Service Industries Limited

Servis

Servis House, 2-Main Gulberg
Lahore-54662 (Pakistan)
Phone: (42) 5751990-96
Fax: (42) 5710593

SIL/PSX/CS/27
September 05, 2016

BY T.C.S & PUCARS

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

SUBJECT: **NOTICE OF EXTRAORDINARY GENERAL MEETING**

Dear Sir,

We enclose herewith copy of the Notice of Extraordinary General Meeting of the Company to be published in the newspapers on Tuesday, September 06, 2016.

The above is submitted for information of the Exchange.

Yours sincerely,

SERVICE INDUSTRIES LIMITED

WAHEED ASHRAF
Company Secretary

NOTICE OF EXTRAORDINARY GENERAL MEETING

Notice is hereby given that an Extraordinary General Meeting of Service Industries Limited (the "Company") will be held on Tuesday, September 27, 2016 at 11:00 a.m. at Shalimar Tower Hotel, Adjacent Servis House, 2-Main Gulberg, Lahore, to transact the following business:

Special Business:

1. To consider, and if thought fit, to pass with or without modification, the following resolution as a Special Resolution:

   Resolved that the Authorized Capital of the Company be increased from Rs. 200,000,000 divided into 20,000,000 ordinary shares of Rs. 10 each to Rs. 1,000,000,000 divided into 100,000,000 ordinary shares of Rs. 10 each by creation of 80,000,000 additional ordinary shares of Rs. 10/- each of the Company and for that purpose Clause V of the Memorandum of Association and Article 3 of the Articles of Association of the Company be and are hereby accordingly amended to read as under:

   Clause V of the Memorandum of Association:

   "The capital of the Company is Rs. 1,000,000,000 (Rupees one billion only) divided into 100,000,000 ordinary shares of Rs. 10/- each. The Company shall have the power to increase, reduce or reorganize the capital of the Company and divide shares in the capital for the time being into several classes in accordance with the provisions of the Companies Ordinance, 1984."

   Article 3 of the Articles of Association:

   "The share capital of the Company is Rs. 1,000,000,000 (Rupees one billion only) divided into 100,000,000 ordinary shares of Rs. 10/- each."

   Further resolved that the additional shares when issued shall carry equal voting rights and rank *pari passu* with the existing ordinary shares in all respects/matters in conformity with the provisions of the Companies Ordinance, 1984.

   Further resolved that the Chief Executive or / and the Company Secretary be and are singly / jointly authorized to take all necessary steps and decisions to obtain all approvals required, if any and to sign, execute and deliver and file all requisite documents to the relevant authorities in this regard and to affix common seal of the Company on such document (s) / share certificates of title to the shareholders as may be deemed necessary.

2. To get consent & approval of the shareholders of Service Industries Limited (the "Company"), as per SRO No. 470(I)/2016 dated May 31, 2016 issued by the Securities and Exchange Commission of Pakistan (SECP), for the transmission of annual reports including annual audited accounts, notices of annual general meetings and other information contained therein of the Company commencing from the year ending December 31, 2016 through CD or DVD or USB instead of transmitting the same in the form of hard copies and to pass the following resolution as an Ordinary Resolution, with or without modification:

   "**Resolved** that consent & approval of the shareholders of Service Industries Limited (the "Company") be and is hereby accorded for transmission of annual reports including annual audited accounts, notices of annual general meetings and other information contained therein of the Company to the shareholders for future years commencing from the year ending on December 31, 2016 through CD or DCD or USB instead of transmitting the same in hard copies.

   Further resolved that the Chief Executive or Company Secretary be and is hereby authorized to do all acts, deeds and things, take or cause to be taken all necessary actions to comply with all legal formalities and requirements and file necessary documents as may be incidental for the purposes of implementing this resolution"

A statement under Section 160(1)(b) of the Companies Ordinance, 1984 pertaining to the Special businesses referred to above is annexed to notice of this meeting

By Order of the Board

Lahore
September 05, 2016

WAHEED ASHRAF
Company Secretary

NOTES:

