

Gaining Strength

Annual Report 2007




ASIAN
STOCKS FUND LIMITED

Managed by Asian Capital Management Limited



Our **Vision**

A sunset over a body of water, with the sun low on the horizon and its reflection visible. The sky is filled with orange and yellow clouds. A thin vertical line runs through the center of the image, creating a frame effect.

Our Vision is to be renowned as a trusted name in fund management and to be an active participant in the growth and development of the asset management sector.

Our **Mission**



Our Mission is to continuously pursue wealth optimization of all our stakeholders by developing and maintaining a sound system based control environment, retaining talent and ensuring compliance with all regulatory and governance requirements to facilitate the achievement of superior investment results.

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Company **Information**

- **Board of Directors**
- **Board Sub Committees**
- **General Information**

Board of Directors

Mr. Latif Khawar

Mr. Asif Haider Mirza

Ms. Tehmeena Khan

Mr. Muhammad Naeem Baig

Mr. Muhammad Younus Choudhary

Mr. Muhammad Arshad

Mr. Intisar Usmani

Chairman

Chief Executive Officer



From left to right

Ms. Tehmeena Khan, Mr. Latif Khawar, Mr. Asif Haider Mirza, Mr. Muhammad Younus Choudhary, Mr. Muhammad Arshad, Mr. Muhammad Naeem Baig & Mr. Intisar Usmani.

Board Sub Committees

The Audit Committee

The terms of reference for the Audit Committee has been adopted from the Code of Corporate Governance:

| | |
|-------------------------|----------|
| Mr. Muhammad Naeem Baig | Chairman |
| Mr. Latif Khawar | Member |
| Ms. Tehmeena Khan | Member |

The Investment Committee

The Investment Committee's mandate is to review the market conditions and the asset allocation of the Fund to identify opportunities and decisions which need to be made to safeguard and strengthen the portfolio:

| | |
|-----------------------|----------|
| Mr. Latif Khawar | Chairman |
| Mr. Asif Haider Mirza | Member |
| Mr. Asif Iqbal | Member |

(Representative of Investment Advisor)

The Management Committee

The Management Committee's mandate is to:

- Monitor the overall planning and development of the Company to ensure that the Company is moving in the direction defined in the vision and mission statements.
- Monitor the progress on system development and technological initiatives.
- Review the HR policies of the Company to ensure that it is line with market practice and to review staff performance.

| | |
|-------------------------|----------|
| Mr. Asif Haider Mirza | Chairman |
| Mr. Latif Khawar | Member |
| Mr. Muhammad Naeem Baig | Member |

General Information

Name of Company

Asian Stocks Fund Limited

Legal Status

Public limited Company incorporated in Pakistan on June 13, 1994 under the Companies Ordinance, 1984. The ordinary shares of the Company are listed with all the stock exchanges of Pakistan, namely Karachi, Lahore & Islamabad Stock Exchange.

□ □ □ □

Registered Office

Crescent Standard Tower, 10-B, Block E-2, Gulberg III, Lahore.

□ □ □ □

Website

www.safewayfund.com

Company Registration No.

K - 05404

□ □ □ □

National Tax Number (NTN)

0709734

□ □ □ □

Investment Advisor

Asian Capital Management Limited

□ □ □ □

Custodian

Central Depository Company of Pakistan Limited

Internal Auditors

Tahir Consulting (Pvt) Ltd. □ □ □ □

Statutory Auditors

A.F. Ferguson & Co. Chartered Accountants

Chief Financial Officer / Company Secretary

Mr. Fasi Ullah Khan, Email: ullah.fasi@gmail.com □ □

□ □ □ □ □ □

Share Registrar

Crescent Standard Business Management (Pvt.) Limited
Crescent Standard Tower, 10-B, Block E-2, Gulberg III, Lahore. □

□ □ □ □ □ □

Bankers

Bank Alfalah Limited □ □ □ □

Standard Chartered Bank (Pakistan) Limited □ □

□ □ □ □

Legal Advisors

Saleem & Baig Advocates □ □ □ □

□ □ □ □ □ □

Credit Rating Agency

JCR - VIS Credit Rating Company □ □ □ □

□ □ □ □ □ □

Contact Us

Karachi Office (until August 2007) □ □

5th Floor, Nacon House,

Maulana Deen Mohammad Wafai Road,

Karachi-74200, Pakistan. □ □

Ph: 021-5687271 □ Fax: 021-5689141 □ □ □

Email: info@safewayfund.com □ □ □ □

Karachi Office (from September 2007) □ □

9th Floor, Lakson Square Building Number 1 □

Maulana Deen Mohammad Wafai Road,

Karachi-74200, Pakistan.

Ph: 021-2013500

Email: info@safewayfund.com

Shareholders' Information

- **Notice to Shareholders**
of the 13th Annual General Meeting
- **Shareholders' Diary
and Record**
- **Pattern of Shareholding**



Notice to Shareholders of the 13th Annual General Meeting

Notice is hereby given that the 13th Annual General Meeting of Asian Stocks Fund Limited, a closed end mutual fund incorporated under the laws of Pakistan and having its registered office at Crescent Standard Tower, 10-B, Block E-2, Gulberg III, Lahore will be held at 11:30 a.m. on August 31, 2007 at 6th Floor, Crescent Standard Tower, 10-B, Block E-2, Gulberg III, Lahore to transact the following business:

Ordinary Business

To confirm the minutes of the 12th Annual General Meeting held on October 31, 2006.

To receive, consider and adopt the Audited Accounts together with the Directors' and Auditors' reports thereon for the year ended June 30, 2007.

To consider and approve a final cash dividend of 5% equal to Rs. 0.50 per share for the year ended June 30, 2007 as recommended by the Board of Directors.

To appoint auditors and fix their remuneration.

Special Business

To consider and if deemed appropriate, approve with or without modifications the amendments in clauses 86, 87 and 88 of Articles of Association of the Company relating to Remuneration of Directors, Directors not bonafide resident of Karachi may receive extra Compensation for Traveling Expenses and Special Remuneration of Directors, respectively.

A statement under Section 160 (1) (b) of the Companies Ordinance, 1984 and drafts of the resolutions proposed to be considered by the shareholders at the Annual General Meeting of the Company as required by Section 164 (1) of the Companies Ordinance, 1984 are enclosed.

Registered Office:
Crescent Standard Tower, 10-B, Block E-2,
Gulberg III, Lahore.

By Order of the Board

Company Secretary

NOTES:

- (i) All members are entitled to attend and vote at the Meeting.
- (ii) A member entitled to attend and vote at this meeting may appoint another member as his/her proxy to attend and vote.
- (iii) The instrument of proxy and the power of attorney or other commission (if any) under which it is signed, or a notarially certified copy of that power of attorney or authority must be deposited at the Registered Office of the Company not less than 48 hours before the time for holding the Meeting.
- (iv) Members are advised to bring their National Identity Cards along with CDC Participant ID and account number at the meeting venue.
- (v) If any proxies are granted by any such shareholders, the same must be accompanied with attested copies of the National Identify Cards of the grantors and the signatures on the proxy form should be the same as that appearing on the National Identity Cards.
- (vi) The Share transfer books of the Company will remain closed from August 24, 2007 to August 31, 2007 (both days inclusive). Physical transfers and CDC Transaction IDs received in order at the Registered Office of the Company up to the close of business on August 23, 2007 will be considered as on time for the determination of entitlement of shareholders to attend and vote at the meeting.
- (vii) Members are required to immediately notify regarding any changes in their registered address.



Explanatory Statement Required under Section 160 (1) (B) of the Companies Ordinance, 1984 in Respect of the Special Business and Draft Resolutions

Material facts concerning the special business to be transacted at the Annual General Meeting and the proposed resolutions related thereto are given below:

Amendments in Articles of Association

The Board of Directors, at their recent meeting, considered that clauses 86, 87 and 88 of Articles of Association of the Company relating to Remuneration of Directors, Directors not bonafide resident of Karachi may receive extra Compensation for Traveling Expenses and Special Remuneration of Directors, need reconsideration for appropriate amendments to make these in line with other Listed Companies of the financial sector, to use the services of professionals in the best interest of the Company and make their practical implementation timely and easier.

The Board, therefore, resolved unanimously to approve, and place before the shareholders at their general meeting for approval by special resolution, the proposed amendments to the Articles of Association of the Company.

A comparative statement showing proposed amendments to the Articles of Association of the Company along with the draft resolutions to be considered and resolved (with or without modifications) are given below:

Clause 86 - Existing clause:

The remuneration of a Director for his services shall be such sum as may be fixed by the Directors not exceeding Rs. 500/- for each meeting attended by him.

The amended clause 86 is to be read as follows:

The remuneration of a Director for his services shall be such sum as may be fixed by the Board of Directors for each meeting attended by him.

Clause 87 - Existing clause:

The Directors may allow to pay to any Director who is not resident of Karachi and who come to Karachi for the purpose of attending a meeting such sums as the Directors may consider fair compensation for traveling expenses, in addition to his fee for attending such meeting as above specified.

The amended clause 87 is to be read as follows:

The Directors may pay to any Director who comes to the place of meeting from any other location for the purpose of attending a meeting such sums as the Directors may consider fair compensation for traveling/boarding/lodging expenses, in addition to his fee for attending such meeting as above specified.

Clause 88 - Existing clause:

If any Director, being willing shall be called upon to perform extra services or to make any special exertion for any of the purposes of the Company, the Company may remunerate the Director so doing by the Company at General Meeting provided that the extra remuneration shall be subject to such conditions as the Controller of Capital Issue may impose from time to time and such remuneration may be either in addition to or in substitution for his remuneration as above provided for the Directors.

The amended clause 88 is to be read as follows:

If any Director, being willing shall be called upon to perform extra services or to make any special exertion for any of the purposes of the Company, the Company may remunerate the Director so doing as the Directors of the Company may consider appropriate provided that the extra remuneration shall be subject to such conditions as the Controller of Capital Issue may impose from time to time and such remuneration may be either in addition to or in substitution for his remuneration as above provided for the Directors.



Draft of Proposed Resolutions

RESOLVED THAT the amendments in the Articles of Association of the Company as recommended by the Directors, duly initialed by the Chairman for identification purposes, and as sent to the members along with the notice and as tabled before the 13th Annual General Meeting be and are hereby authorized.

