



JAHANGIR SIDDIQUI & CO. LTD.

**Notice of Extraordinary
General Meeting
to be held on September 19, 2014**

NOTICE OF EXTRAORDINARY GENERAL MEETING

Notice is hereby given that an Extraordinary General Meeting of Jahangir Siddiqui & Co. Ltd. (the "Company") will be held at Defence Authority Creek Club, Zulfiqar Street No. 1, Phase VIII, Defence Housing Authority, Karachi on Friday, September 19, 2014 at 9:30 a.m., to transact the following special business:

SPECIAL BUSINESS

To consider, and if thought fit to pass the following resolutions as Special Resolutions with or without any modifications, additions or deletions:

"RESOLVED that subject to compliance with all applicable laws and approval of Securities and Exchange Commission of Pakistan (the "Commission") under Section 90 of the Companies Ordinance, 1984 read with Rule 5 of the Companies' Share Capital (Variation in Rights and Privileges) Rules, 2000, Jahangir Siddiqui & Co. Ltd. (the "Company") be and is hereby authorized and empowered to issue 114,492,798 (One Hundred Fourteen Million Four Hundred Ninety Two Thousand Seven Hundred and Ninety Eight) listed, cumulative, redeemable, non-voting, non-participatory and convertible Class "A" Preference Shares having face value of PKR 10/- each ("A Class PS") of the aggregate subscription amount of PKR 1,144,927,980 (Rupees One Billion One Hundred Forty Four Million Nine Hundred Twenty Seven Thousand Nine Hundred Eighty only) to be offered for subscription to the existing Shareholders of the Company in proportion to their respective shareholdings i.e. 15 (fifteen) A Class PS be offered against 100 (one hundred) Ordinary Shares held by each Shareholder, in accordance with the provisions of Section 86 of the Companies Ordinance, 1984, with the following rights, privileges and conditions attached thereto:

I. Rights, privileges and conditions attached to Class "A" Preference Shares

- a) Class "A" Preference Shares shall carry an entitlement to a fixed cumulative preferential dividend out of the normal profits of the Company @ 12% (twelve percent) per annum. Class "A" Preference Shares shall not carry any entitlement to the ordinary dividends, right shares or bonus shares, as may be announced by the Company from time to time on the Ordinary Shares of the Company, or to any right to participate in the profits of the Company in any manner or any other rights whatsoever that are available to the Ordinary Shareholders.
- b) Class "A" Preference Shares shall be transferable, but shall be redeemable or convertible into Ordinary Shares only at the option of the Company on the terms mentioned hereafter on June 30 or December 31 of any calendar year prior to December 31, 2019.

- c) Class "A" Preference Shareholders shall not have any voting power and shall not be entitled to receive notices of or right to attend general meetings of the Company and/or to vote at such meetings except on matters affecting their substantive rights as provided under the law.
- d) Class "A" Preference Shares shall be non-participatory.

II. Offer of Class "A" Preference Shares and Payment of Subscription Money

- a) For subscription of Class "A" Preference Shares, the existing Shareholders be issued a Circular under Section 86 of the Companies Ordinance, 1984 with dates by which such offer may be accepted and date for payment of the subscription money for which purpose, the Chief Executive Officer and Company Secretary and/or the Chief Financial Officer of the Company be and are hereby authorized severally to fulfill all requisite legal and corporate formalities.

III. Unsubscribed Class "A" Preference Shares and Fractions Shares

- a) In case all or any of Class "A" Preference Shares offered pursuant to this Resolution are not subscribed by any existing Shareholder(s), the Directors may at their discretion offer such unsubscribed Class "A" Preference Shares on the same terms and conditions as specified above, to such persons or entities and in such manner as the Directors may deem appropriate in exercise of powers under Section 86 (7) of the Companies Ordinance, 1984.
- b) Fractions Class "A" Preference Shares shall not be offered and all fractions less than a share shall be consolidated and disposed of by the Directors as and how they may deem appropriate and the proceeds from such disposition shall be paid to such of the entitled shareholders as may have accepted this offer.

IV. Redemption of Class "A" Preference Shares

- a) Class "A" Preference Shares may be redeemed at the option of the Company on June 30 or December 31 of any calendar year prior to December 31, 2019 at par (the Redemption Option).
- b) Upon the exercise of its Redemption Option, the Company shall issue a Redemption Notice to each Class "A" Preference Shareholder of at least thirty (30) days, calling upon the Class "A" Preference Shareholders to surrender Class "A" Preference Shares and notify any change in his/her/its address. Against such surrender, the Company shall pay the Redemption Price of PKR 10/- per share in such manner as the Board of Directors may specify at the appropriate time following the procedure as specified in sub-para (c) below. The Redemption Notice shall also be issued in two newspapers circulating in Karachi.

