financial Statements of JSCL for the period ended September 30, 2014 and the last audited financial statements for the year ended December 31, 2013 shall be made for inspection of the members at the EOGM.