RESOLVED FURTHER THAT the Chief Executive and Company Secretary be and are hereby singly/jointly authorized to:

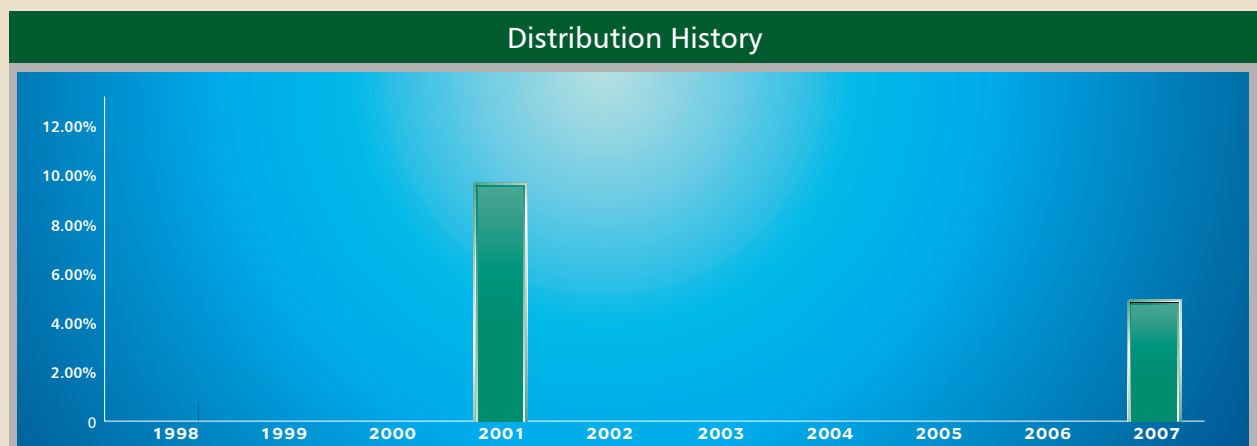
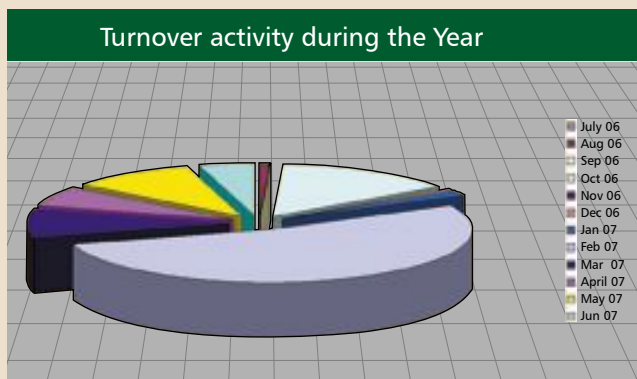
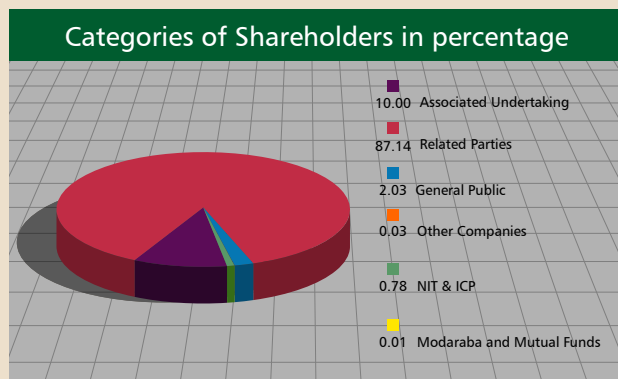
- (a) take all steps and do all acts, things and deeds necessary or expedient for the purpose of giving effect to the intent of the above resolutions;
- (b) execute and deliver applications, petitions, forms, affidavits, affirmations and other documents as may be required for the purpose of giving effect to the intent of the above resolutions.

None of the Directors have any interest in this special business other than to the extent as mentioned above.



Shareholders' Diary and Record

| | |
|------------------------|--|
| July 1, 2007 | Commencement of Financial Year 2008 |
| July 27, 2007 | Approval of 2007 Financial Statements by the Board of Directors |
| August 10, 2007 | Publication of Notice of 13th Annual General Meeting in Newspapers and distribution of Annual Report |
| August 24, 2007 | Start of Book Closure |
| August 31, 2007 | Close of Book Closure & 13th Annual General Meeting |
| September, 2007 | Dispatch of Dividend Warrant to Shareholders |
| September, 2007 | Shift of Head office to a new Premises |
| October, 2007 | Dispatch of 2008 First Quarter Financial Statements |
| February, 2008 | Dispatch of 2008 Half Year Interim Financial Statements |
| April, 2008 | Dispatch of 2008 Third Quarter Financial Statements |
| June 30, 2008 | End of Financial Year 2008 |





Pattern of Shareholding

Form - 34

Pattern of Holding of the Shares held by the Shareholders as at June 30, 2007

| No. of Shareholders | Shareholding | | Total Shares held |
|---------------------|--------------|------------|--------------------|
| | From | To | |
| 79 | 1 | 100 | 7,355 |
| 579 | 101 | 500 | 287,950 |
| 65 | 501 | 1,000 | 64,700 |
| 52 | 1,001 | 5,000 | 137,800 |
| 7 | 5,001 | 10,000 | 58,500 |
| 5 | 10,001 | 15,000 | 63,000 |
| 2 | 15,001 | 20,000 | 39,500 |
| 2 | 20,001 | 25,000 | 46,000 |
| 2 | 45,001 | 50,000 | 100,000 |
| 1 | 585,001 | 590,000 | 585,923 |
| 1 | 695,001 | 700,000 | 700,000 |
| 1 | 1,080,001 | 1,085,000 | 1,081,000 |
| 1 | 6,430,001 | 6,435,000 | 6,435,000 |
| 1 | 8,995,001 | 9,000,000 | 9,000,000 |
| 1 | 18,715,001 | 18,720,000 | 18,716,500 |
| 1 | 25,865,001 | 25,870,000 | 25,867,834 |
| 1 | 26,805,001 | 26,810,000 | 26,808,938 |
| 801 | | | 900,000,000 |



Categories of Shareholders

| Categories of Shareholders | Shares Held | % age |
|---|-------------------|---------------|
| Directors, Chief Executive Officer and their spouses | - | - |
| Associated Companies, Undertakings & Related Parties | | |
| Associated Company | | |
| Asian Capital Management (Pvt) Limited | 9,000,000 | 10.00 |
| Related Parties | | |
| Crescent Commercial Bank Limited | 26,808,938 | 29.79 |
| Crescent Leasing Corporation Limited | 585,923 | 0.65 |
| Crescent Standard Investment Bank Limited (now Innovative Housing Finance Limited) | 25,879,834 | 28.76 |
| Crescent Steel And Allied Products Limited | 6,435,000 | 7.15 |
| Shakarganj Mills Limited | 18,716,500 | 20.80 |
| | 87,426,195 | 97.14 |
| NIT & ICP | | |
| Investment Corporation of Pakistan | 3,500 | 0.00 |
| National Bank of Pakistan, Trustee Dept. (CDC) | 700,000 | 0.78 |
| | 703,500 | 0.78 |
| Banks, DFI's, NBFIs | - | - |
| Modaraba and Mutual Funds | | |
| Modaraba and Mutual Funds | 100 | 0.00 |
| Modaraba and Mutual Funds (CDC) | 13,000 | 0.01 |
| | 13,100 | 0.01 |
| Other Companies | | |
| Other Companies | 1,000 | 0.00 |
| Other Companies (CDC) | 28,600 | 0.03 |
| | 29,600 | 0.03 |
| General Public | | |
| Local | 487,100 | 0.54 |
| Local (CDC) | 1,340,505 | 1.49 |
| | 1,827,605 | 2.03 |
| | 90,000,000 | 100.00 |
| Shareholders Holding More Than 10.00% | | |
| Asian Capital Management (Pvt) Limited | 9,000,000 | 10.00 |
| Crescent Commercial Bank Limited | 26,808,938 | 29.79 |
| Crescent Standard Investment Bank Limited (now Innovative Housing Finance Limited) | 25,879,834 | 28.76 |
| Shakarganj Mills Limited | 18,716,500 | 20.80 |

Statements

- **Strategic Objectives, Core Values, Code of Ethics and Business Practices**
- **Statement of Compliance**
with the Code of Corporate Governance
- **Statement of Value Added**



Strategic Objectives, Core Values, Code of Ethics and Business Practices

Strategic Objective

The investment objective of the Fund is to provide its shareholders a vehicle for long-term capital appreciation. The Fund seeks to achieve this objective through investment primarily in high quality equity issues and by diversifying across sectors poised to gain the most from the prevalent macro-economic trends. At the same time the Company promotes measures to stabilize revenues by investing an allowable portion of its assets in other non-equity securities including listed fixed income securities and hybrid equity issues. The relevant asset allocation percentage is determined after considering market conditions and corroborating the basis for investment decisions through third parties and external research sources.

Core Values

- 1) To become the Fund of choice by delivering consistently superior investment performance.
- 2) To expand our horizon to offer a wide range of financial services to our stakeholders through our Investment Advisor.
- 3) To recruit, develop and retain top-quality human resources through our Investment Advisor to be better able to create value for our stakeholders.
- 4) To promote transparency in all aspects of operations and uphold the highest standards of ethical and professional values at all times.
- 5) To achieve operational excellence by benchmarking our activities against Best Industry Practices and developing efficient and effective support systems.
- 6) To create value for all our stakeholders and to contribute towards the economic and social development of Pakistan by facilitating the distribution of wealth to a wide segment of society.

Code of Ethics and Business Practices

Asian Stocks Fund Limited conducts its business in a responsible manner and with honesty and integrity. We believe in operating at all times within the ambit of the regulatory framework and Best Industry Practices and we expect all our business partners to uphold these concepts in a transparent manner.

As the Company does not operate in isolation with its environment, it defines the stakeholders and its responsibilities towards them as follows:-

Shareholders

To protect shareholders investment and provide an acceptable return.

Customers

To win and maintain clients by developing and providing products and services which offer value in terms of pricing, services, etc.

Employees

To respect the human rights of its employees with good and safe conditions of work and competitive terms of services.

**Business Partners**

To seek mutually beneficially relationships with contractors and suppliers of goods and services.

Society

To conduct business as a responsible member of the society, to observe laws, express support for basic human rights and proper regard to health, safety and environment.

Integrity

Asian Stocks Fund Limited does not use bribes as an instrument of business for financial gain and employees are not authorized to give or receive any gift or payment which may be construed as such. Employees are required to avoid personal activities or financial interests which conflict with their responsibility to the Company. All transactions must comply with the prevailing laws and must fairly and accurately reflected in the financial statements.

Risk Management

The Fund has a fiduciary responsibility to its shareholders to ensure that they receive a reasonable rate of return and to ensure that their investment in the Fund remains intact.

Effective risk management can only be achieved through the combination of an effective MIS, a strong and documented control environment and utilizing the services of competent and honest individuals.

The Fund is committed to implementing these parameters to ensure the continued safeguarding of the investment of all stakeholders. The risk management policies of the Fund cover the following areas which are more fully disclosed in the Investment Advisor's Report on Fund Performance:

- □ Market Risk
- □ Liquidity Risk
- □ Interest Rate Risk
- □ Market Rate of Return Risk
- □ Credit Risk



Statement of Compliance with the Code of Corporate Governance

This statement is being presented to comply with the Code of Corporate Governance contained in listing regulations - (regulation # 37) of Karachi Stock Exchange, (Chapter XII) of Lahore Stock Exchange and (Chapter XI) of Islamabad Stock Exchange for the purpose of establishing a framework of good corporate governance, whereby a listed company is managed in compliance with the best corporate governance.

The Company has applied the principles contained in the Code in the following manner:

- 1) The Company encourages representation of independent non-executive directors on its Board. At present the Board includes four non-executive and three executive directors including the Chairman of the Board.
- 2) The Directors have confirmed that none of them is serving as a director in more than ten listed companies, including this Company.
- 3) All the resident Directors of the Company are registered as taxpayers and none of them has been convicted by a court of competent jurisdiction as a defaulter in payment of loan to a banking company, a DFI or an NBFC. No one is a member of the Stock Exchange.
- 4) The casual vacancies which occurred in the Board of Directors were duly filled in by the Directors.
- 5) The Company has prepared a 'Statement of Ethics and Business Practices', which has been signed by all the Directors and employees of the Company.
- 6) The Board has adopted a vision/mission statement. The most significant policy of the Company is defined in Memorandum and Articles of Association. A complete record of particulars of above specified policies along with the dates on which they were approved or amended has been maintained.
- 7) All the powers of the Board have been duly exercised and decisions on material transactions, including appointment and determination of remuneration and terms and conditions of employment of the CEO, have been taken by the Board.
- 8) The meetings of the Board were presided over by a Chairman and the Board met at least once in every quarter. Written notices of the Board meetings, along with agenda and working papers, were circulated at least seven days before the meetings. The minutes of the meetings were appropriately recorded and circulated.
- 9) The Directors were apprised regarding significant matters relating to the Code of Corporate Governance through locally and internationally published material on corporate governance.
- 10) The Board has approved appointment of Company Secretary/Chief Financial Officer along with the terms and conditions of the employment, as determined by the CEO.
- 11) The Directors' Report for this year has been prepared in compliance with the requirements of the Code and fully describes the salient matters required to be disclosed.