- c) Upon issuance of such Redemption Notice, as mentioned in para (b) above, the Company shall pay the Redemption Price of PKR 10/ per share to each Class "A" Preference Shareholder in respect of Class "A" Preference Shares held by him/her/it by a crossed payees account cheque or a bank draft or a pay order within a further period of thirty (30) days from the date of the completion of the book closure period to be announced by the Company after the issuance of the Redemption Notice. Upon such payment, Class "A" Preference Shares shall stand fully redeemed.
- d) In case any Preference Shareholder fails to surrender his Class "A" Preference Shares pursuant to the Redemption Notice mentioned in Para (b) above, the Company shall dispatch the cheque/bank drafts/pay order at his/her/its last known address recorded with the Company at his/her/its risk without any further obligation on part of the Company.
- e) On commencement of book closure period for redemption, the Class "A" Preference Shares shall cease to be transferable.

V. Conversion of Preference Shares

- a) Notwithstanding the Company's right to redeem Class "A" Preference Shares, as mentioned in Para IV above, the Company shall also have a firm option to convert Class "A" Preference Shares into ordinary shares of PKR 10/- each of the Company on June 30 or December 31 of any calendar year prior to December 31, 2019 (the Conversion Option). The Conversion shall take place in proportion of one Ordinary Share of PKR 10/- each for every one Class "A" Preference Share. All outstanding preference shares not redeemed by December 31, 2019 shall be converted into ordinary shares.
- b) Upon the exercise of its Conversion Option, the Company shall issue a Conversion Notice to each Class "A" Preference Shareholder with a book closure for such conversion. The Conversion Notice shall also be issued in two newspapers circulating in Karachi.
- c) Each holder of Class "A" Preference Shares whose name is registered in the books of the Company as Class "A" Preference Shareholder shall be issued 1 (one) fully paid up Ordinary Share of the Company for every 1 (one) Class "A" Preference Shares held by him/her/it i.e. in the ratio of 1:1. Such Ordinary shares shall be allotted and issued within a further period of thirty (30) days from the date of the completion of the book closure to be mentioned in the Conversion Notice. Such Ordinary Shares shall rank paripassu in all respects with the other Ordinary Shares of the Company then already issued by the Company.
- d) On commencement of book closure period for conversion, the Class "A" Preference Shares shall cease to be transferable.

RESOLVED FURTHER that subject to compliance with the provisions of all applicable laws and approval of the Commission under Section 86 (1) of the Companies Ordinance, 1984, and confirmation of the Commission that the provisions of Rule 8 of the Companies (Issue of Capital) Rules, 1996 is not applicable, the issuance of up to 114,492,798 ordinary shares of the face value of PKR 10/- each to the holders of A Class PS upon the conversion during and / or at the end of the five (5) years tenor, at PAR value of PKR 10/- each and otherwise than by way of a right issue under proviso of Section 86(1) of the Companies Ordinance, 1984, be and is hereby approved.

RESOLVED FURTHER that the Company's Chief Executive Officer, the Company Secretary and/or the Chief Financial Officer ("Authorized Persons") be and are hereby jointly and severally authorised to take all such action, deeds and things including but not limited to filing of application(s) to the Commission for seeking approvals as may be required for issuance of A Class PS on the terms enunciated herein this Special Resolution, for which purpose, they are hereby further jointly and severally authorized to make written and personal representations / through consultant(s)/advisor(s) before the Commission and to submit any other documents or information as may be required by the commission for obtaining the requisite approvals and effectuating this Special Resolution in its true letter and spirit with any amendments or modifications as may be directed by the Commission.

RESOLVED FURTHER that pending the Commission's approval, arrangements be made with Stock Exchange(s) for the listing of the A Class PS for which the Authorized Persons be and are hereby authorized jointly or severally to fulfill all requisite formalities of the Exchange.

RESOLVED FURTHER that the Authorized Persons be and are hereby jointly and severally authorized to enter into and execute such documents and agreements as may be required in relation to the issue of A Class PS.

