

Ref: FIN-JSIL-AMC/26

March 17, 2014

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

 **JS investments**

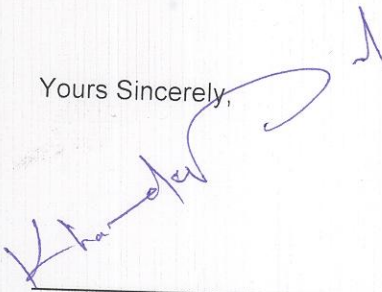
JS Investments Limited
7th Floor, The Forum,
Block 9, Clifton,
Karachi, Pakistan.
www.jsil.com
UAN: (+92 21) 111 222 626
Fax: (+92 21) 3536 1724

Dear Sir,

Subject: Notice of Annual General Meeting

Enclosed please find a copy of the Notice of the Annual General Meeting of JS Investments Limited, to be held on April 7, 2014, for circulation amongst your members

Yours Sincerely,



Muhammad Khawar Iqbal
Company Secretary

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the 19th Annual General Meeting of JS Investments Limited ("the Company" or "JSIL") will be held at Defence Hall, D.H.A Creek Club, Karachi, on Monday, April 07, 2014 at 10:00 a.m., to transact the following businesses:-

I. ORDINARY BUSINESS:

1. To receive and consider the audited financial statements of the Company for the year ended December 31, 2013 together with the Directors' and Auditors' reports thereon.
2. To appoint Auditors of the Company and fix their remuneration for the year ending December 31, 2014. The present auditors, Messrs M. Yousuf Adil Saleem & Co., Chartered Accountants, retired and being eligible, offer themselves for re-appointment.

II. SPECIAL BUSINESS:

To consider and if thought fit, to pass the following resolution as Special Resolution (with or without modification) for approval of investment in the TFC VIII of Jahangir Siddiqui & Co. Limited

"RESOLVED THAT consent and approval be and are hereby accorded under Section 208 of the Companies Ordinance, 1984 for investment of an amount of up to Rs.65 Million in the TFC VIII of Jahangir Siddiqui & Company Limited carrying a coupon of 6 month KIBOR plus 1.75% per annum, for a maximum tenure of 5 years".

Karachi: March 17, 2014

By Order of the Board

Muhammad Khawar Iqbal
Company Secretary

NOTES:

- (i). The Share transfer books of the Company will remain closed from April 1, 2014 to April 07, 2014 (both days inclusive) for determining the entitlement of the shareholders for attending the Annual General meeting.
- (ii). Physical transfers and deposit requests under Central Depository System received at the close of business on March 31, 2014 by the Registrar of the Company, M/s. Technology Trade (Pvt.) Limited, having their office at Dagia House, 241-C, Block 2, P.E.C.H.S, off Shahrah-e-Quaideen, 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 person 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, the Board of Directors' resolution/power of attorney with specimen signature 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 immediately of any change in their address.

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

Jahangir Siddiqui & Co. Ltd. (JSCL) has been amongst a significant issuer of Term Finance Certificates (TFCs) and so far it has issued seven TFCs (both listed and unlisted) of which five have been fully redeemed in a timely manner while the outstanding TFC II and TFC VII will mature in May 2014 and October 2016 respectively.

Currently, JSCL is in the process of issuing TFC VIII, a rated, listed and secured instrument. The said TFCs shall have an issue size of Rs. 750 million (including a green shoe option of Rs. 250 million) having a tenure of 5 years, carrying semi-annual coupon of 6 months KIBOR + 1.75% p.a. payable after six months from the issue date. Furthermore, the said TFCs shall be redeemed in ten stepped-up semi-annual installments beginning from the 6th month after the issue date.

PACRA has assigned a preliminary rating of "AA+" (Double A plus) to the proposed listed and secured TFC VIII issue. Such rating denotes a very low expectation of credit risk emanating from a strong capacity for timely payment of financial commitments.

Moreover, TFC VIII issue has been secured by pledge of listed securities in a designated account with the Central Depository Company of Pakistan Limited along with requisite margin of 35%.

In view of the above JS Investments Limited (JSIL) has considered the viability of investment of a maximum of Rs. 65 Million in TFC VIII of JSCL. The Company will use funds from its own sources as it has sufficient liquidity for this investment.

JSCL is an associated company of JSIL and would require Special Resolution in terms of Section 208 of the Companies Ordinance, 1984 and related Regulations. To give effect to the above, the management has proposed to consider and if thought fit, to pass the following resolution to be passed as Special Resolution (with or without modification) for approval of a maximum investment of Rs. 65 Million in TFC VIII of JSCL.

