
JS Growth Fund
Quarterly Report for the period
ended September 30, 2010



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JS Growth Fund

In July 2010, the Board of Directors of JS Investments Limited adopted the sustainable growth initiative "JSIL 2010 Onwards ~" proposed by the newly appointed CEO. The revised Vision, Mission, and Statement of Broad Policy Objectives of JS Investments form the bedrock of "JSIL 2010 Onwards ~" and have been framed after a thorough S.W.O.T. Analysis of the Company and assessment of the Macro-economic and Financial Market Trends.

VISION

To be recognized as a responsible asset manager respected for continually realizing goals of its investors.

MISSION

To build JS Investments into a top ranking Asset Management Company; founded on sound values; powered by refined knowhow; supported by a committed team operating within an accountable framework of social, ethical and corporate responsibility - a strong and reliable institution for its shareholders to own; an efficient service provider and value creator for clients; an exciting and fulfilling work place for employees; and a participant worth reckoning for competitors.

BROAD POLICY OBJECTIVES

- Value creation for clients on a sustainable basis
- Maintain high standards of ethical behaviors and fiduciary responsibility
- Manage Investments with Prudence and with the aim of providing consistent returns better than that of peers
- Take Products and Services to the People; Create awareness on understanding financial goals, risks and rewards
- Professional Excellence - Adapt, Evolve and Continuously Improve
- Maintain highly effective controls through strong compliance and risk management
- A talented, diligent and diverse HR



ORGANIZATION

Management Company

JS Investments Limited
7th Floor, The Forum, G-20
Khayaban-e-Jami, Block-9, Clifton
Karachi-75600
Tel: (92-21) 111-222-626 Fax: (92-21)35361724
E-mail:info@jsil.com
Website: www.jsil.com

Board of Directors

| | |
|-------------------------------|-------------------------|
| Munawar Alam Siddiqui | Chairman |
| Rashid Mansur | Chief Executive Officer |
| Suleman Lalani | |
| Nazar Mohammad Shaikh | |
| Fayaz Anwar | |
| Lt.General (R) Masood Parwaiz | |
| Sadeq Sayeed | |

Audit Committee

| | |
|-------------------------------|----------|
| Nazar Mohammad Shaikh | Chairman |
| Munawar Alam Siddiqui | Member |
| Lt.General (R) Masood Parwaiz | Member |

Chief Financial Officer & Company Secretary

Suleman Lalani

Trustee

MCB Financial Services Ltd.
(formerly Muslim Commercial Financial Services Ltd.)
3rd Floor, Adamjee House
I.I.Chundrigar Road,
Karachi - 75530

Auditors

M. Yousuf Adil Saleem & Co.
Chartered Accountants

Legal Adviser

Bawaney & Partners

Registrar

Technology Trade (Private) Limited
241-C, Block 2, P.E.C.H.S, Karachi
Tel: (92-21) 34391316-7
Fax: (92-21) 34391318

JS Growth Fund

DIRECTORS' REPORT TO THE CERTIFICATE HOLDERS

The Board of directors of JS Investments Limited has pleasure in presenting to you the un-audited financial statements of JS Growth Fund for the three months period ended September 30, 2010.

Market Review

The equity market remained under pressure during the quarter under review, as the KSE-30 Index rose marginally by 1.2% to close the quarter at 9,674 points. Although the index was unable to close the period on a significant positive note, however, the index did exhibit volatility (for the reasons explained below) by hovering within the range of 10% in the out-going quarter.

During the quarter, Pakistan's ailing economy suffered the most challenging setback in the form of 'mega floods'. Consequently, the agricultural output considered as the backbone of the economy went into enormous distress. A rough estimate of the losses to the economy is quoted at USD 43Bn. Therefore, the government has had to make tough choices in the form of; (a) Diversion of the budgeted development expenditures for rehabilitation activities, which would widen the budget deficit (b) Increased foreign loans, hampering our debt-servicing capacity and (c) Monetary tightening as an attempt to curb the inflationary impact of floods.

The above measures would imminently put additional pressure on the government's objective of reviving the 'weak' economy. Moreover, any further monetary tightening, which can not be ruled out owing to the expected inflation rate of 14%-16%, is going to further squeeze the debt-ridden companies' capacity to operate profitably. Nevertheless, despite all the odds, the foreigners have continued to capture the headlines with their net Foreign Portfolio Investments (FPI) of US\$ 105mn in the out-going quarter. While trading at an EFY11 P/E multiple of 7.2, the local market still remains a comparatively attractive outlet for foreigners to pour their funds in.

Conclusively, in light of a gloomy economic picture, revival of the stock market and the muted volumes would require the keenly-awaited impetus of a possible re-emergence of leveraged products for the liquidity-strapped investors.