RESOLVED FURTHER that the Authorized Persons, be and are hereby authorized, jointly or severally, to take all steps necessary, ancillary and incidental for the issuance of the A Class PS, the issuance of the ordinary shares upon conversion of A Class PS, redemption of A Class PS including but not limited to obtaining all requisite regulatory approvals, engaging legal counsel and consultants for the purposes of the above; filing of all the requisite statutory forms and all other documents as may be required to be filed with the commission, the Registrar and any other regulatory authority, submitting all such documents as may be required, executing all such certificates, applications, notices, reports, letters and any other documents or instrument including any amendments or substitutions to any of the foregoing as may be required in respect of the A Class PS issue and all other matters incidental or ancillary thereto.

RESOLVED FURTHER that all acts, deeds, and actions taken by the Authorized Persons pursuant to the above resolution for and on behalf of and in the name of the Company shall be binding acts, deeds and things done by the Company.

RESOLVED FURTHER that the aforesaid resolutions and terms and conditions shall be subject to any amendment modification, addition or deletion as may be deemed appropriate by the Authorized Person or as may be suggested, directed and advised by the Commission which suggestion, direction and advise shall be deemed to be have been approved as part of these Special Resolutions without the need of the shareholders to pass a fresh Special Resolution.

By Order of the Board

Hasan Shahid

CFO & Company Secretary

Karachi: August 29, 2014

NOTES

- (i) The Share Transfer Books of the Company shall remain closed from September 13, 2014 to September 19, 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 September 12, 2014 by the Company's Registrar i.e. Technology Trade (Pvt.) Ltd., Dagia House, 241 C, Block-2, P.E.C.H.S., Karachi will be treated as being in time for the purpose of attending 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. A proxy must be a member of the Company.
- (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 the shares registered in the name of Central Depository Company of Pakistan Limited (CDC) and/or their proxies will have to follow the following guidelines as laid down by the Securities and Exchange Commission of Pakistan:

A. For Attending the Meeting

- a. In case of Individuals, the account holder and/or sub-account holder whose registration details are uploaded as per the CDC Regulations, shall authenticate his/her identity by showing his/her original CNIC or original Passport along with Participant ID number and the account number at the time of attending the Meeting.

- b. In case of corporate entity, the Board's resolution / power of attorney with specimen signature of the nominee shall be produced (unless it has been provided earlier) at the time of the Meeting.

B. For Appointing Proxies

- a. In case of individuals, the account holder and/or sub-account holder whose registration details are uploaded as per the CDC Regulations, shall submit the proxy form as per above requirements.
 - b. The proxy form shall be witnessed by two persons, whose names, addresses and CNIC numbers shall be mentioned on the form.
 - c. Attested copies of the CNIC or the passport of beneficial owners and the proxy shall be furnished with the proxy form.
 - d. The proxy shall produce his original CNIC or original passport as may be applicable at the time of the meeting.
 - e. In case of corporate entity, the Board's resolution / power of attorney with specimen signature shall be furnished (unless it has been provided earlier) along with proxy form to the Company.
- (vi) Shareholders are requested to notify immediately of any change in their address to the Company's Registrar.

COMPUTERIZED NATIONAL IDENTITY CARD (CNIC) OF SHAREHOLDERS

Shareholders are requested to provide immediately copy of their valid CNIC to the Company's Registrar. A legible scanned copy of the same can also be forwarded at cnic@js.com along with folio number and updated address for correspondence.

MANDATE FOR E-DIVIDEND

In order to make process of payment of cash dividend more efficient, e-dividend mechanism has been envisaged when shareholders can get amount of the dividend credited into their respective bank accounts electronically without any delay. In this way, dividends may be instantly credited to respective bank accounts and there are no chances of dividend warrants getting lost in the post, undelivered or delivered to the wrong address, etc. The Securities and Exchange Commission of Pakistan (SECP) through Notice No. 8(4) SM/CDC 2008 dated April 05, 2013 has advised all listed Companies to adopt e-dividend mechanism due to the benefits it entails for shareholders. You are encouraged to provide a dividend mandate in favor of e-dividend by providing dividend mandate form duly filled in and signed.

STATEMENT UNDER SECTION 160(1)(B) OF THE COMPANIES ORDINANCE, 1984

This statement sets out the material facts pertaining to the special business to be transacted at the Extraordinary General Meeting of the Company to be held on September 19, 2014.

ISSUANCE OF PREFERENCE SHARES

Jahangir Siddiqui & Co. Ltd. has a tremendous track record, being one of the most prestigious companies having investments in the financial services sector that also makes long term investments in rapidly growing companies identified with growth potential in Pakistan.