- 12) The financial statements of the Company were duly endorsed by the Chief Executive Officer and Chief Financial Officer before approval of the Board.
- 13) The Directors and executives do not hold any interest in the shares of the Company.
- 14) The Company has complied with all the corporate and financial reporting requirements of the Code.
- 15) The Board has formed an Audit Committee comprising of three members.
- 16) The meetings of the Audit Committee were held at least once every quarter prior to approval of the interim and final results of the Company and as required by the Code. The Board has adopted the standard terms of the reference as disclosed in the Code of Corporate Governance.
- 17) The Board has setup an effective internal audit function by outsourcing it to a professional firm.
- 18) The statutory auditors of the Company have confirmed that they have been given a satisfactory rating under the quality control review program of the Institute of Chartered Accountants of Pakistan that they or any of the partners of the firm, their spouses and minor children do not hold share of the company and that the firm and all its partners are in compliance with International Federation of Accountants (IFAC) guidelines on Code of Ethics as adopted by Institute of Chartered Accountants of Pakistan.
- 19) The statutory auditors or the persons associated with them have not been appointed to provide other services except in accordance with the listing regulation and the auditors have confirmed that they have observed IFAC guidelines in this regard.
- 20) We confirm that all other material principles contained in the Code have been complied with except as otherwise disclosed.

For and on behalf of the Board

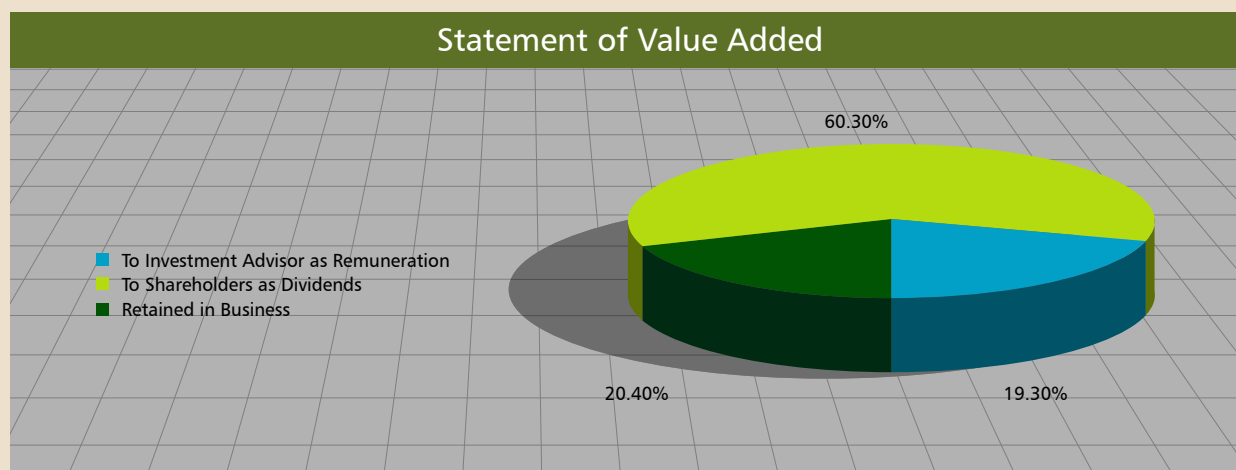
ASIF HAIDER MIRZA
Chief Executive Officer



Statement of Value Added

| Statement of Value Added (Rs. in million) | 2007 | 2006 |
|---|--------------|----------------|
| Gain on Sale of shares | 84.40 | 24.20 |
| (Loss) on remeasurement of investments | (12.70) | (119.70) |
| Dividend Income | 10.80 | 11.20 |
| Other Income | 0.63 | 0 |
| Total | 83.13 | (84.30) |
| Administrative and General Expenses | 3.00 | 3.10 |
| Impairment Charges on Investments | 5.50 | 0 |
| Value Added | 74.63 | (87.40) |

| Distributed as follows (Rs. in million) | 2007 | 2006 |
|---|--------------|----------------|
| To Investment Advisor as Remuneration | 14.40 | 15.10 |
| To Government as Taxes | (0.17) | 0.73 |
| To Shareholders as Dividends | 45.00 | 0 |
| Retained in Business | 15.40 | (103.23) |
| Value Added | 74.63 | (87.40) |



Reports and Statistics

- **Directors' Report**
- **Investment Advisor's Report on Fund Performance**
- **Financial Highlights**
- **Review Report to the Members on Statement of Compliance**
with Best Practices of Code of Corporate Governance
- **Auditors' Report to the Members**



Directors' Report

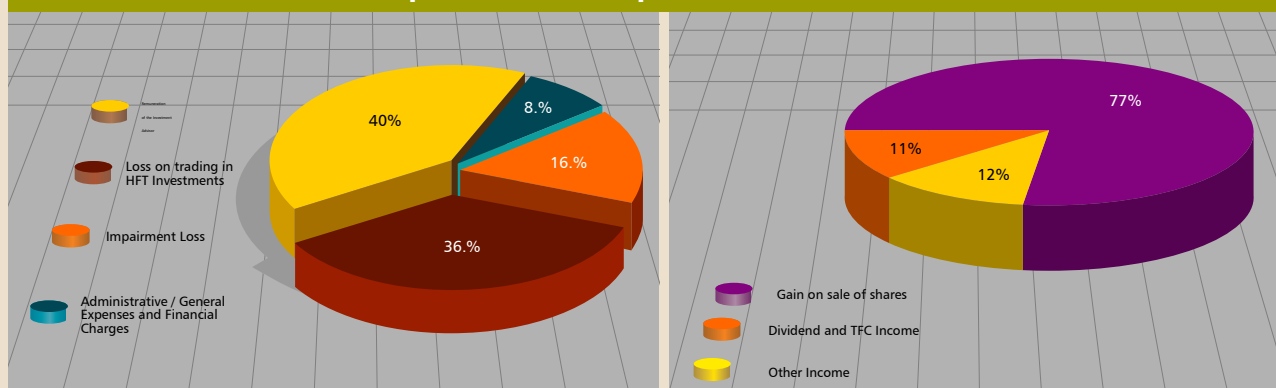
The Board of Directors of Asian Stocks Fund Limited are pleased to present the Annual Report for 2007 together with the audited financial statements for the year ended June 30, 2007.

Financial and Operating Performance

An active market combined with a strengthened control environment and prudent investment decisions resulted in a significant improvement in the performance of the Fund and we are pleased to present the performance of the Fund for the year below:-

| | 2007 | 2006 |
|---|-----------------|------------------|
| | (Rupees '000) | |
| Income | | |
| Return on investments | 83,131 | (84,271) |
| Other income | 13,120 | 1,580 |
| | 96,251 | (82,691) |
| Operating expenses | | |
| Administrative and general expenses | (2,982) | (3,110) |
| Remuneration of investment adviser | (14,436) | (15,107) |
| Impairment charge on investments | (5,543) | - |
| | (22,961) | (18,217) |
| Profit/(loss) before financial charges & tax | 73,290 | (100,908) |
| Financial charges | (19) | (20) |
| Profit/(loss) before tax | 73,271 | (100,928) |
| Taxation | 168 | (729) |
| Profit/(loss) after tax | 73,439 | (101,657) |
| Earnings per share - basic and diluted (Rs.) | 0.82 | (1.13) |

Composition of Expenditure & Income



A more detailed analysis of the performance of the Fund is discussed in the Investment Advisor's Report on Fund Performance.



Earnings per Share

Earnings per share of the Fund have risen from a negative of Rs. 1.13 in the prior year to Rs. 0.82 in the current year.

Dividend

In view of the performance of the Company during the year, the Directors recommend a cash distribution of 5%.

Economic Performance

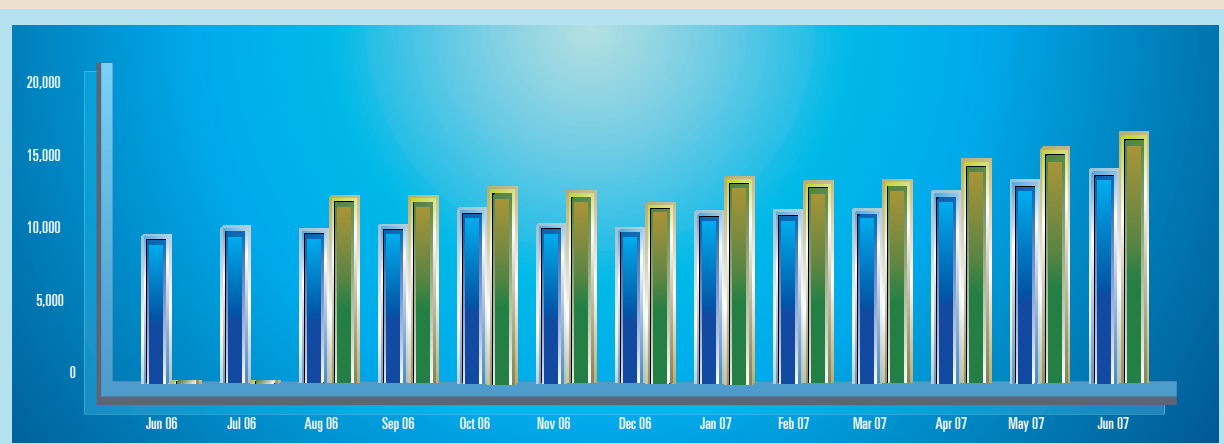
Alhumdulillah 2007 was a good year for Pakistan in terms of economic performance as most macro-economic indicators registered continued improvement. Real GDP grew by 7% during the year supported by a services sector growth rate of 8%. Agricultural sector performance was in line with government's expectations; however, the manufacturing sector fell short of its ambitious growth rate target of 11%. During the year foreign exchange inflows grew exponentially reflecting growing investor interest in the economy's potential, a point further underlined by the favorable reception of GDR issues of various listed companies in the international markets.

There still remains some areas of concern notably the Trade Deficit and Inflation of almost 8%. Import growth reduced during the year to more sustainable levels, however, a below par export performance resulted in an increased trade deficit in excess of USD 13 billion. SBP has maintained its tight monetary policy to counter inflationary pressures and the effect of lower monetary growth compared to nominal GDP will hopefully rein in inflation in the ensuing period.

Market Performance

The Karachi Stock Exchange (KSE) performed in its traditionally volatile manner during the year, and it was only during the second half of the year that momentum for a sustained bull run was created. The benchmark KSE 100 Index therefore closed at 13,772.46 on June 30, 2007, 38% higher than the index at June 30, 2006. In line with this increase, Market Capitalization surged by 43.4% to Rs. 4,019.418 billion as on June 30, 2007.

Once again, the financial services sector remained an attractive sector for investors. Banking stocks continued to perform well on the back of higher interest rate spreads and Merger & Acquisitions activity. Cement stocks rallied on the back of higher cement prices, greater export receipts and expected demand in view of the increased budget allocation to the Public Sector Development Programme for infrastructure development. Both automobile and fertilizer sectors performed well due to higher demand and, in the case of the latter, improved prices. Oil & Gas Exploration stocks which have a substantial weight in the market remained subdued throughout the period highlighting the strength of the broader market.



■ Performance of the KSE 100 Index

■ Performance of the KSE 30 Index



Sector Performance

We are pleased to report that investments through mutual funds continue to increase. According to an analysis from the Mutual Funds Association of Pakistan, the sector has increased from 23 funds with a market capitalisation of USD 1.3 billion in December 2003 to 50 funds with a market capitalisation of USD 2.9 billion in December 2006. Despite this rapid growth the sector still does not have its fair share of the GDP and there is significant room for further growth and diversification into more specific type of funds which address the needs of specific categories of investors.

Increased activities by the mutual funds serves to facilitate a self sustaining and revolving risk management system for investors because through their significant holdings and size, these funds are able to control, and where necessary stabilize market fluctuations thus reducing the risk of investing in stocks. This attracts more investors to invest in the Stock Exchange through mutual funds, creating more liquidity for investment, more trading activity and a wider range of investors to facilitate stability in the market.

We believe that mutual funds create a channel to allow more and more individuals to participate in and benefit from the economic development in Pakistan and the growth and increased participation of the mutual fund industry is fundamental to the growth and stability of Pakistan's investment market and ultimately economy.