Fund Performance

The Fund earned a net income of Rs. 5.313 million during the period under review compared to net income of Rs. 413.267 million during the corresponding period of last year. The net assets of the Fund were Rs. 2,929,834 million as on September 30, 2010 compared to Rs. 2,895,575 million as on June 30, 2010 - an increase of 1.18%. The net assets value (NAV) per certificate as on September 30, 2010 was Rs. 9.38 compared to NAV of Rs. 9.27 per certificate on June 30, 2010 - an increase of 1.19% for the quarter. The Fund out-performed its benchmark by 3.22% during the period ended September 30, 2010.

Fund and Asset Manager Rating

The matter of mutual funds performance ratings by a rating agency is presently under discussion between MUFAP, SECP and the country's two rating agencies. Updated Fund rating will be announced by the Management Company once a conclusion is reached on the same.

The asset manager rating for JS Investments Limited is in progress and has not yet been announced by JCR - VIS Credit Rating Co. Limited. The asset manager rating for JS Investments Limited last announced by PACRA was "AM2". The said rating was subsequently withdrawn by PACRA on March 16, 2010 pursuant to JS Investments' decision to discontinue its rating relationship with PACRA with immediate effect.

Acknowledgment

We wish to express our gratitude to the employees of the Management Company and the Trustee for their dedication and hard work and the certificate holders for their confidence in the Management.

On behalf of the Board

Karachi: October 22, 2010

Rashid Mansur
Chief Executive Officer



JS Growth Fund

CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES

AS AT SEPTEMBER 30, 2010

| | | September 30, 2010 | June 30, 2010 |
|--|------|-----------------------|----------------------|
| | Note | Rupees..... | Rupees..... |
| ASSETS | | (Unaudited) | (Audited) |
| Bank balances | | 687,058,503 | 738,045,381 |
| Investments | 4 | 2,282,005,928 | 2,188,255,126 |
| Dividend receivable | | 26,384,277 | 16,086,157 |
| Advances, prepayments and other receivables | 5 | 31,093,154 | 12,735,807 |
| Security deposits | | 2,700,000 | 2,700,000 |
| Deferred formation cost | | 216,000 | 297,000 |
| Total assets | | 3,029,457,862 | 2,958,119,471 |
| LIABILITIES | | | |
| Balance payable to the Management Company | 6 | 5,121,145 | 967,877 |
| Remuneration payable to the Trustee | | 215,175 | 216,326 |
| Annual fee payable to the Securities and Exchange Commission of Pakistan | | 706,871 | 3,155,196 |
| Creditors, accrued and other liabilities | 7 | 85,282,760 | 46,600,933 |
| Dividend payable | | - | 3,306,369 |
| Provision for taxation | | 8,297,426 | 8,297,426 |
| Total liabilities | | 99,623,377 | 62,544,127 |
| NET ASSETS | | 2,929,834,485 | 2,895,575,344 |
| Certificate Holders' Fund | | | |
| Certificate capital | | | |
| Issued, subscribed and paid up certificate capital | 8 | 3,180,044,630 | 3,180,044,630 |
| Repurchase of own certificates | | (23,089,917) | (23,089,917) |
| | | <u>3,156,954,713</u> | <u>3,156,954,713</u> |
| Reserves | | | |
| Capital reserves | | | |
| Certificate premium reserve | | 306,437,500 | 306,437,500 |
| Reserve on amalgamation | | 200,000,000 | 200,000,000 |
| Revenue reserves | | | |
| Accumulated loss | | (921,029,348) | (926,341,917) |
| Surplus / (deficit) on revaluation of available-for-sale investments | | 187,471,620 | 158,525,048 |
| | | (227,120,228) | (261,379,369) |
| TOTAL CERTIFICATE HOLDERS' FUND | | 2,929,834,485 | 2,895,575,344 |
| NET ASSETS VALUE PER CERTIFICATE | | 9.38 | 9.27 |

The annexed notes 1 to 14 form an integral part of these condensed financial statements.

For JS Investments Limited
(Management Company)