At present, the Company visualizes investment opportunities in its investee companies particularly in future right issue calls by BankIslami Pakistan Limited, to meet its State Bank of Pakistan's minimum capital requirements, and other investee companies. Further, the Company requires funding for debt retirement and for strengthening of working capital.

Hence, approval is sought from the shareholders for raising capital through the issuance of 114,492,798 Class "A" Preference Shares of PKR 10/- each of the aggregate subscription amount of PKR 1,144,927,980/- which will be offered to the existing shareholders as Right Shares in proportion to their respective shareholdings in accordance with the provisions of the Companies' Share Capital (Variation in Rights and Privileges) Rules, 2000.

No prejudice shall be caused to any Shareholder or Creditor, but on the contrary the issuance of Preference Shares will be in the best interest of the Shareholders as the capital raised will provide the Company with opportunities for future expansion and diversification as well as give the ability to make further strategic investments in lucrative projects. Further, the Preference Shares will carry a dividend of 12% per annum on cumulative basis.

The Directors, including the Chief Executive Officer of the Company have no personal interest in the issue of Preference Shares whether directly or indirectly except to the extent of their and their spouse shareholdings held by them in the Company and entitlement to Preference Shares.

In this regard, the Company provides the following information:

Nature of Preference Shares:

Listed, redeemable, non-voting, cumulative, non-participatory and convertible.

Justification for Issue of Preference Shares and not Ordinary Shares:

The Preference Shares will be issued at PAR value of PKR 10/- per share and will carry a fixed dividend @ 12% per annum, which will be an incentive to the Shareholders. This will ensure maximum subscription of right issue.

Justification for Issue of Ordinary shares on conversion without Right Offering:

It is one of the features of Preference Shares that the preference shares could be converted into ordinary shares, therefore, the ordinary shares will be issued to the holders of preference shareholders.

Price at which Preference Shares will be issued:

The Preference Shares will be issued at PAR value of PKR 10/- per share. Earlier Class "A" Preference Shares were issued at PAR value of PKR 10/-. At present there are no outstanding issued preference shares.

Redemption of Preference Shares:

Class "A" Preference Shares may be redeemed at the option of the Company on June 30 or December 31 of any calendar year prior to December 31, 2019 at par (the Redemption Option).

Conversion:

The conversion of the Preference Shares shall take place in proportion of one (1) Ordinary shares of the face value of PKR 10/- each will be issued for every one (1) A Class PS of the face value of PKR 10/-.

Only the Company shall have an option to convert 100% Preference Shares into Ordinary Shares on June 30 or December 31 of any calendar year prior to 31 December 2019.

100% A Class PS i.e., 114,492,798 will be converted into ordinary shares if not redeemed. The conversion option can be exercised by the Company prior to December 31, 2019.

Paid up capital:

Paid up capital of the Company after the proposed issue of Preference Shares will be as under:

	No. of Shares	Amount in PKR
Paid up Share Capital - Current		
Ordinary Shares	763,285,323	7,632,853,230
Preference Right Issue	114,492,798	1,144,927,980
Paid up Share Capital After proposed Preference Right Issue	877,778,121	8,777,781,210

Listing of Preference Shares:

The Preference Shares will be listed on the Karachi Stock Exchange.

Purpose, Utilization and benefits:

Purpose and Utilization: The purpose of the right issue is to generate funds for making strategic investments as well as to meet redemption of term finance certificates issued by the Company.

Benefits: The proceeds of the issue will improve the liquidity of the Company, contribute to reducing its gearing, assist in improving its credit rating that will hereby reduce its future borrowing costs.

Dividend on Preference Shares:

A Class PS shall carry a fixed cash dividend 12% p.a. No other compensation will be payable to the Preference Shareholders other than the fix dividend of 12% p.a.

If cash dividend is not paid in any year, due to loss or inadequate profits, then such unpaid cash dividend will accumulate and will be paid in the subsequent year(s) subject to the approval of the Board of Directors of the Company.

There will be no change/revision in the rate of preference dividend in case of accumulation. Further, at the time of conversion/redemption accumulated dividend will be also be redeemed.

