

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the thirteenth Annual General Meeting of JS Global Capital Limited (the Company or JSGCL) will be held at Carlton Hotel, DC-5, off Zulfiqar Street # 1, DHA Phase VIII, Karachi, on Thursday, March 27, 2014 at 8:00 a.m., to transact the following businesses:-

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 the auditors for the year ending December 31, 2014 and fix their remuneration. Messrs. M. Yousuf Adil Saleem & Co. Chartered Accountants (member firm of Deloitte), retire and being eligible, have offered themselves for re-appointment.

Special Business:

3. To consider and if thought fit, to pass the following resolution as Special Resolution (with or without modification) by majority of not less than three-fourth ($3/4^{\text{th}}$) 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.

"RESOLVED THAT consent and approval be and are hereby accorded under Section 208 of the Companies Ordinance, 1984 to allow the Company to invest an amount of upto Rs.50 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 tenor of 5 years, in terms of JSGCL's role as Market Maker".

Other Business:

4. Any other business with the permission of the Chair.

Karachi: March 05, 2014

By order of the Board



Muhammad Umair Arif
Company Secretary

Notes:

- (i) The Share transfer books of the Company will remain closed from March 20, 2014 to March 27, 2014 (both days inclusive) for determining the entitlement of 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 19, 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, 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 among significant issuer of Term Finance Certificates (TFCs) and so far it has issued seven TFCs (both listed and unlisted) out 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, it is in the process of issuing TFC VIII, a rated, listed and secured instrument, to raise subscription money for upcoming preference share issue by JS Bank (a subsidiary of JSCL, in which JSCL holds 70.42% shares). The said TFCs shall have a issue size of Rs. 750 million (including a green shoe option of Rs. 250 million) having a tenor of 5 years, carrying semi-annual coupon of 6 months KIBOR + 1.75% p.a. payable after six months from the issue date. Further, 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, including but not limited to, EFU Life Assurance Limited, EFU General Insurance Limited, Singer Pakistan Limited and Hum Network Limited, in a designated account with the Central Depository Company of Pakistan Limited along with requisite margin of 35%.

In light of the vast experience of JSGCL (JS Global or the Company) in the arena of Market Making of various debt instruments, the management has considered the viability of acting as Market Maker for the TFC VIII of JSCL. The Company has sufficient funds to undertake Market Making activities and is already acting as Market Maker for TFC VII.

The role of the market maker will be to:

1. Hold 6.7% of the said TFCs at all times till the maturity or till such time the Company remains a Market Maker.
2. Quote bids and offers in the Debt Market Security of the company on daily basis during trading hours of the Exchange with a maximum spread of 2.5% while the Company is a Market Maker. Price will be determined by Market Maker in light of prevailing liquidity, interest rates and credit risk on the issuer.
3. Purchase or sale a maximum of 1% of total principal outstanding of the issue in Debt Market Security during a business day.

Other information

- The fee for this role would be Rs.500,000/- per annum;
- Due to strong rating of the TFC VIII, recurring fee income and attractive spread the management has proposed to become the Market Maker for the said TFC issue;
- JSCL is an associated company of JSGCL 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 attached resolution to be passed as 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 appointment of JS Global as Market Maker for TFC VIII of JSCL and for making of investment upto Rs. 50 million.

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 JSGCL is the subsidiary of JS Bank Limited.</p>
2	Purpose, benefits and period of investment.	<p>a) Purpose</p> <p>To act as Market Maker for the TFC VIII of JSCL and to maintain sufficient inventory thereof, as required in the Regulations Governing Market Makers of the Karachi Stock Exchange Limited (KSE).</p> <p>b) Benefits</p> <p>For acting as Market Maker, the Company would be entitled to a fixed annual fee of Rs.500,000/-.</p> <p>The Company has sufficient surplus funds which are often invested in instruments like T-Bills, PIBs, term deposits, etc. that carry a yield of around 10 % to 12%. The said TFC of JSCL carry return of 6 months KIBOR+1.75%. The Company is, therefore, expected to earn additional income over its conventional income avenues.</p> <p>Moreover, while trading on its bid and offer quotes for the TFCs in its capacity as Market Maker, the Company not only earns commission, but also makes capital gain.</p> <p>The Market Making activity enhances Company's presence on the Money Market horizon and improves its image as the leading player.</p> <p>c) Period of Investment</p> <p>The Company would act as Market Maker for the TFC VIII issue of JSCL. The tenor of the said TFC is five years.</p>
3	Maximum amount of investment.	<p>As per the Regulations of KSE Governing the Market Makers, it is required that a Market Maker shall carry a minimum inventory of instrument. Besides, the Market Maker is required to carry inventory for quoting bid and offer. Together the Company is expected to set aside a maximum of Rs.50 Million for acting as</p>

		Market Maker of 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 prevailing market price								
5	Maximum number of securities to be acquired.	At par value, the company can acquire a maximum of 10,000 units of TFCs								
6	Number of securities and percentage thereof held before and after the proposed investment.	Before Investment : NIL After Investment : 10,000 units of the face value of Rs.5,000/- or 6.7% 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.	<p>JSCL</p> <table border="1"> <tr> <td></td> <td>30.09.13</td> <td>31-12-12</td> <td>30-06-11</td> </tr> <tr> <td>EPS/(LPS)</td> <td>0.21</td> <td>3.1</td> <td>(1.67)</td> </tr> </table>		30.09.13	31-12-12	30-06-11	EPS/(LPS)	0.21	3.1	(1.67)
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EPS/(LPS)	0.21	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 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.	<p>The Company shall:</p> <ul style="list-style-type: none"> • Hold at least 6.7% of outstanding issue at all times till the maturity. • Quote bids and offers in the TFCs during 								

		<p>trading hours with a maximum spread of 2.5%</p> <ul style="list-style-type: none"> • Purchase or sell a maximum of 1% of total outstanding issue during a business day • Purchase or sell TFCs in denomination of Rs. 5,000/- • Offer bid and ask quotes for marketable and non-marketable lots respectively • Charge fees of Rs. 500,000/- for acting as Market Maker.
14	<p>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.</p>	<p>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 Market Making role under consideration, except in their respective capacities mentioned above.</p>
15	<p>Any other important details necessary for the members to understand the transaction.</p>	<p>None.</p>
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> <p>(I) description of the project and its history since conceptualization;</p> <p>(II) starting and expected date of completion of work;</p> <p>(III) time by which such project shall become commercially operational; and</p> <p>(IV) expected time by which the project shall start paying return on investment.</p>	<p>Not Applicable.</p>

The Directors of the Company shall submit an undertaking to the shareholders at the AGM to be held on March 27, 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 follow:-

Mr. Mahboob Ahmed, the Chairman 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.

Audited Financial Statements of JSCL shall be made available for inspection of the members at the AGM.