Rashid Mansur
Chief Executive Officer

Munawar Alam Siddiqui
Chairman

JS Growth Fund

CONDENSED INTERIM INCOME STATEMENT (UNAUDITED) FOR THE QUARTER ENDED SEPTEMBER 30, 2010

| | Note | Quarter Ended | |
|---|------|-----------------------|-----------------------|
| | | September 30, 2010 | September 30, 2009 |
|Rupees..... | | | |
| Income | | | |
| Return on: | | | |
| - bank deposits | | 16,535,936 | 18,877,260 |
| - investment in debt securities (available-for-sale) | | - | 1,538,054 |
| Gain / (loss) on sale of held for trading investments - net | | 28,278,665 | 28,666,289 |
| Dividend income | | 29,649,317 | 19,262,487 |
| Amortisation of discount on available-for-sale investments | | - | 541,597 |
| | | <u>74,463,918</u> | <u>68,885,687</u> |
| Unrealised loss / (gain) on remeasurement of held for trading investments - net | | <u>(49,525,650)</u> | <u>364,734,744</u> |
| | | <u>24,938,268</u> | <u>433,620,431</u> |
| Expenses | | | |
| Remuneration to the Management Company | | 14,881,499 | 16,936,827 |
| Remuneration to the Trustee | | 665,785 | 727,447 |
| Annual fee to Securities and Exchange Commission of Pakistan | | 706,871 | 804,500 |
| Securities transactions cost | | 3,113,844 | 1,214,889 |
| Auditors' remuneration | | 218,738 | 218,776 |
| Amortisation of formation cost | | 81,000 | 80,129 |
| Reversal of contribution to workers welfare fund | 9 | (480,642) | - |
| Other expenses | | 438,604 | 370,859 |
| | | <u>19,625,699</u> | <u>20,353,427</u> |
| Profit for the period | | <u>5,312,569</u> | <u>413,267,004</u> |
| Earnings per certificate - basic and diluted | 10 | <u>0.02</u> | <u>1.31</u> |

The annexed notes 1 to 14 form an integral part of these condensed financial statements.

For JS Investments Limited
(Management Company)

Rashid Mansur
Chief Executive Officer

Munawar Alam Siddiqui
Chairman



**CONDENSED INTERIM STATEMENT OF
COMPREHENSIVE INCOME (UNAUDITED)**
FOR THE QUARTER ENDED SEPTEMBER 30, 2010

| | Quarter Ended | |
|---|-----------------------|-----------------------|
| | September 30, 2010 | September 30, 2009 |
| |Rupees..... | |
| Net income for the period | 5,312,569 | 413,267,004 |
| Other comprehensive income: | | |
| - Unrealized gain on remeasurement of available-for-sale investments to fair value - net | 28,946,572 | 340,716,649 |
| Total comprehensive income for the period | <u>34,259,141</u> | <u>753,983,653</u> |

The annexed notes 1 to 14 form an integral part of these condensed financial statements.

For JS Investments Limited
(Management Company)

Rashid Mansur
Chief Executive Officer

Munawar Alam Siddiqui
Chairman

JS Growth Fund

CONDENSED INTERIM CASH FLOW STATEMENT (UNAUDITED)

FOR THE QUARTER ENDED SEPTEMBER 30, 2010

| | Quarter Ended | |
|---|-----------------------|-----------------------|
| | September 30, 2010 | September 30, 2009 |
| | Rupees..... | |
| CASH FLOWS FROM OPERATING ACTIVITIES | | |
| Net income for the period | 5,312,569 | 413,267,004 |
| Adjustments for: | | |
| Capital (gain) on sale of held for trading securities - net | (28,278,665) | (28,666,289) |
| Dividend income | (29,649,317) | (19,262,487) |
| Unrealised gain / (loss) on remeasurement of held for trading investments - net | 49,525,650 | (364,734,744) |
| Amortization of discount on available-for-sale investments | - | (541,597) |
| Amortisation of formation cost | 81,000 | 80,129 |
| | (3,008,763) | 142,016 |
| (Decrease) in current assets - receivables | (18,357,347) | (8,347,239) |
| Increase / (decrease) in current liabilities | | |
| Balance payable to the Management Company | 4,153,268 | (4,101,467) |
| Remuneration payable to the Trustee | (1,151) | 41,042 |
| Annual fee payable to the Securities and Exchange Commission of Pakistan | (2,448,325) | (2,149,902) |
| Creditors, accrued and other liabilities | 35,868,261 | 149,425 |
| | 16,205,943 | (14,266,125) |
| Sale of investments | 1,043,654,922 | 160,019,158 |
| Purchase of investments | (1,129,706,137) | (281,626,176) |
| Dividend received | 19,351,197 | 6,493,048 |
| | (66,700,018) | (115,113,970) |
| Cash used in operating activities | (50,494,075) | (129,380,095) |
| CASH FLOWS FROM INVESTING ACTIVITIES | | |
| Redemption of available for sale investments | - | 4,167,000 |
| Net cash flows from investing activities | - | 4,167,000 |
| NET CASH FLOWS FROM FINANCING ACTIVITIES | | |
| Dividend paid | (492,803) | (26,085) |
| Repurchase of own certificates | - | (23,089,917) |
| | (492,803) | (23,116,002) |
| Net decrease in cash and cash equivalents | (50,986,878) | (148,329,097) |
| Cash and cash equivalents at beginning of the period | 738,045,381 | 704,133,820 |
| Cash and cash equivalents at end of the period | 687,058,503 | 555,804,723 |

The annexed notes 1 to 14 form an integral part of these condensed financial statements.