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.	a) Jahangir Siddiqui & Co. Ltd. (JSCL) b) JSCL holds 70.42% voting shares of JS Bank Limited which in turn holds 52.23% shares of the Company. Due to these shareholdings, JSCL is the holding company of JS Bank Limited, while the Company is the subsidiary of JS Bank Limited. c) Mr. Suleman Lalani who is a Director of the Company is also the Chief Executive Officer of JSCL. d) Mr. Asif Reza Sana who is a Director of the Company is also a Director of JSCL.

2	Purpose, benefits and period of investment.	<p>a) Purpose To invest surplus funds in the listed, rated and secured TFC VIII of JSCL, being a debt instrument.</p> <p>b) Benefits The Company has sufficient surplus funds which are often invested in T-Bills that carry a yield of up to 10%. The said TFC of JSCL carries a return of 6 month KIBOR+1.75%. The company can benefit from this extra spread income which will ultimately enhance shareholder value. Current banking TFCs of same rating are available at premium and carry an effective yield between 0.5% to 0.80% over 6 month KIBOR. Actual secondary market yield for banking sector TFCs ranges between 10%-11%, whereas JSCL's proposed TFC current yield is around 11.89%. Moreover, JSCL's rating along with investments denote a low credit risk. The Company is, therefore, expected to earn additional income over its conventional income avenues, which will be in the interest of the shareholders of the Company, being a listed company.</p> <p>c) Period of Investment The tenure of the said TFC is five years.</p>										
3	Maximum amount of investment.	The Company proposes to invest upto a maximum of Rs.65 Million in the TFC VIII of JSCL.										
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 face value through the IPO or pre-IPO i.e Rs 100 with no premium.										
5	Maximum number of securities to be acquired.	At par value, the company can acquire a maximum of 13,000 units of TFCs										
6	Number of securities and percentage thereof held before and after the proposed investment.	Before Investment : NIL After Investment : 13,000 units of the face value of Rs.5,000/- or 8.67% of the total issue size excluding green shoe option.										
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	Earnings / (loss) per share of the associated company or associated undertaking for the last three years.	<table border="1"> <thead> <tr> <th colspan="2">JSCL</th> </tr> <tr> <th>Year Ended</th> <th>Earnings / (Loss) per share</th> </tr> </thead> <tbody> <tr> <td>30 June, 2011</td> <td>(1.67)</td> </tr> <tr> <td>31 December 2012</td> <td>3.10 (18 Months)</td> </tr> <tr> <td>31 December 2013</td> <td>0.24</td> </tr> </tbody> </table>	JSCL		Year Ended	Earnings / (Loss) per share	30 June, 2011	(1.67)	31 December 2012	3.10 (18 Months)	31 December 2013	0.24
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Year Ended	Earnings / (Loss) per share											
30 June, 2011	(1.67)											
31 December 2012	3.10 (18 Months)											
31 December 2013	0.24											
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 this investment.										
12	Where the securities are intended to be acquired using borrowed funds: (i) justification for investment through borrowings; and (ii) detail of guarantees and assets pledged for obtaining such funds.	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.	Not Applicable.										
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 which in turn holds 52.23% shares of the Company. However, all three companies i.e. JSIL, JS Bank 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 investment under consideration, except in their respective capacities mentioned above.										
15	Any other important details necessary for the members to understand the transaction.	None.										
16	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: (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 AGM to be held on April 07, 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 AGM.

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

- Mr. Suleman Lalani, common director on the board of JSCL and JSIL, holds 216,096 and 5,502 shares of JSCL and JSIL respectively.
- Mr. Asif Reza Sana, common director on the board of JSCL and JSIL, holds 500 and 1 share(s) of JSCL and JSIL respectively.
- Mr. Nazar Mohammad Shaikh, director of the Company holds 500 shares of JSCL.
- Mr. Muhammad Raza Dyer, director of the Company, holds 219,937 shares of JSCL.
- Mr. Muhammad Khalil ur Rehman, director of the Company, holds 23,033 shares of JSCL.
- Mr. Kamran Jafar, director of the Company, holds 1 share of JSCL.
- No other Director or sponsor of JSCL holds any shares of the Company and neither any 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 52.23% 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.
- Audited Financial Statements of JSCL shall be made available for inspection of the members at the AGM.