Other Rights and Privileges and Conditions attached to the Preference Shares:

- Class "A" Preference Shareholders shall be entitled to cash dividends in priority over any dividends declared by the Company on ordinary shares.
- Class "A" Preference Shareholders shall not be entitled to received notices, attend General Meetings of the Company and vote at meeting of the Shareholders of the Company, except on matters affecting their substantive rights as provided under the Companies Ordinance, 1984 and Share Capital Rules.
- Class "A" Preference Shareholders shall not carry entitlement of ordinary dividend, right shares or bonus shares or have any further right to participate in the profits of the Company.
- Class "A" Preference Shareholders shall, on winding up, have the first right, before the ordinary shareholders, over the assets of the Company, limited to nominal value of the shares held by the Preference Shareholders plus dividend unpaid till the commencement of the winding up proceedings

Others:

The Board of Directors of the Company has recommended that the special resolutions as set out in the notice be passed at the Extraordinary General Meeting. It is clarified that the issue of preference shares and the subsequent issuance of the ordinary shares shall be subject to the approval of the Commission under Section 90 of the Companies Ordinance read with Rule 5 of the Variation Rules, the proviso of Section 86(1) of the Companies Ordinance, 1984 and such other regulatory and other approvals as may be required.

Inspection of Documents:

The latest published annual and quarterly reports, Financial projections and all other related information is available for review at the Registered Office of the Company and may inspected during the business hours on any working day and the Registered Office of the Company from the date of publication of this notice till the conclusion of the Extraordinary General Meeting.

Directors and Relatives Interests:

The Directors of the Company have no personal interest in the issue of preference shares whether directly or indirectly except to the extent of their shareholdings held by them in the Company and entitlement to preference shares.

FORM OF PROXY
Extraordinary General Meeting

The Company Secretary
Jahangir Siddiqui & Co. Ltd.
6th Floor, Faysal House, Shahr-e-Faisal
Karachi- 75530

I/We _____ of _____
being member(s) of Jahangir Siddiqui & Co. Ltd. holding _____ ordinary shares as per Registered
Folio No /CDC A/c. No. (for members who have shares in CDS) _____ hereby appoint
Mr. / Mrs. / Ms. _____ of _____ (Folio. No. CDC A/c No.) _____ or
failing him/her Mr. / Mrs. / Ms. _____ of _____ (Folio. No. CDC A/c No.)
_____ being member of the Company, as my / our proxy to attend, act and vote for me /us and on my
/our behalf at the Extraordinary General Meeting of the Company to be held on September 19, 2014 and /or any adjournment
thereof.

As witness my / our hand / seal this _____ day of September, 2014. Signed by _____

In the presence of

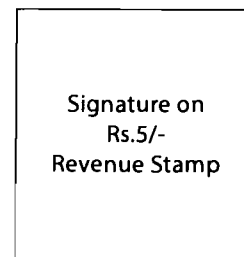
Witness:

1. Name _____
Signature _____
Address _____

CNIC or _____
Passport No. _____

2. Name _____
Signature _____
Address _____

CNIC or _____
Passport No. _____



The Signature should
agree with the specimen
registered with Company.

Important:

1. 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.
2. This proxy form, duly completed and signed, must be received at the Office of the Company situated at 6th Floor, Faysal House, Shahr-e-Faisal, Karachi, not less than 48 hours before the time of holding meeting.
3. No Person shall act as proxy unless he / she himself / herself is a member of the Company, except that a corporation may appoint a person who is not a member.
4. If member appoints more than one proxy and more than one instruments of proxy are deposited by a member with the Company, all such instruments of proxy shall be rendered invalid.
5. Beneficial Owner of physical shares and the shares registered in the name of Central Depository Company of Pakistan Limited (CDC) and/or their proxy are required to produce their original Computerized National Identity Card or passport for identification purpose at the time of attending the meeting. The form of proxy must be submitted with the Company within the stipulated time, duly witnessed by two persons whose names, addresses and CNIC numbers must be mentioned on the form, along with attested copies of CNIC or the passport of the beneficial owner and the proxy. In case of corporate entity, the Board of Directors' Resolution / power of attorney with specimen signature shall be submitted along with proxy form.

The Company Secretary
Jahangir Siddiqui & Co. Ltd.
6th Floor, Faysal House, Shakra-e-Faisal
Karachi- 75530

AFFIX
CORRECT
POSTAGE

**REGISTERED
POST**

If undelivered please return to:

Registrar

Technology Trade (Private) Ltd.

Dagia House, 241-C Bock-2

P.E.C.H.S., Off: Shahrah-e-Quaideen, Karachi.

Tel: (92-21) 34391316-17 & 19, 34387960-61 Fax: (92-21) 34391318