Future Outlook

Economic Performance

Pakistan has emerged as a lucrative destination for foreign investors due to its attractive returns in the region and higher GDP growth resulting in demand and expansion in various sectors of the economy supported by the government's liberal economic policies which among others allows full repatriation of investment and profits. Banking, Telecom, Real Estate and Oil & Gas sectors have been the recipients of significant foreign investments in the last few years and the trend is expected to continue in the future. The energy sector is also likely to attract substantial investor interest as the government initiates various measures including incentives to set up power plants to allow the country to deal with a shortfall of electricity attributable to an increased consumer and industrial demand. Arab investors continue to take a keen interest in the country as Pakistan is not only close by, but is providing good rates of return on their investments.

In view of its proximity to major oil suppliers and consumers, Pakistan is positioned to become a key transit hub and Gwadar port has been developed as a focal point for oil supplies to western China. In addition, India also seeks to import gas from Iran through Pakistan. The successful realization of the above arrangements would not only allow significant infrastructural development for the country but would also generate transit fees which would contribute to the continued development of the economy.

Investment to GDP ratio rose to 22% in 2007 and it is expected that this will be sustained if not surpassed in 2008. Consequently GDP growth is likely to once again exceed 6.5% backed by higher services and manufacturing sector growth rates.

The largest concern in the short term is political uncertainty. We are optimistic that with the wisdom and support of all political players, the country's leaders can cooperate to ensure that the political struggle be alienated from the mainstream to allow the Pakistani people, the stock market and the economy to continue to perform well. The market will however require the support of large local investors to ensure that it can sustain the impact of the continual changes on the political front especially as foreign investors participation is expected to be erratic during this period.

As such we expect that during the first half of the year, growth may be cautious as investors adopt a "wait and see" approach.

**Market Performance**

Stock markets act as a barometer of the economy's performance and the Karachi Stock Exchange's (KSE's) remarkable performance in recent years is attributable to the robust growth of the country's economy. Corporate profitability has also been on an upswing and KSE scripts currently offer some of the lowest P/E multiples in the region. This has attracted foreign investors in large numbers further fuelling the Bull Run. The local investor base has also broadened due largely to offloading of government controlled stocks to the public through the government's privatization program but also due to increasing investment awareness amongst individuals who now have excess cash, increased access to credit and more diversified investment opportunities.

We are optimistic about KSE's prospects in 2008 due to expectations of strong economic growth, attractive P/E multiples in the context of the region and continued foreign investor interest. Government initiatives including the privatization program, exemption from capital gains tax, stock exchange reforms, and increased institutional activity is expected to add more depth and potential to the market. Market fundamentals warrant a bullish stance, however, despite all the positive trends, risk elements still exist which can result in an unexpectedly poor market performance including continued increase in energy prices and uncontrolled increase in interest rates. These risks and the mitigants taken by management to protect its stakeholders from the impacts of these risks have been more fully discussed in the Investment advisor's report on Fund Performance.

Sector Performance

Local and foreign investors have clearly identified the potential in the mutual fund industry and we expect more funds to be launched in the next year. The increased activities in this sector have brought in competition and we believe that this will further fuel the growth of the sector.

Funds are now using state of the art systems, systemized procedures, new marketing initiatives and hiring qualified staff to increase awareness amongst individuals of this investment avenue, building confidence amongst the investment base and creating more specific type of funds to address the needs of their investment base. The growth is clearly beneficial for all stakeholders and we expect the standards, profile and image of the sector to move up several notches.

Role of the Investment Advisor

As a closed end mutual fund regulated under the Non-Banking Finance Company Rules (Establishment and Regulation Rules) 2003, all aspects of the Fund's operations are managed by its Investment Advisor, Asian Capital Management Limited.

The Fund's performance for 2006 was not in line with expectations and the Fund recorded a loss during the year. During the first half of the 2007 financial year, steps were taken to reconstitute the Board of Directors of the Investment Advisor and the Fund itself. This was done as part of a revamping and restructuring exercise which was commenced to regularize various aspects of operations, improve the control environment and improve the performance of the Investment Advisor and consequently the Fund itself. Similar steps were taken at Safeway Mutual Fund Limited and its Investment Advisor, Safeway Fund Limited.



The Board of Directors of the above companies largely comprise of the same professionals who have been specifically appointed to facilitate this revamping and restructuring process. To date significant progress has taken place and includes:

- Appointment of a Board of Directors approved by the Securities and Exchange Commission of Pakistan (SECP) for the Fund and the Investment Advisor.
- Reprofilng of portfolio to reduce exposure in any one group of companies.
- Diversification into allowable non-equity investments.
- Acquisition of an integrated software package.
- Improved coordination and communication between the Fund and its Investment Advisor.
- Review, identification and resolution of any non compliance and control weaknesses through the support of the newly reconstituted Board of Directors, a new management team, a more diversified panel of brokers and the appointment of internal auditors.

Various other steps are still in process to further strengthen the Company's portfolio, risk management policies and control environment. These have been more fully described in the Investment Advisor's Report on Fund Performance.

Investment Advisor's Report on Fund Performance

The Investment Advisor has prepared a detailed report on Fund Performance which includes an analysis on the performance of the Fund, the risk management policies adopted and on the control environment in place to ensure continued performance of the Fund. This report has been reviewed by the Board of Directors and forms an integral part of this Directors' Report.



Corporate Governance

As required by the Code of Corporate Governance, the Directors are pleased to state that:-

- The financial statements of the Company fairly present its true state of affairs, the results of its operations, cash flows and changes in equity.
- The financial statements have been duly audited and approved without qualification by the auditors of the Company, Messers. A.F. Ferguson and Company Chartered Accountants and their report is attached with the financial statements.
- The Company has maintained proper books of accounts.
- Appropriate accounting policies have been consistently applied in the preparation of the financial statements and all accounting estimates are based on reasonable and prudent judgment.
- International Accounting Standards as applicable in Pakistan have been followed in preparation of the financial statements.
- The system of internal control is sound and has been effectively implemented and monitored.
- There are no doubts upon the Company's ability to continue as a going concern.
- Details of related party transactions are disclosed in the financial statements.
- There has been no material departure from the best practices of corporate governance as detailed in the listing regulations of the stock exchanges.

The Statement of Compliance with the Code of Corporate Governance has been shown separately.

Key Operating and Financial Data

Key operating and financial data for the last six years in summarized form is disclosed in the Reports & Statistics section.

Information about taxes and levies paid has been disclosed in the notes to the financial statements.

Trading in shares by Directors

No trade in the shares of the Company were carried out by the CEO, CFO, Company Secretary and or their spouses and minor children except those that have been duly reported as per the law.

Attendance at Board of Directors Meetings

During the year under review, 5 Board of Directors meetings were held. The attendance of each director at the meetings of the Board of Directors is as follows:-

| Board of Directors | Status | Meetings* | Attended | Not Attended | % Attended |
|-------------------------|----------|-----------|----------|--------------|------------|
| Mr. Latif Khawar | Chairman | 5 | 4 | 1 | 80.00% |
| Mr. Asif Haider Mirza | CEO | 5 | 5 | 0 | 100.00% |
| Mr. M. Naeem Baig | Director | 5 | 5 | 0 | 100.00% |
| Ms. Tehmeena Khan | Director | 5 | 5 | 0 | 100.00% |
| Mr. Muhammad Arshad | Director | 4 | 3 | 1 | 75.00% |
| Mr. M. Younas Choudhary | Director | 4 | 4 | 0 | 100.00% |
| Mr. Intisar Usmani | Director | 4 | 2 | 2 | 50.00% |

* Being the Number of Meetings the Director was eligible to attend.

Leave of absence was granted by the Board to those Directors who could not attend the Board meetings.



Attendance at Audit Committee Meetings

During the year under review, 4 Audit Committee meetings were held. The attendance of each member at the meetings of the Audit Committee is as follows:-

| Board of Directors | Status | Meetings* | Attended | Not Attended | % Attended |
|-----------------------|----------|-----------|----------|--------------|------------|
| Mr. M. Naeem Baig | Chairman | 4 | 4 | 0 | 100% |
| Mr. Latif Khawar | Member | 4 | 2 | 2 | 50% |
| Mr. Asif Haider Mirza | Member | 4 | 4 | 0 | 100% |

* Being the Number of Meetings the Member was eligible to attend.

Leave of absence was granted by the Committee to those members who could not attend the Audit Committee meetings.

Auditors

The Company's retiring auditors, Messers A.F. Ferguson and Company Chartered Accountants being eligible offer themselves for reappointment. As proposed by the Audit Committee, the Board of Directors has recommended their appointment as auditors of the Company for the year ending June 30, 2008 to the shareholders.

Pattern of shareholding

The pattern of shareholding and additional information regarding categories of shareholding is shown on page numbers 15 & 16.

Events after Balance Sheet Date and Other Recent Developments

Change in Shareholding Pattern

Subsequent to balance sheet date, one of the Company's shareholders, Crescent Standard Investment Bank Limited (now Innovative Housing Finance Limited) disposed off its holding in the Fund of approximately 29%.

Investment Advisor

The Fund's Investment Advisor – Asian Capital Management Limited and Safeway Fund Limited (Investment Advisor – Safeway Mutual Fund Limited) have both lodged an application to the SECP for the change in their shareholders from Crescent Standard Business Management (Private) Limited to a consortium comprising of Crescent Steel and Allied Products Limited and Shakarganj Mills Limited. Thereafter these companies plan to lodge a petition for merger, subject to the approval of the shareholders and regulators. The merged Investment Advisory Company – Safeway Fund Limited would manage both Safeway Mutual Fund Limited and Asian Stocks Fund Limited. This measure is expected to improve operational efficiency by reducing common costs and would therefore be of benefit to the investors of both Funds. In the meanwhile, the same management team is managing the operations of both Investment Advisory Companies.

Change in Settlement Convention from 'T+3' to 'T+2'

Subsequent to year end the KSE has changed the settlement convention for stock market transactions from 'T+3' to 'T+2'.



Change in Location of Operations

Plans are underway to transfer all operations of the Fund and its Investment Advisor to Karachi. A suitable office location has been identified and is in the process of being designed and furnished. Operations are expected to be fully transferred towards the end of the first quarter of the Financial Year.

Acknowledgement

The Board wishes to place on record its appreciation of the Securities and Exchange Commission of Pakistan, the Karachi Stock Exchange and its Custodian – CDC for their continued guidance and support.

The Board extends its thanks and commendation to the Investment Advisor's team for their tireless efforts in facilitating the revamping and restructuring exercise of the Funds which has allowed the Fund to reestablish its market position and performance within a short space of time.□

Finally, the Board thanks the shareholders and the members of the stock exchanges for their trust reposed in us, which we hope to continue to strengthen in the coming years.