For JS Investments Limited
(Management Company)

Rashid Mansur
Chief Executive Officer

Munawar Alam Siddiqui
Chairman



JS Growth Fund

CONDENSED INTERIM DISTRIBUTION STATEMENT (UNAUDITED) FOR THE QUARTER ENDED SEPTEMBER 30, 2010

| | Quarter Ended | |
|--|-----------------------|-----------------------|
| | September 30, 2010 | September 30, 2009 |
| |Rupees..... | |
| Accumulated loss at beginning of the period | (926,341,917) | (793,641,136) |
| Net income for the period | 5,312,569 | 413,267,004 |
| Accumulate loss carried forward at the end of the period | <u>(921,029,348)</u> | <u>(380,374,132)</u> |

The annexed notes 1 to 14 form an integral part of these condensed financial statements.

For JS Investments Limited
(Management Company)

Rashid Mansur
Chief Executive Officer

Munawar Alam Siddiqui
Chairman

JS Growth Fund

CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UNAUDITED) FOR THE QUARTER ENDED SEPTEMBER 30, 2010

| Note | Issued, subscribed and paid-up certificate capital | Repurchase of own certificates | Reserves | | | Total | Surplus / (deficit) on remeasurement of available-for-sale investments | Total |
|--|--|--------------------------------------|-----------------------------------|---------------------------------------|--------------------------------|----------------------|---|----------------------|
| | | | Certificate premium account | Capital reserve on amalgamation | Accumulated income / (loss) | | | |
| Balance as at June 30, 2009 | 3,180,044,630 | - | 306,437,500 | 200,000,000 | (793,641,136) | (287,203,636) | (469,099) | 2,892,371,895 |
| Total comprehensive income for the period | - | - | - | - | 413,267,004 | 413,267,004 | 340,716,649 | 753,983,653 |
| Repurchase of own certificates 8 | - | (23,089,917) | - | - | - | - | - | (23,089,917) |
| Balance as at September 30, 2009 | <u>3,180,044,630</u> | <u>(23,089,917)</u> | <u>306,437,500</u> | <u>200,000,000</u> | <u>(380,374,132)</u> | <u>126,063,368</u> | <u>340,247,550</u> | <u>3,623,265,631</u> |
| Balance as at June 30, 2010 | 3,180,044,630 | (23,089,917) | 306,437,500 | 200,000,000 | (926,341,917) | (419,904,417) | 158,525,048 | 2,895,575,344 |
| Total comprehensive income for the period | - | - | - | - | 5,312,569 | 5,312,569 | 28,946,572 | 34,259,141 |
| Balance as at September 30, 2010 | <u>3,180,044,630</u> | <u>(23,089,917)</u> | <u>306,437,500</u> | <u>200,000,000</u> | <u>(921,029,348)</u> | <u>(414,591,848)</u> | <u>187,471,620</u> | <u>2,929,834,485</u> |

The annexed notes 1 to 14 form an integral part of these condensed financial statements.

For JS Investments Limited
(Management Company)

Rashid Mansur
Chief Executive Officer

Munawar Alam Siddiqui
Chairman



NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENT (UNAUDITED)