1. The Share Transfer Books of the Company will remain closed from September 20, 2016 to September 27, 2016 (both days inclusive). Transfers received in order by our Shares Registrar, M/s. Hameed Majeed Associates (Pvt.) Limited, 1st Floor, H.M. House, 7-Bank Square, Lahore by the close of business on September 19, 2016 will be considered in time for the purpose of payment of interim cash dividend and for the purpose of attending and voting at the Extraordinary General Meeting.
2. A member of the Company entitled to attend and vote at the Extraordinary General Meeting may appoint another member as his/her proxy to attend and vote in place of him/her at the meeting. Proxies in order to be effective must be received at the Registered Office of the Company duly stamped and signed not less than 48 hours before the time of meeting. A proxy must be a member of the Company.
3. Shareholders, who have deposited their shares into Central Depository Company of Pakistan, must bring their participant's ID numbers and account/sub account numbers along with original Computerized National Identity Cards or original Passports at the time of attending the meeting in order to facilitate identification of respective shareholders.
4. In case of corporate entity, the Board of Directors' resolution / power of attorney with specimen signature of the nominee shall be produced at the time of meeting.
5. The directive of the Securities and Exchange Commission of Pakistan contained in SRO 831(I) / 2012 dated July 05, 2012 provides that the dividend warrants should bear the Computerized National Identity Card (CNIC) Numbers of the registered members or the authorized person except in the case of minor(s) and corporate members. CNIC numbers of the members are, therefore, mandatory for the issuance of future dividend warrants and in the absence of such information, payment of dividend may be withheld. Therefore, the members who have not yet provided their CNICs are once again advised to provide the attested copies of their CNICs (if not already provided) to our Shares Registrar.
6. In order to make process of payment of cash dividend more efficient, e-dividend mechanism has been envisaged by SECP where shareholders can get amount of the dividend credited into their respective bank accounts electronically. 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 their members. In view of the above, you are hereby encouraged to provide a dividend mandate in favour of e-dividend by providing dividend mandate form duly filled in and signed.
7. The Government of Pakistan through Finance Act, 2016 has made certain amendments in Section 150 of the Income Tax Ordinance, 2001 whereby different rates are prescribed for deduction of withholding tax on the amount of dividend paid by the companies. These rates are as follows:

   (a) For filers of income tax returns 12.50%
   (b) For non-filers of income tax returns 20%

   To enable the Company to make tax deduction on the amount of cash dividend @12.50% instead of 20% all the shareholders whose names are not entered into the Active Tax-payers List (ATL) provided on the website of FBR, despite the fact that they are filers, are advised to make sure that their names are entered into ATL before the date of payment of the cash dividend, otherwise tax on their cash dividend will be deducted @20% instead of 12.50%.

   In the case of shares registered in the name of two or more shareholders, each joint-holder is to be treated individually as either a filer or non-filer and tax will be deducted by the Company on the basis of shareholding of each joint-holder as may be notified to the Company in writing. If the share is not ascertainable then each account holder will be assumed to hold equal proportion of shares and the deduction will be made accordingly. Therefore, in order to avoid deduction of tax at a higher rate, the joint account holders are requested to provide the below details of their shareholding to the Share Registrar of the Company latest by the EOGM date.

Folio/CDC A/C No.	Name of Shareholder	CNIC	Shareholding	Total Shares	Principal/Joint Shareholder

For any query/problem/information, the investors may contact the Shares Registrar: Mr. Abdul Ghafoor, Phone No. 042-37235081-82, e-mail address shares@hmaconsultants.com and / or the Company: Mr. Bashir Ahmed, Phone No. 042-35751990, Fax: 042-35711827, email address shareholders@servis.com.

The corporate shareholders having CDC accounts are required to have their National Tax Number (NTN) updated with their respective participants, whereas corporate physical shareholders should send a copy of their NTN certificate to the Company or the Shares Registrar. The shareholders while sending NTN or NTN certificates, as the case may be, must quote company name and their respective folio numbers.

8. Members are advised to immediately notify the change in their addresses, if any to our Shares Registrar.

STATEMENT UNDER SECTION 160(1)(b) OF THE COMPANIES ORDINANCE, 1984, CONCERNING THE SPECIAL BUSINESSES:

This statement sets out the material facts concerning the Special Businesses to be transacted at the Extraordinary General Meeting of the Company to be held on September 27, 2016.

Item No. 1 of the Agenda - Increase in Authorized Share Capital of the Company

The Board of Directors at its meeting held on August 25, 2016 decided to increase the Authorized Capital of the Company to cater for the growth in the business of the Company.