For and on behalf of the Board of Directors

ASIF HAIDER MIRZA
Chief Executive Officer



Lahore - July 27, 2007

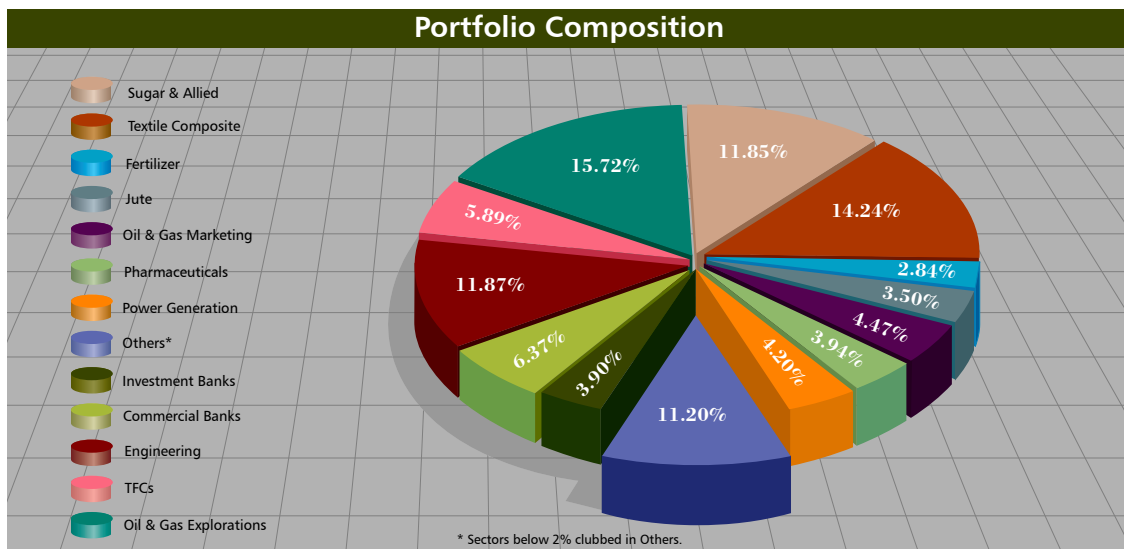
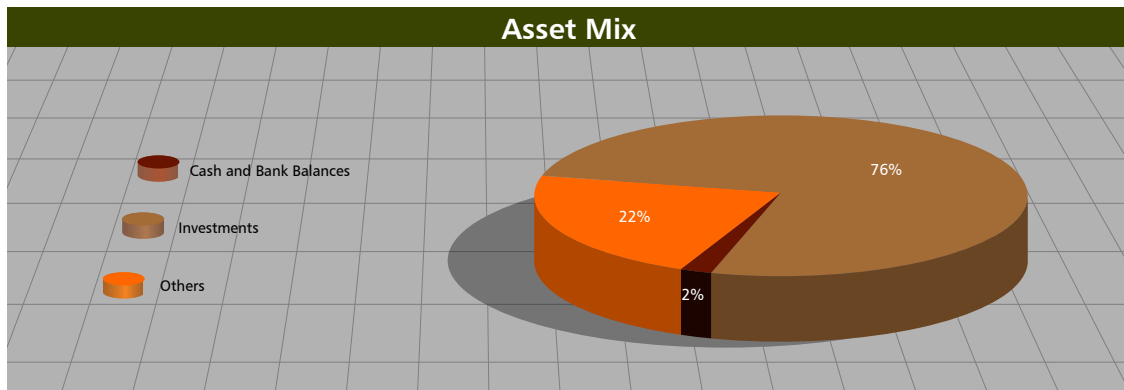
Investment Advisor's Report on Fund Performance

Investment Philosophy & Strategy

The investment objective of the Fund is to provide its shareholders a vehicle for long-term capital appreciation. The Funds seeks to achieve this objective through investment primarily in high quality equity issues and by diversifying across sectors poised to gain the most from the prevalent macro-economic trends. At the same time the Company promotes measures to stabilize revenues by investing an allowable portion of its assets in other non-equity securities including listed fixed income securities and hybrid equity issues. The relevant asset allocation percentage is determined after considering market conditions and corroborating the basis for investment decisions through third parties and external research sources.

Portfolio Statistics

The re profiling exercise initiated by the Investment Advisor has resulted in a significant change in the composition of the Fund's Asset Mix and Portfolio. The composition of the Fund's Asset Mix and Portfolio as at June 30, 2007 was as follows:-



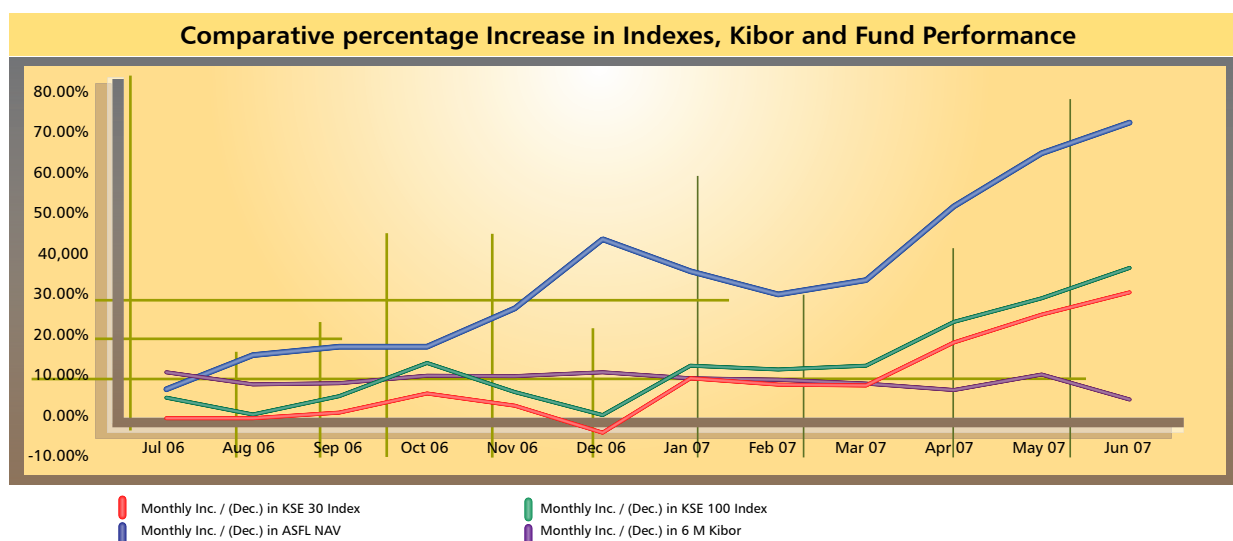


Results of Operations

During the year the Fund's Net Asset Value (NAV) registered an increase of almost 74% rising to Rs. 10.22 per share as of June 30, 2007. We are glad to report that the Fund outperformed the benchmark KSE 100 index, by 36%. This performance reflects the success of the re-profiling exercise initiated by management to improve the quality and risk profile of the Fund's portfolio through diversification and the adoption of prudent investment management policies.

Operating expenses increased by 26% and is largely attributable to an impairment loss of PKR 5.5 million. 40% of the Fund's total expenditure represents remuneration to the Investment Advisor. Asian Capital Management Limited, as the Investment Advisor has been remunerated by the Fund for its services in accordance with the guidelines issued in the NBFC Rules in terms of which 2% of the Fund's average NAV is paid as remuneration.

Profit after tax for the year moved from a loss of Rs. 102 million in the prior year to a profit of Rs. 73 million in the current year. This translates to a change in EPS from Rs. (1.13) to Rs. 0.82. Realized capital gains during the year amounted to Rs. 84 million whereas dividend income was Rs. 11 million. An analysis of the comparative growth in the NAV of the Fund is shown below:



The Board of Directors of Asian Stocks Fund Limited have proposed a cash distribution of 5% to the shareholders.

Sustainability of Performance

The performance of a mutual fund is dependent on various factors including the overall performance of the economy, the performance of the stock market, foreign investments, the performance of the fund's portfolio, realization of dark horse investments during the period, execution of any strategic sales as well as the day to day trading performance of the Fund.

Whereas policies and procedures have been put in place to ensure that the interest of the shareholders is continually safeguarded, the performance of the Fund in any one year is not a clear indicator of the projected performance of the Fund. This year, the Fund's performance was extraordinary in view of the good performance of the KSE, the recoupment of share prices of strategic stocks which had significantly declined in 2006 as well as active trading and realization of profits in PICIC.

Although future earnings cannot be predicted, the Investment Advisor is taking the necessary steps to adhere to its commitment to capitalize on all available opportunities to ensure that the Company's shareholders are well remunerated on their investment in future years.

Recent Developments

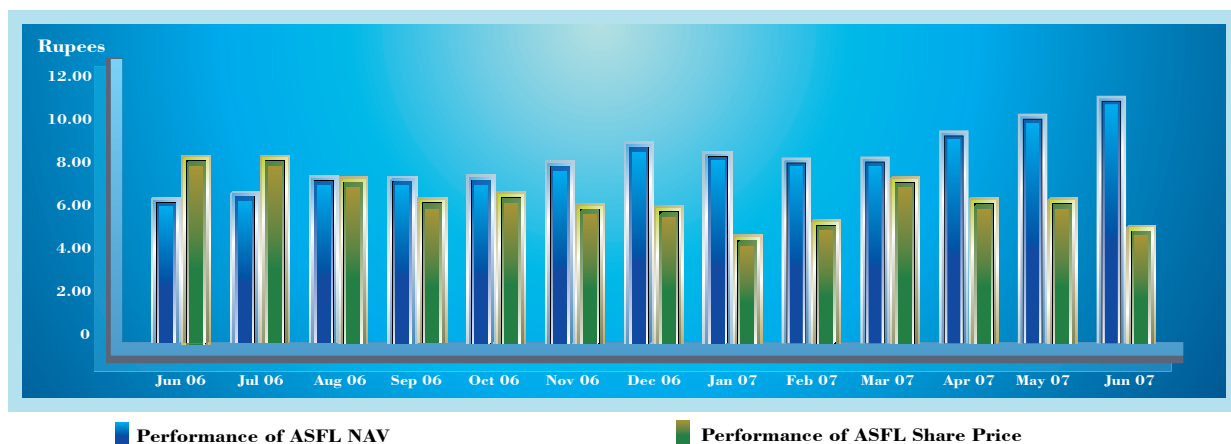
Safeway Fund Limited and Asian Capital Management Limited have both lodged an application to the SECP for the change in their shareholders from Crescent Standard Business Management (Private) Limited to a consortium comprising of Crescent Steel and Allied Products Limited and Shakarganj Mills Limited.

Thereafter these companies plan to lodge a petition for merger. The merged Investment Advisory Company – Safeway Fund Limited would manage both Safeway Mutual Fund Limited and Asian Stocks Fund Limited. This measure is expected to improve operational efficiency by reducing common costs and would therefore be of benefit to the investors of both Funds. In the meanwhile, the same management team is managing the operations of both Investment Advisory Companies. Pending merger of the management companies, a provisional income and expenditure statement has been attached with this annual report.

Share Price

The Fund's share price at June 30, 2007 closed at a discount of 55% to NAV, which is significantly higher than the average discount range of 25% to 35% normally witnessed in this sector. This is largely attributable to:-

- □ the limited market float for the Fund's shares since the Fund's shares are largely held by a limited group of institutions who hold the shares as a long term investment and do not actively trade in the share.
- □ a subdued performance of its strategic portfolio in 2006 resulting in the weak performance and decline in NAV. It may be noted that in 2007 the Fund has performed well and a cash distribution of approximately 65% of the Fund's earnings for the year has been proposed to the shareholders.



Future Plans

Long-term future plans may include the introduction of a new partner to increase market capitalization in the existing funds or to introduce a family of funds.

However in the medium term, the Investment Advisor plans to focus on the continued strengthening of the Fund through effective control systems and a well diversified portfolio to ensure that the Fund is well placed to perform well and expand in the ensuing years. The long-term plans of the Fund will therefore be considered more comprehensively during the second half of the upcoming financial year.

Risk Management

Liquidity Risk

Liquidity risk is the risk that the Fund may encounter delays and difficulties in selling an asset and converting it to cash. Most securities owned by mutual funds can be sold easily and at a fair price. In highly volatile markets, such as in periods of sudden interest rate changes, securities may become less liquid, which means they cannot be sold as quickly or as easily. Some securities may be illiquid because of legal restrictions, the nature of the investment, or other features such as a lack of buyers. Difficulty in selling securities may result in a loss or reduced return for a fund.

The Investment Advisor manages this risk by investing a major portion of the Fund's assets in highly liquid financial assets spread amongst a wide range of economic sectors. Securities with limited liquidity are only invested in to achieve a specified purpose or after having considered a suitable exit plan.