FOR THE QUARTER ENDED SEPTEMBER 30, 2010

1. LEGAL STATUS AND NATURE OF BUSINESS

- 1.1 JS Growth Fund ("the Fund"), a closed-end scheme, was constituted under Trust Deed entered into between JS Investments Limited as Management Company, a listed public limited company incorporated under the Companies Ordinance, 1984 and Central Depository Company of Pakistan Limited (CDC) as a Trustee with the approval of the Securities and Exchange Commission of Pakistan (SECP) through their letter dated 5 April 2006. Thereafter, MCB Financial Services Limited was appointed as trustee of the Fund with effect from 2 February 2008 after resignation of CDC. The Fund is governed under Non-Banking Finance Companies (Establishment and Regulations) Rules, 2003 (NBFC Rules) and Non-Banking Finance Companies and Notified Entities Regulations, 2008 issued by Securities and Exchange Commission of Pakistan (SECP). The Fund has been approved as a notified entity by the Securities and Exchange Commission of Pakistan (SECP) on 22 January 2009. The Fund's certificates are listed on all the stock exchanges of Pakistan.
- 1.2 The major objective of the fund is to enable certificate holders to participate in a diversified portfolio by prudent investment management (investment return being of a combination of capital appreciation and income).
- 1.3 The Fund was formed as a result of the amalgamation of ABAMCO Capital Fund (ACF), ABAMCO Stock Market Fund (ASMF) and ABAMCO Growth Fund (AGF) herein after referred to as "the amalgamating funds". The Board of Directors of JS Investments Limited in their meeting held on 30 March 2005, approved the merger of ABAMCO Capital Fund, ABAMCO Stock Market Fund and ABAMCO Growth Fund into a new Fund titled as UTP-Growth Fund (now JS Growth Fund), under a scheme of arrangement for amalgamation ("the scheme") The scheme was also approved by the certificate holders of respective amalgamating funds in their separate extra ordinary general meetings held on 2 February 2006 and by the Securities and Exchange Commission of Pakistan vide letter dated 5 April 2006. The amalgamation, as per the above referred "scheme", was effective as of 31 December 2005.
- 1.4 ABAMCO Capital Fund, a closed end scheme was formed as a result of the merger of 1st, 3rd, 8th, 11th, 12th, 15th, 19th and 20th ICP Mutual Funds. ABAMCO Stock Market Fund, also a closed end scheme, was formed as a result of the merger of 21st, 23rd and 25th ICP Mutual Funds. ABAMCO Growth Fund (a closed end fund) was formerly the 4th ICP Mutual Fund. The management rights of the above three funds were transferred from Investment Corporation of Pakistan to JS Investments Limited under a Management Right Transfer Agreement executed on 11 October 2002 between JS Investments Limited and the Privatization Commission of the Government of Pakistan.
- 1.5 The registered office of JS Investments Limited is situated at 7th floor, The Forum, G-20 Khayaban-e-Jami, Block-9, Clifton Karachi, Pakistan.
- 1.6 Title to the assets of the Fund are held in the name of MCB Financial Services Limited as a trustee of the Fund.

2. BASIS OF PREPARATION

These condensed interim financial statements are un-audited and have been prepared in accordance with the requirements of the International Accounting Standards 34, "Interim Financial Reporting" as applicable in Pakistan and NBFC Rules and Non-Banking Finance Companies and Notified Entities Regulation 2008 and Trust Deed and in compliance with the Listing Regulations of all Stock Exchanges of Pakistan.

3. SIGNIFICANT ACCOUNTING POLICIES

The accounting policies adopted in preparation of these condensed interim financial statements are consistent with those followed in preparation of the Fund annual accounts for the year ended June 30, 2010.

JS Growth Fund

| | | September 30, 2010Rupees..... (Unaudited) | June 30, 2010 (Audited) |
|---|-----|--|-------------------------------|
| 4. INVESTMENTS | | | |
| At fair value through Profit and Loss - Held for trading | | | |
| Listed equity securities (ordinary shares) | 4.1 | 1,353,640,921 | 1,288,836,691 |
| Listed preference shares | 4.2 | - | - |
| Available-for-sale | | | |
| Listed equity securities | 4.3 | 915,052,207 | 886,105,636 |
| Listed debt securities | 4.4 | 13,312,800 | 13,312,800 |
| | | <u>2,282,005,928</u> | <u>2,188,255,126</u> |



JS Growth Fund

4.1 Held for trading (listed equity securities)

Sectors / companies

(Ordinary shares have a face value of Rs 10 each unless stated otherwise)