The new Ordinary Shares when issued shall carry same voting rights and rank *parri passu* with the existing Ordinary Shares in all respect/matters in conformity with the provisions of the Companies Ordinance, 1984.

In view of the above, the Board of Directors of the Company has recommended to place before the Shareholders at the Extraordinary General Meeting for approval the resolution to be passed as Special Resolution for the proposed increase in the Authorized Share Capital of the Company and consequent alterations of the Clause V of the Memorandum of Association and Article 3 of the Articles of Association to reflect the proposed increase in authorized share capital of the Company. The proposed change will not affect any rights and obligations of the Company and the interest of any shareholder or investor in any manner.

The Directors / CEO of the Company or their relatives have no interest, direct or indirect, in the special business save to the extent of their Shareholding in the Company and their capacity as Directors/CEO of the Company.

The existing and proposed Memorandum and Articles of Association of the Company pertaining to the special business indicating the proposed amendments are available for inspection at the registered office of the Company from 9.00 a.m. to 5.00 p.m. on any working day during business hours and also at the time of the meeting.

Item No. 2 of the Agenda - Transmission / Circulation of Annual Audited Accounts to the members through CD/DVD/USB

Securities and Exchange Commission of Pakistan has vide S.R.O 470(I)/2016 dated 31 May 2016 allowed the companies to circulate the annual reports including annual audited accounts, notices of annual general meetings and other information contained therein of the Company to its members through CD/DVD/USB subject to consent of the shareholders in the general meeting. This will save time and expenses incurred on printing of the annual report.

The Company shall supply the hard copies of the aforesaid document to the shareholders on demand, free of cost, within one week of such demand. After approval of the shareholders, the Company will place a Standard Request Form on its website to communicate their need of hard copies of the documents along with postal and email address of the Company Secretary/Share Registrar to whom such requests shall be made.

Accordingly, the Directors have placed the matter before the shareholders for their approval and to pass the ordinary resolution as proposed in the notice of meeting. The Directors / CEO of the Company or their relatives have no interest, direct or indirect, in the special business save to the extent of their Shareholding in the Company and their capacity as Directors/CEO of the Company.

Statement under Rule 4(2) of the Companies (Investment in Associated Companies or Associated Undertakings) Regulations, 2012

Name of Investee Company	**S2 Power Limited**	**Service Industries Capital (Private) Limited**	**S2 Hydro Limited**
Total Investment Approved	Long term equity investment up to Rs. 25 million for purchase of 2,500,000 shares was approved by the members in EOGM held on July 24, 2014 for the period of three (3) years.	Long term Equity investment up to Rs. 300 million for purchase of 30,000,000 shares was approved by the members in EOGM held on November 06, 2015 for the period of five (5) years.	Long term equity investment up to Rs. 50 million for purchase of 5,000,000 shares was approved by the members in AGM held on April 25, 2016 for the period of three (3) years.
Amount of Investment made to date	An investment of Rs. 240,000 has been made so far by the Company. The remaining investment will be made as and when funds are required by the associated company.	An investment of Rs. 10,000 has been made so far by the Company. The remaining investment will be made as and when funds are required by the associated company.	An investment of Rs. 240,000 has been made so far by the Company. The remaining investment will be made as and when funds are required by the associated company.
Reasons for not having made complete investment so far where resolution required it to be implemented in specified time	The project is still in initial stages of approval. The Company has recently received a revised Letter of Interest (LOI) form Punjab Power Development Board for conducting feasibility study for development of 220 MW Coal based power plant project to be located at Vehari in Punjab instead of Gujranwala. The investment will be made as and when funds are required by the associated company. The resolution is valid for three (3) years.	The investment will be made as and when funds are required by the associated company. The resolution is valid for five (5) years.	The project is still in initial stages of approval. The Company has received Letter of Interest (LOI) form Punjab Power Development Board for conducting feasibility study for development of 20 MW Hydro based power plant project to be located at Mandi Baha-Ud-Din in Punjab. The investment will be made as and when funds are required by the associated company. The resolution is valid for three (3) years.
Material change in financial statements of associated company or associated undertaking since the date of the resolution passed for approval of investment in such company	There is no material change in the financial statement of the company since the date of passing of special resolution.	There is no material change in the financial statement of the company since the date of passing of special resolution.	There is no material change in the financial statement of the company since the date of passing of special resolution.