Market Risk

Market risk is the risk that the value of securities will fluctuate as a result of market interest rates or the market price of securities due to a change in credit rating of the issuer, speculative activities, supply and demand of securities and liquidity in the market. Significant fluctuations would result in a reduction in return and would be contrary to the



stated aim of the Fund which is to provide long-term growth for its investors. To address this concern, the Company has adopted a portfolio diversification strategy which entails maximization of the allowable limit for investment in other securities, diversification in stocks, limiting exposure in companies controlled by the same sponsors, and investment in different sectors. This approach is pursued to create a mix of high and low risk (beta) securities.

Risks relating to small companies

Small companies are considered riskier investments than larger companies. They are often newer, and do not have a track record, strong financial backing or a well-established market. In addition, these companies usually have a smaller market float making it difficult for the shareholder to buy or sell these stocks when it needs to. The Company manages this risk by investing largely in blue chip counters. Investments in smaller companies are limited and are made only after a detailed analysis and consideration of the risks and rewards associated with such an association.

Credit Risk

Credit risk arises from the inability of the issuer of the instruments, the relevant financial institutions or counter parties to fulfill their obligations.

Credit risk exists when changes in economic or industry factors affect groups of counter parties whose aggregate credit exposure is significant in relation to the company's total credit exposure. If a mutual fund invests heavily in a specific sector, the fund will be heavily reliant on the performance of that sector, in terms of world trading price, forces of nature, economic cycles, exchange rates and political events.

The Fund manages credit risk by keeping its portfolio diversified in accordance with the regulations laid down by the Securities and Exchange Commission of Pakistan. The Fund's portfolio of financial assets is broadly diversified and transactions are entered into with diverse credit worthy counter-parties thereby mitigating any significant concentration of credit risk. The Fund does not have more than 20% exposure in any one group of companies.

There is a possibility of failure of the financial markets/stock exchanges, the depositories, the settlements or the clearing system. Asian Capital Management Limited as Investor Advisor to Asian Stocks Fund Limited conducts its transactions with the brokers approved by the Fund's Board of Directors. All applicable rules of the Non Banking Finance Companies (Establishment and Regulation) Rules, 2003 (NBFC Rules) are followed in this regard. The criteria for selecting a broker includes support services such as research, commission rates and reputation in the market place. No broker is given preferential treatment.

Interest Rate Risk, Inflation and Market Rate of Return

In general, as prevailing interest rates fall, the price of fixed income securities will rise. When interest rates rise, the prices of fixed income securities will fall.

Interest Rate risk is the risk that if interest rates in the economy increase, the market value of the financial instrument will decline. Changes in levels of inflation may also affect the value of the instrument which will increase when inflation increases and tends to decrease when inflation decreases. This risk is mitigated by continuous monitoring of market conditions to ensure that appropriate decisions can be made on a daily basis as well as active asset allocation between equity and fixed income securities in view of prevailing and/or forecasted economic conditions. The Company is not exposed to a significant MROR risk.

Corporate Governance

The Investment Advisor is committed towards continuously improving corporate governance and strengthening the control environment.

Human Resources

We believe that competent, dedicated and diligent employees are the primary asset of any organization. Therefore, the Company has improved its workforce by recruiting and retaining experienced and reliable staff. The Company also has in place a performance linked incentive package geared to improve the quality of work output. The recruitment process is transparent and merit is the only criterion for selection. The Company also encourages its employees to further enhance their skill set and is willing to provide them with training in this regard. At June 30, 2007 the Company's employee base is represented by 13 employees of Safeway Fund Limited who dedicate 50% of their time to the operations of Asian Capital Management Limited and Asian Stocks Fund Limited.

The Company also plans to appoint senior, experienced, well reputed, independent, executive directors on the Board of Directors during the next year.



Safety Health and Environment

The concept of sustainable development has caught on in recent years which among other things call for conducting business operations in a manner which doesn't result in damage to the environment. The Company is not contributing towards environmental pollution and properly disposes of any waste generated. We aim to create a paperless environment and promote the use of electronic communication. The Company is also committed to provide a safe and healthy working environment for its employees.

Information Technology

Management Support Systems play a pivotal role in the growth of organizations. Therefore, in order to further improve our operational efficiency and controls we have invested in a new accounting and portfolio software system which has been acquired from a renowned vendor and this system is in the process of being implemented. The system will help streamline our operations by providing a central database for generating reports and analysis to facilitate timely management decision making. A website has also been booked, and is currently under construction.

Business Processes

The Company is engaged in activities to move all operations to Karachi to create one central office which will facilitate improved coordination and control. Detailed business manuals are being finalized for all aspects of operations and the Company's internal auditors continually monitor the compliance of the Company with all aspects of good governance.

Credit Rankings/Ratings

The Fund's last ranking from JCR – VIS, Credit Rating Company Limited is based on September 2006 performance. In this ranking the Fund has been placed as MFR1-Star. However an analysis of closed end funds performance and equity funds performance for the last financial year indicates that the Fund's performance has surpassed that of all other funds during the year.

The rating of the Investment Advisor is in process. In view of the significant improvement in the control environment and the Company's risk management policies, management expect to obtain a good rating in the upcoming year.

Corporate Social Responsibility

Corporate social responsibility calls for maximizing value for all stakeholders. Although the Company recognizes the importance of its most important stakeholder - the investors, and acts in their best interest, it does not at any time neglect the interests of other stakeholders. Contribution towards our other important stakeholders is shown in the Statement of Value Added.

Acknowledgement

The Investment Advisor thanks the Securities and Exchange Commission of Pakistan, the Board of Asian Stocks Fund Limited, the Karachi Stock Exchange and the Custodian – CDC for their continued guidance and support.

We also extend our gratitude and commendation to our team for their tireless efforts in facilitating the revamping and restructuring exercise of the Fund which has allowed Asian Stocks Fund Limited to reestablish its market position and performance in a short space of time.□

For and on behalf of Asian Capital Management Limited□



ASIF IQBAL□
Fund Manager□



TEHMEENA KHAN□
Chief Executive Officer

Karachi - July 27, 2007



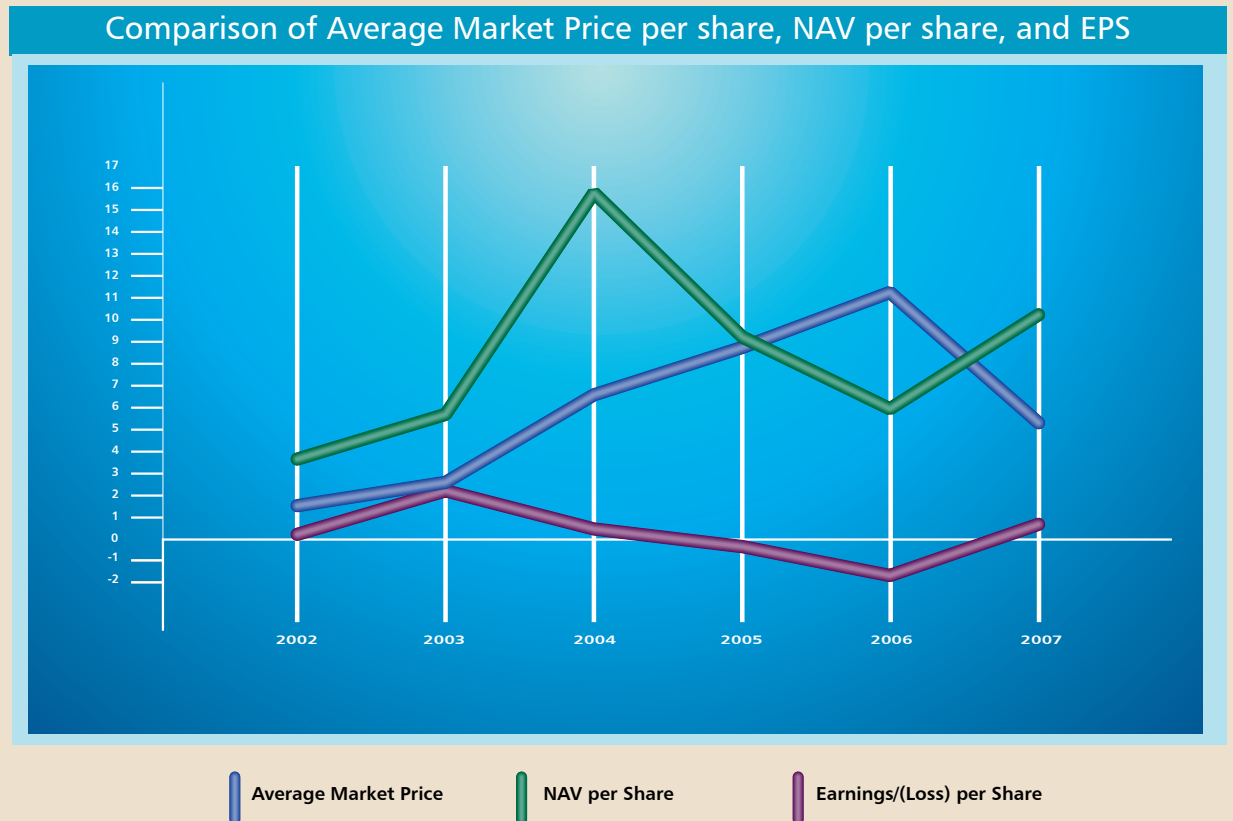
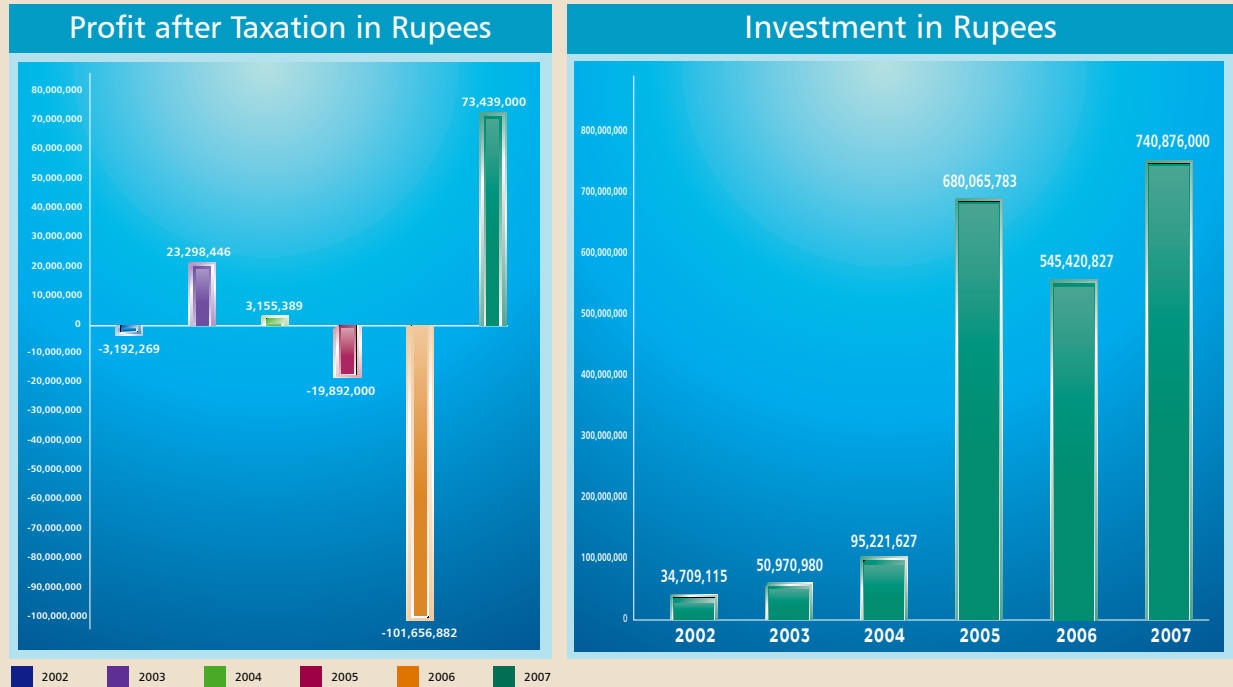
Financial Highlights