| | Holding at beginning of the period (1 July 2010) | Acquired during the period | Bonus/Right shares received during the period | Disposed during the period | Holding at the end of the period 30 September 2010 | Market value / Carrying value at 30 September 2010 | % of Net Assets | Investment as % of issued capital |
|---|--|----------------------------|---|----------------------------|--|--|-----------------|-----------------------------------|
| | Number of shares | | | | | Rupees | | |
| Oil and Gas | | | | | | | | |
| Mari Gas Company Limited | 230,000 | - | - | 30,000 | 200,000 | 21,708,000 | 0.74 | 0.27 |
| Oil and Gas Development Company Limited | - | 50,000 | - | 50,000 | - | - | - | - |
| Pakistan Petroleum Limited | 923,000 | 1,265,790 | 210,324 | 937,077 | 1,462,037 | 252,069,799 | 8.60 | 0.15 |
| Pakistan Oilfields Limited | 615,610 | 950,879 | - | 605,898 | 960,591 | 227,784,944 | 7.77 | 0.41 |
| Shell Pakistan Limited | 51,000 | - | - | - | 51,000 | 9,814,950 | 0.34 | 0.07 |
| | | | | | | 511,377,693 | 17.45 | |
| Chemicals | | | | | | | | |
| Descon Oxychem Limited | 212,076 | - | - | - | 212,076 | 941,617 | 0.03 | 0.21 |
| Engro Corporation Limited | - | 376,161 | - | 376,161 | - | - | - | - |
| Engro Polymer and Chemicals Limited | 2,201,783 | - | - | - | 2,201,783 | 28,689,233 | 0.98 | 0.42 |
| Fauji Fertilizer Company Limited | 293,000 | 959,993 | - | 348,000 | 904,993 | 94,879,466 | 3.24 | 0.13 |
| I.C.I. Pakistan Limited | 137,231 | 564,494 | - | 701,725 | - | - | - | - |
| | | | | | | 124,510,316 | 4.25 | |
| Construction and Materials | | | | | | | | |
| Lucky Cement Limited | 805,000 | 725,971 | - | 1,530,971 | - | - | - | - |
| General Industrials | | | | | | | | |
| Packages Limited | 1,108,696 | - | - | - | 1,108,696 | 111,978,296 | 3.82 | 1.31 |
| Industrial Transportation | | | | | | | | |
| Pakistan International Container Terminal Limited (related party) | 1,560,019 | 17,605 | - | - | 1,577,624 | 104,328,275 | 3.56 | 1.45 |
| Food Producers | | | | | | | | |
| Rafhan Maize Products Limited | 98 | 587 | - | - | 685 | 890,500 | 0.03 | 0.01 |
| Shahtaj Sugar Mills Limited | 647,886 | - | - | - | 647,886 | 32,206,413 | 1.10 | 5.39 |
| | | | | | | 33,096,913 | 1.13 | |
| Personnel Goods | | | | | | | | |
| Nishat Mills Limited | 1,419,565 | 1,986,253 | - | 1,554,001 | 1,851,817 | 85,183,582 | 2.91 | 0.76 |
| Pharma and Bio Tech | | | | | | | | |
| GlaxoSmithKline Pakistan Limited | 606,947 | - | - | - | 606,947 | 40,908,228 | 1.40 | 0.36 |
| Wyeth Pakistan Limited | 36,620 | - | - | - | 36,620 | 34,493,110 | 1.18 | 0.26 |
| | | | | | | 75,401,338 | 2.58 | |

JS Growth Fund

Sectors / companies

(Ordinary shares have a face value of Rs 10 each unless stated otherwise)

| | Holding at beginning of the period (1 July 2010) | Acquired during the period | Bonus/Right shares received during the period | Disposed during the period | Holding at the end of the period 30 September 2010 | Market value / Carrying value at 30 September 2010 | % of Net Assets | Investment as % of issued capital |
|---|--|----------------------------|---|----------------------------|--|--|-----------------|-----------------------------------|
| -----Number of shares----- | | | | | | | | |
| Media | | | | | | | | |
| Eye Television Network Limited (related party) | 2,007,035 | - | - | - | 2,007,035 | 40,762,882 | 1.39 | 4.01 |
| Fixed Line Telecommunication | | | | | | | | |
| Pakistan Telecommunication Limited | 9,077,804 | 2,763,029 | - | 3,977,804 | 7,863,029 | 147,824,945 | 5.05 | 0.21 |
| Electricity | | | | | | | | |
| The Hub Power Company Limited | 2,000,000 | 948,938 | - | 2,948,938 | - | - | - | - |
| Banks | | | | | | | | |
| United Bank Limited | - | 1,819,254 | - | 1,382,742 | 436,512 | 22,441,082 | 0.77 | 0.04 |
| Bank Islami Pakistan Limited (related party) | 7,285,517 | 72,737 | - | - | 7,358,254 | 24,429,403 | 0.83 | 1.39 |
| Bank Alfalah Limited | 4,397,215 | - | - | 935,000 | 3,462,215 | 28,390,163 | 0.97 | 0.26 |
| MCB Bank Limited | - | 371,886 | - | 371,886 | - | - | - | 0.00 |
| | | | | | | 75,260,648 | 2.57 | |
| Non Life Insurance | | | | | | | | |
| ICI Insurance Limited | 319,936 | - | - | - | 319,936 | 22,955,408 | 0.78 | 0.53 |
| Life Insurance | | | | | | | | |
| EFU Life Assurance Limited (related Party) | 258,081 | - | - | - | 258,081 | 15,221,617 | 0.52 | 0.30 |
| Financial Services | | | | | | | | |
| Orix Leasing Pakistan Limited | 1,120,900 | - | - | - | 1,120,900 | 5,739,008 | 0.20 | 1.37 |
| | | | | | | <u>1,353,640,921</u> | <u>46.21</u> | |
| Cost of held for trading investments (listed equity securities) as at 30 September 2010 | | | | | | <u>1,572,551,374</u> | | |



JS Growth Fund

Sectors / companies

(Ordinary shares have a face value of Rs 10 each unless stated otherwise)

| | Holding at beginning of the period (1 July 2010) | Acquired during the period | Bonus/Right shares received during the period | Disposed during the period | Holding at the end of the period 30 September 2010 | Market value / Carrying value at 30 September 2010 | % of Net Assets | Investment as % of issued capital |
|--|--|----------------------------|---|----------------------------|--|--|-----------------|-----------------------------------|
| | Number of shares | | | | | (Rupees) | | |
| 4.2 Held for trading (listed preference shares) | | | | | | | | |
| Personel Goods | | | | | | | | |
| Azgard Nine Limited (related party) | 5,030,000 | - | - | - | 5,030,000 | 42,649,553 | - | - |
| Less: Provision against preference shares of Azgard Nine Limited (no rates are available being non-traded) | | | | | | (42,649,553) | | |
| | | | | | | - | | |
| Cost of held for trading investments (listed preference shares) as at 30 September 2010 | | | | | | 42,649,553 | | |
| 4.3 Available-for-sale (listed equity securities) | | | | | | | | |
| Oil and Gas | | | | | | | | |
| Pakistan State Oil Company Limited | 3,405,479 | - | - | - | 3,405,479 | 915,052,207 | 31.23 | 1.99 |
| Cost of available-for-sale investments (listed equity securities) as at 30 September 2010 | | | | | | 727,580,588 | | |
| 4.4 Available-for-sale (listed debt securities) | | | | | | | | |
| Term Finance Certificates (face value of Rs 5,000/- each) | | | | | | | | |
| Personnel Goods | | | | | | | | |
| Azgard Nine Limited (related party) | 10,000 | - | - | - | 10,000 | 34,860,837 | | |
| Less: Provision held | | | | | | (21,548,037) | | |
| | | | | | | 13,312,800 | 0.45 | |
| Cost of available-for-sale investments (listed debt securities) as at 30 September 2010 | | | | | | 28,537,776 | | |

JS Growth Fund

| | September 30, 2010 | June 30, 2010 | |
|--|---------------------------|---------------------------|---------------------------------------|
| | Rupees..... | | |
| | (Unaudited) | (Audited) | |
| 5. ADVANCES, PREPAYMENTS AND OTHER RECEIVABLES | | | |
| Receivable against sale of marketable securities | 18,820,685 | - | |
| Advance tax | 7,206,598 | 7,206,598 | |
| Tax refundable | 4,691,248 | 4,691,248 | |
| Mark-up receivable on | | | |
| - Bank deposits | 18,016 | 837,961 | |
| Prepaid expenses | 356,607 | - | |
| | <u>31,093,154</u> | <u>12,735,807</u> | |
| 6. BALANCE PAYABLE TO THE MANAGEMENT COMPANY | | | |
| Remuneration payable | 4,797,145 | 643,877 | |
| Amount payable in respect of the incorporation of the Fund | 324,000 | 324,000 | |
| | <u>5,121,145</u> | <u>967,877</u> | |
| 7. CREDITORS, ACCRUED AND OTHER LIABILITIES | | | |
| Payable against purchase of marketable securities | 37,195,508 | 1,224,652 | |
| Settlement charges payable to Central Depository Company of Pakistan Limited | 30,000 | 46,152 | |
| Accrued expenses | 1,355,574 | 973,000 | |
| Unclaimed dividend | 46,690,053 | 43,876,487 | |
| Withholding tax payable | 11,625 | - | |
| Payable to worker's welfare fund | - | 480,642 | |
| | <u>85,282,760</u> | <u>46,600,933</u> | |
| 8. ISSUED, SUBSCRIBED AND PAID-UP CERTIFICATE CAPITAL | | | |
| | September 30, 2010 | June 30, 2010 | |
| | Numbers..... | | |
| | September 30, 2010 | June 30, 2010 | |
| | Rupees..... | | |
| 318,004,463 | 318,004,463 | 318,004,463 | Certificae of Rs.10/- each |
| (5,500,000) | (5,500,000) | (23,089,917) | Certificates repurchased |
| | <u>312,504,463</u> | <u>3,156,954,713</u> | |
| | <u>312,504,463</u> | <u>3,156,954,713</u> | |
| Certificate repurchased during the month of : | Number of certificates | Average Price (Rupees) | Total repurchase price (Rupees) |
| July, 2009 | 2,733,485 | 4.10 | 11,194,725 |
| August, 2009 | 1,711,522 | 4.18 | 7,147,783 |
| September, 2009 | 1,054,993 | 4.50 | 4,747,409 |
| | <u>5,500,000</u> | <u>4.20</u> | <u>23,089,917</u> |
| | | | 55,000,000 |
| | | | (31,910,083) |
| | | | <u>23,089,917</u> |



JS Growth Fund

9 REVERSAL OF CONTRIBUTION TO WORKERS 'S WELFARE FUND

The Finance Act, 2008 brought an amendment in section 2 (f) of the Workers' Welfare Fund Ordinance, 1971 (the WWF Ordinance) with the intention to make the definition of "Industrial Establishment" applicable to any establishment to which the West Pakistan Shop and Establishment Ordinance, 1969 (1969 Ordinance) applies. As a result of this amendment, the Fund had made provision of Rs.0.481 million for Worker's Welfare Fund being two percent of income of the Fund in the financial statements for the year ended June 30, 2010.