| | 2007 | 2006 | 2005 | 2004 | 2003 | 2002 |
|---|--------------|---------------|--------------|-------------|-------------|-------------|
| | Rupees | | | | | |
| Income Statement | | | | | | |
| Income | 96,251,000 | (82,691,130) | (1,143,466) | 6,605,453 | 25,254,803 | (1,803,608) |
| Expense | 22,980,000 | 18,237,314 | 18,378,592 | 3,192,279 | 2,039,838 | 1,148,661 |
| Gain/(loss) on Sale of Securities | 84,354,000 | 24,236,844 | (66,737,604) | (3,178,446) | 21,235,696 | (7,732,267) |
| Gain/(loss) on Remeasurement of Investments | (12,656,000) | (119,706,468) | 54,398,777 | 5,826,116 | 186,065 | 0 |
| Remuneration of the Investment Advisor | 14,436,000 | 15,107,000 | 14,596,979 | 0 | 945,674 | 701,553 |
| Profit/(loss) before Taxation | 73,271,000 | (100,928,444) | (19,522,058) | 3,413,174 | 23,214,965 | (2,952,269) |
| Profit/(loss) after Taxation | 73,439,000 | (101,656,882) | (19,892,000) | 3,155,389 | 23,298,446 | (3,192,269) |
| Balance Sheet | | | | | | |
| Net Assets | 919,323,000 | 543,268,504 | 833,112,476 | 159,531,504 | 58,376,115 | 35,077,669 |
| Share Capital | 900,000,000 | 900,000,000 | 900,000,000 | 100,000,000 | 100,000,000 | 100,000,000 |
| Investments | 740,876,000 | 545,420,827 | 680,065,783 | 95,221,627 | 50,970,980 | 34,709,115 |

| Ratios and Supplemental Data | | | | | | |
|-------------------------------------|-------------|---------------|-------------|------------|------------|------------|
| Income to Expense | 4.19 | (4.53) | (0.06) | 2.07 | 12.38 | (1.57) |
| Price to Earning | 6.55 | (10.06) | (29.82) | 15.87 | 1.08 | 5.16 |
| Price to Book Value | 0.53 | 1.88 | 0.97 | 0.41 | 0.43 | 0.47 |
| Market Capitalization (Rs.) | 483,330,508 | 1,022,608,696 | 805,226,087 | 65,086,614 | 25,146,067 | 16,500,000 |
| Average NAV (Rs.) | 721,800,000 | 755,350,000 | 729,848,950 | 77,600,000 | 47,283,700 | 35,077,650 |
| Return on Capital Employed | 10.17% | -13.46% | -2.73% | 4.07% | 49.27% | -9.10% |
| Profit before Tax | 76% | 122% | 17.07% | 0.52% | 0.92% | 1.64% |
| Sharpe | 77% | -78% | 135% | 73% | 79% | -20% |
| Dividend Yield | 9.31% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| Dividend Payout | 60.98% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| Average Market Price (Rs.) | 5.37 | 11.36 | 8.95 | 6.51 | 2.51 | 1.65 |
| Net Assets Value per Share (Rs.) | 10.22 | 6.04 | 9.26 | 15.95 | 5.84 | 3.51 |
| Earnings/(loss) per Share (Rs.) | 0.82 | (1.13) | (0.30) | 0.41 | 2.33 | (0.32) |
| Payout - Cash per share (Rs.) | 0.50 | 0 | 0 | 0 | 0 | 0 |



Financial Highlights in Graphical Form



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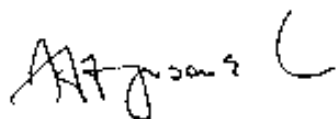
Review Report to the Members on Statement of Compliance with Best Practices of Code of Corporate Governance

We have reviewed the Statement of Compliance with the best practices contained in the Code of Corporate Governance prepared by the Board of Directors of Asian Stocks Fund Limited (the Company) to comply with the Listing Regulation No. 37 of Karachi Stock Exchange, Chapter XII of Listing Regulations of the Lahore Stock Exchange and Chapter XI of Islamabad Stock Exchange, where the company is listed.

The responsibility for compliance with the Code of Corporate Governance is that of the Board of Directors of the company. Our responsibility is to review, to the extent where such compliance can be objectively verified, whether the statement of compliance reflects the status of the company's compliance with the provisions of the Code of Corporate Governance and report if it does not. A review is limited primarily to inquiries of the company personnel and review of various documents prepared by the company to comply with the Code.

As part of our audit of financial statements we are required to obtain an understanding of the accounting and internal control systems sufficient to plan the audit and develop an effective audit approach. We have not carried out any special review of the internal control system to enable us to express an opinion as to whether the Board's statement on internal control covers all controls and the effectiveness of such internal controls.

Based on our review nothing has come to our attention which causes us to believe that the Statement of Compliance does not appropriately reflect the company's compliance, in all material respects, with the best practices contained in the Code of Corporate Governance as applicable to the company for the year ended June 30, 2007.



A.F. Ferguson & Co.
Chartered Accountants

Lahore - July 27, 2007

Auditors' Report to the Members

We have audited the annexed statement of assets and liabilities of Asian Stocks Fund Limited as at June 30, 2007 and the related income statement, distribution statement, cash flow statement and statement of movement in equity and reserves – 'per share' together with the notes forming part thereof (here-in-after referred to as the financial statements), for the year then ended and we state that we have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of our audit.

It is the responsibility of the company's management to establish and maintain a system of internal control, and prepare and present the above said statements in conformity with the approved accounting standards, the requirements of the Companies Ordinance, 1984 and the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003. Our responsibility is to express an opinion on these statements based on our audit.

We conducted our audit in accordance with the auditing standards as applicable in Pakistan. These standards require that we plan and perform the audit to obtain reasonable assurance about whether the above said statements are free of any material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the above said statements. An audit also includes assessing the accounting policies and significant estimates made by management, as well as, evaluating the overall presentation of the above said statements. We believe that our audit provides a reasonable basis for our opinion and, after due verification, we report that:

(a) in our opinion, proper books of account have been kept by the company as required by the Companies Ordinance, 1984 and the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003;

(b) in our opinion

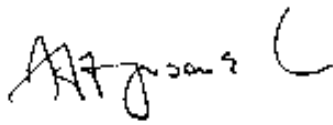
(i) the statement of assets and liabilities and income statement, distribution statement, cash flow statement and statement of movement in equity and reserves – 'per share' together with the notes thereon have been drawn up in conformity with the Companies Ordinance, 1984 and the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 and are in agreement with the books of account and are further in accordance with accounting policies consistently applied;

(ii) the expenditure incurred during the year was for the purpose of the company's business; and

(iii) the business conducted, investments made and the expenditure incurred during the year were in accordance with the objects of the company;

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- (c) In our opinion and to the best of our information and according to the explanations given to us, the statement of assets and liabilities, income statement, distribution statement, cash flow statement and statement of movement in equity and reserves – ‘per share’ together with the notes forming part thereof conform with approved accounting standards as applicable in Pakistan, and, give the information required by the Companies Ordinance, 1984 and the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003, in the manner so required and respectively give a true and fair view of the state of the company’s affairs as at June 30, 2007 and of the profit, its distributions, its cash flows and movement in equity and reserves for the year then ended;
- (d) In our opinion, no Zakat was deductible at source under the Zakat and Ushr Ordinance, 1980 (XVIII of 1980).



A.F. Ferguson & Co.
Chartered Accountants

Lahore - July 27, 2007

2007

Financial Statements

- **Statement of Assets and Liabilities**
- **Income Statement**
- **Distribution Statement**
- **Cash Flow Statement**
- **Statement of Movement in Equity and Reserves - 'per share'**
- **Notes to the Financial Statements**
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Statement of Assets and Liabilities as at June 30, 2007

| | Note | 2007 | 2006 |
|--|------|------------------|------------------|
| | | (Rupees '000) | |
| ASSETS | | | |
| Current assets | | | |
| Cash and bank balances | 5 | 215,653 | 10,278 |
| Short term investments | 7 | 740,876 | 114,651 |
| Accounts receivable | | 8,577 | 1,021 |
| Dividend receivable | | 1,054 | 895 □ |
| Income tax refundable | | 928 | - |
| Advances, deposits and prepayments | 6 | 1,406 | 176 |
| | | 968,494 | 127,021 |
| Non-current assets | | | |
| Long-term investments | 7 | - | 430,770 |
| TOTAL ASSETS | | 968,494 | 557,791 |
| Current liabilities | | | |
| Remuneration payable to Investment Advisor | 8 | 14,436 | 12,176 |
| Accrued expenses and other liabilities | 9 | 34,735 | 1,371 |
| Provision for taxation | | - | 976 |
| | | 49,171 | 14,523 |
| NET ASSETS | | 919,323 | 543,268 |
| SHAREHOLDERS' EQUITY | | | |
| Authorized share capital | | | |
| 100,000,000 (June 30, 2006: 100,000,000) ordinary shares of Rs. 10 each | | 1,000,000 | 1,000,000 |
| Issued, subscribed and paid-up capital | | | |
| 90,000,000 (June 30, 2006: 90,000,000) ordinary shares of Rs. 10 each | 10 | 900,000 | 900,000 |
| Capital Reserves | | | |
| Unrealized (diminution)/appreciation in fair value of investments classified as 'available for sale' | 11 | 105,902 | (196,714) |
| Revenue reserve | | | |
| Unappropriated income | | (86,579) | (160,018) |
| | | 919,323 □ | 543,268 □ |
| Contingencies and commitments | | | |
| | | - | - |

The annexed notes 1 to 22 form an integral part of these financial statements.

Chief Executive Officer

Director



Income Statement For the year ended June 30, 2007

| | Note | 2007 (Rupees '000) | 2006 |
|--|------|-----------------------|-------------------------|
| Income | | | |
| Return on investments | 12 | 83,131 | (84,271) |
| Other income | | 13,120 | 1,580 |
| | | <u>96,251</u> | <u>(82,691)</u> |
| Operating expenses | | | |
| Administrative and general expenses | 13 | (2,982) | (3,110) |
| Remuneration of investment Advisor | 8 | (14,436) | (15,107) |
| Impairment charge on investments | 14 | (5,543) | - |
| | | <u>(22,961)</u> | <u>(18,217)</u> |
| | | <u>73,290</u> | <u>(100,908)</u> |
| Financial charges | | (19) | (20) |
| Profit/(loss) before tax | | <u>73,271</u> | <u>(100,928)</u> |
| Taxation | 15 | 168 | (729) |
| Profit/(loss) after tax | | <u><u>73,439</u></u> | <u><u>(101,657)</u></u> |
| Earnings per share - basic and diluted (Rupees) | 18 | <u><u>0.82</u></u> | <u><u>(1.13)</u></u> |

The annexed notes 1 to 22 form an integral part of these financial statements.

Chief Executive Officer

Director



Cash Flow Statement For the year ended June 30, 2007

| | Note | 2007 (Rupees '000) | 2006 |
|--|------|-----------------------|-----------|
| Cash flows from operating activities | | | |
| Profit/(loss) before tax | | 73,271 | (100,928) |
| Adjustment for non-cash items | | | |
| - Loss on remeasurement of investments investments classified as 'held for trading' | 12 | 12,656 | 119,706 |
| - Capital (gain)/loss on sale of investments classified as 'available for sale' | | (37,476) | 11,285 |
| - Impairment charge on investments classified as 'available for sale' | | 5,543 | - |
| - Receivable written-off | | 11 | - |
| - Dividend income | | (10,806) | (11,198) |
| - Mark-up income | | (13,869) | (1,580) |
| - Remuneration of Investment Advisor | | 14,436 | 15,107 |
| Profit before working capital changes | | 43,766 | 32,392 |
| Effect on cash flow due to working capital changes: | | | |
| (Increase)/decrease in assets | | | |
| - Short-term investments | | 126,438 | (76,596) |
| - Accounts receivable | | (7,567) | 133,367 |
| - Advances, deposits and prepayments | | 24 | (100) |
| Increase/(decrease) in accrued expenses and other liabilities | | 33,364 | (2,698) |
| | | 152,259 | 53,973 |
| Cash (used in) / generated from operations | | 196,025 | 86,365 |
| Dividend received | | 10,647 | 14,539 |
| Mark-up received | | 12,615 | 1,531 |
| Remuneration of Investment Advisor | | (12,176) | (14,442) |
| Taxes paid | | (1,736) | (393) |
| Net cash (outflow) / inflow from operations | | 205,375 | 87,600 |
| Cash flows from investing activities | | | |
| Purchase of long-term investments | | - | (225,565) |
| Sale proceeds of long-term investments | | - | 117,627 |
| Net cash inflow / (outflow) from investing activities | | - | (107,938) |
| Net increase / (decrease) in cash and cash equivalents | | 205,375 | (20,338) |
| Cash and cash equivalents at the beginning of the year | | 10,278 | 30,616 |
| Cash and cash equivalents at the end of the year | 5 | 215,653 | 10,278 |

The annexed notes 1 to 22 form an integral part of these financial statements.