However, the above provision was reversed and further provisioning was discontinued with effect from August 24, 2010 on the basis of a clarification issued by the Ministry of Labour and Manpower that the income of Mutual Funds is exempt from the levy of WWF under the law.

September 30, 2010 September 30, 2009

10. INCOME PER CERTIFICATE - basic and diluted

| | | | |
|---|----------|--------------------|--------------------|
| Net income for the period | (Rupees) | <u>5,312,569</u> | <u>413,267,004</u> |
| Weighted average certificates outstanding during the period | (Number) | <u>312,504,463</u> | <u>314,952,302</u> |
| Earning per certificate - basic and diluted | (Rupees) | <u>0.02</u> | <u>1.31</u> |

11. TRANSACTIONS WITH CONNECTED PERSONS / RELATED PARTIES

Transactions with related parties are carried out in the normal course of business, at contracted rates and terms determined in accordance with market rates.

11.1 Certificates of the Fund held by related parties are as follows :

| | September 30, 2010 | June 30, 2010 | September 30, 2010 | June 30, 2010 |
|--|-----------------------|-------------------|-----------------------|--------------------|
| | Numbers..... | | Rupees..... | |
| JS Investments Limited | <u>36,086,812</u> | <u>36,086,812</u> | <u>360,868,120</u> | <u>360,868,120</u> |
| JS - Staff Provident Fund | <u>179,614</u> | <u>179,614</u> | <u>1,796,140</u> | <u>1,796,140</u> |
| Jahangir Siddqui & Sons Limited | <u>25,257,805</u> | <u>25,257,805</u> | <u>252,578,050</u> | <u>252,578,050</u> |
| Mahvash and Jahangir Siddiqui Foundation | <u>5,000,000</u> | <u>5,000,000</u> | <u>50,000,000</u> | <u>50,000,000</u> |
| JS Fund of Funds | <u>20,540,227</u> | <u>20,486,467</u> | <u>205,402,270</u> | <u>204,864,670</u> |
| EFU Life Assurance Limited | <u>103,285</u> | <u>103,285</u> | <u>1,032,850</u> | <u>1,032,850</u> |
| Key Management Personnel | <u>1,659</u> | <u>1,659</u> | <u>16,590</u> | <u>16,590</u> |

11.2 Details of other balances with related parties / connected persons are as follows:

| | September 30, 2010 | June 30, 2010 |
|--|-----------------------|-------------------|
| |Rupees..... | |
| | (Unaudited) | (Audited) |
| JS Investments Limited (Management Company) | | |
| - Remuneration payable | <u>4,797,145</u> | <u>648,000</u> |
| - Formation cost payable | <u>324,000</u> | <u>324,000</u> |
| JS Bank Limited | | |
| - Bank balance | <u>40,667,550</u> | <u>37,108,853</u> |
| - Profit Receivable | <u>-</u> | <u>45,576</u> |
| MCB Financial Services Limited (Trustee) | | |
| - Remuneration payable | <u>215,175</u> | <u>216,326</u> |

JS Growth Fund

September 30, September 30,
2010 2009
.....Rupees.....

11.3 Details of transactions with related parties during the period are as follows:

| | | |
|--|-------------------|-------------------|
| JS Investments Limited (Management Company) | | |
| - Remuneration for the period | <u>14,881,499</u> | <u>16,936,827</u> |
| - Formation cost for the period | <u>81,000</u> | <u>80,129</u> |
| MCB Financial Services Limited (Trustee) | | |
| - Remuneration for the period | <u>665,785</u> | <u>727,447</u> |
| JS Global Capital Limited | | |
| - Brokerage fee | <u>507,784</u> | <u>155,347</u> |
| JS Bank Limited | | |
| - Interest income | <u>1,444,663</u> | <u>10,302,094</u> |
| Pakistan International Container Terminal | | |
| - Dividend income | <u>-</u> | <u>1,933,074</u> |
| Eye Television Net Work Limited | | |
| - Dividend income | <u>-</u> | <u>17,749</u> |

12. The figures have been rounded off to the nearest rupee.
13. Corresponding figures have been re-arranged wherever necessary.
14. These condensed interim financial statements were authorized for issue on October 22, 2010 by the Board of the Management Company.

For JS Investments Limited
(Management Company)

Rashid Mansur
Chief Executive Officer

Munawar Alam Siddiqui
Chairman

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