Chief Executive Officer

Director



Statement of Movement in Equity and Reserves-'per share'

For the year ended June 30, 2007

| | 2007 | 2006 |
|---|--------------|-------------|
| | (Rupees) | |
| Net assets per share as at the beginning of the year | 6.04 | 9.26 |
| Capital gain on sale of marketable securities | 2.48 | 0.32 |
| Unrealized diminution in the value of investments classified as 'held for trading' | (0.14) | (1.33) |
| Other net operating income/(costs) for the year | 0.02 | (0.07) |
| Net income for the year | 2.36 | (1.08) |
| Unrealized appreciation/(diminution) in the value of investments classified as 'available for sale' | 1.82 | (2.14) |
| Net assets per share as at the end of the year | 10.22 | 6.04 |

The annexed notes 1 to 22 form an integral part of these financial statements.

Chief Executive Officer

Director



Notes to the Financial Statements For the year ended June 30, 2007

1. Legal Status and Nature of Business

Asian Stocks Fund Limited is a public limited Company incorporated in June 1994 under the Companies Ordinance, 1984 and has been registered with the Securities and Exchange Commission of Pakistan (SECP) as an Investment Company under the Investment Companies and Investment Advisors Rules, 1971 to carry on the business of a closed end investment Company. The Company is also registered under Rule 38 of the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (NBFC Rules). The Company commenced its business in July 1994 and is listed on Karachi, Lahore and Islamabad Stock Exchanges.

The Company primarily invests in shares of listed companies.

The Company has an agreement with Asian Capital Management Limited (ACML) (an associated company) to act as its Investment Advisor. Being an NBFC, the Investment Advisor is required to seek renewal of its license on an annual basis. On July 5, 2005 the SECP advised the Investment Advisor that:

"the Commission in its recent meeting has decided that one license will be issued in a Group to undertake any of the activities given in the NBFC Rules and Investment Advisory and Asset Management Services are categorised as one activity, therefore the plan to undertake the said activities by two separate entities namely Safeway Fund Limited and Asian Capital Management Limited is not in line with the policy of the Commission. It is therefore advised to consider merger of these companies into one Investment Advisory/ Asset Management Company."

The Company in its extraordinary general meeting held on June 13, 2005 resolved that:

- "the Investment Advisory Contract with Asian Capital Management Limited dated August 17, 2004 entered for the period of ten years commencing from August 17, 2004 be and is hereby terminated with effect from July 1, 2005 with the mutual consent of both parties and subject to the approval of the SECP."
- "the Investment Advisory Contract with Safeway Fund Limited (SFL) for a period of ten years commencing from July 1, 2005 be and is hereby approved subject to the approval of the SECP."

Approval for the above is pending subject to the completion of certain regulatory formalities. However, SECP has renewed the license of ACML to carry out the investment advisory services upto November 30, 2007 or its merger with SFL, whichever is earlier.

2. Statement of Compliance

2.1 These financial statements have been prepared in accordance with the requirements of the Companies Ordinance, 1984, the NBFC Rules, directives issued by the SECP and the approved accounting standards as applicable in Pakistan. Approved accounting standards comprise of such International Financial Reporting Standards (IFRS) as notified under the provisions of the Companies Ordinance, 1984. Wherever the requirements of the NBFC Rules, the Companies Ordinance, 1984 or directives issued by the SECP differ with the requirements of these standards, the requirements of the NBFC Rules, the Companies Ordinance, 1984 and the said directives take precedence.

2.2 Standards, Interpretations and amendments to published approved accounting standards that are not yet effective

The amendment to IAS-1 "Presentation of financial statements" relating to capital disclosures has been published and is applicable to the Company's financial statements covering annual periods, beginning on or after January 1, 2007. Adoption of such amendment would result in an impact on the nature and extent of disclosures made in the future financial statements of the Company.



3. Basis of Measurement

- 3.1 These financial statements have been prepared under the historical cost convention, except that certain financial assets have been included at fair value in accordance with the recognition criteria specified in the relevant IAS applicable to these assets and the requirements of the NBFC Rules.

The preparation of financial statements in conformity with approved accounting standards requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Company's accounting policies. Estimates and judgments are continually evaluated and are based on historical experience, including expectations of future events that are believed to be reasonable under the circumstances.

4. Summary of Significant Accounting Policies

4.1 Investments

4.1.1 Recognition

All investments are initially recognized at cost, being the fair value of the consideration given and include transaction costs. The Investment Advisor determines the appropriate classification of the Company's investments in accordance with the requirements of IAS-39: 'Financial Instruments: Recognition and Measurement', at the time of purchase and re-evaluates this classification on a regular basis into the following categories:

- Investments in equity instruments of associated undertakings
- Held for trading
- Available for sale

Investments intended to be held for less than twelve months from year end or to be sold to raise operating capital, are included in current assets, all other investments are classified as non-current. The Investment Advisor determines the appropriate classification of its investments at the time of the purchase and re-evaluates such designation on a regular basis.

All purchases and sales of securities that require delivery within the time frame established by regulation or market convention such as 'T+3', purchases and sales are recognized at the trade date. Trade date is the date on which the Company commits to purchase or sell the asset.

4.1.2 Subsequent measurement

Investments in equity instruments of associated undertakings

Investments in associates where the Company has significant influence and that are not expected to be disposed of within twelve months from the year end are accounted for using the equity method.

Held for trading

These financial assets are acquired principally for the purpose of generating profit from short-term fluctuations in price or are part of a portfolio for which there is a recent actual pattern of short-term profit taking.

Subsequent to initial recognition these are re-measured at fair value by reference to quoted market prices and the resulting gain or loss is included in net profit or loss for the period in which it arises.



Available for sale

Investments in associated undertakings where the Company does not have significant influence and investments that are intended to be held for an indefinite period of time or may be sold in response to the need for liquidity are classified as available for sale. Subsequent to initial recognition at cost, these investments are remeasured at fair value, unless fair value cannot be reliably measured. Unrealized gains and losses arising from the changes in the fair value are directly recognized in equity in the period in which these arise.

The Company assesses at each balance sheet date whether there is objective evidence that a financial asset or a group of financial assets is impaired. If any such evidence exists for available-for-sale financial assets, the cumulative loss, measured as the difference between the acquisition cost and the current fair value, less any impairment loss on that financial asset previously recognized in profit or loss, is removed from equity and recognized in the income statement. Impairment losses recognized in the income statement on equity instruments are not reversed through the income statement.

4.2 Taxation

Current

Current

Provision of current tax is based on the taxable income for the year determined in accordance with the prevailing law for taxation of income. The charge for current tax is calculated using prevailing tax rates or tax rates expected to apply to the profit for the year if enacted. The charge for current tax also includes adjustments, where considered necessary, to provision for tax made in previous years arising from assessments framed during the year for such years.

Deferred

Deferred tax is accounted for using the balance sheet liability method in respect of all temporary differences arising from differences between the carrying amount of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of the taxable profit. Deferred tax liabilities are generally recognized for all taxable temporary differences and deferred tax assets are recognized to the extent that it is probable that taxable profits will be available against which the deductible temporary differences, unused tax losses and tax credits can be utilized.

Deferred tax is calculated at the rates that are expected to apply to the period when the differences reverse based on tax rates that have been enacted or substantively enacted by the date of 'Statement of assets and liabilities'. Deferred tax is charged or credited in the income statement, except in the case of items credited or charged to equity in which case it is included in equity.

4.3 Creditors, accruals and provisions

Liabilities for creditors and other amounts payable are carried at cost, which is the fair value of the consideration to be paid in the future for the goods and/or services received, whether or not billed to the Company.

Provisions are recognized when the Company has a present legal or constructive obligation as a result of past events, it is probable will result in an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate of the amount can be made. Provisions are reviewed at year end and adjusted to reflect the current best estimate.



4.4 Financial instruments

□□

Financial assets and financial liabilities are recognized when the Company becomes a party to the contractual provisions of the instrument and derecognized when the Company loses control of the contractual rights that comprise the financial assets and in the case of financial liabilities where the obligation specified in the contract is discharged, cancelled or expired. Any gain or loss on derecognition of the financial assets and financial liabilities is included in the income statement.

□

□

The financial instruments carried on the 'Statement of assets and liabilities' include cash and bank balances, investments, receivables, remuneration payable to Investment Advisor and accrued and other liabilities. The particular measurement methods adopted are disclosed in the individual policy statements associated with each item.

4.5 Offsetting of financial assets and liabilities

□

□□

Financial assets and liabilities are offset and the net amount is reported in the financial statements only when there is a legally enforceable right to set off the recognized amount and the Company intends either to settle on a net basis or to realize the assets and to settle the liabilities simultaneously.

□

□

4.6 Derivative financial instruments

□

□□

Derivative instruments held by the Company generally comprise of future and forward contracts in the capital market. These are initially recognised at fair value on the date a derivative contract is entered into and are subsequently remeasured at their fair value. The fair value of the derivative contracts is calculated as being the net difference between the contract price and the closing price reported on the primary exchange of the capital market. Derivatives with positive market values (unrealised gains) are included in assets and derivatives with negative market values (unrealised losses) are included in liabilities in the statement of assets and liabilities. The resultant gains and losses are included in the income statement.

□

4.7 Cash and cash equivalents

□□

Cash and cash equivalents are carried on the 'Statement of assets and liabilities' at cost. For the purpose of cash flow statement cash and cash equivalents comprise cash in hand and other short term highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value.

4.8 Revenue recognition

□

□

□

Realized capital gains/(losses) arising on sale of securities are included in the Income Statement in the period in which they arise.

Unrealized capital gains/(losses) arising on revaluation of securities classified as 'held for trading' are included in the Income Statement in the period in which they arise.

Dividend income and entitlement of bonus shares is recognized when right to receive such dividend and bonus shares is established.

□

□

Return on deposits is accrued on a time proportion basis by reference to the principal outstanding and the applicable rate of return.



| | 2007 | 2006 |
|--|---------------|-----------|
| | (Rupees '000) | |
| 5. Cash and Bank Balances | | |
| Balances at banks on: | | |
| - Saving accounts | 215,653 | 10,235 |
| - Current accounts | - | 43 |
| | 215,653 | 10,278 |
| The balances in saving account bear mark-up which ranges from 7 % to 9.50 % per annum. | | |
| 6. Advances, Deposits and Prepayments | | |
| Security deposit | 75 | 100 |
| Prepayments | 28 | 27 |
| Mark-up receivable | 1,303 | 49 |
| | 1,406 | 176 |
| 7. Investments | | |
| - Held for trading | 403,613 | 114,651 |
| - Available for sale | 337,263 | 430,770 |
| | 740,876 | 545,421 |
| Less: Classified as current assets | (740,876) | (114,651) |
| | - | 430,770 |

The management in consultation with the Investment Advisor has re-evaluated the classification of its investments and classified all investments as short-term as these are not intended to be held for more than twelve months.



7.1 Investments in marketable securities - held for trading

| Name of the Investee Company | Number of shares | | | | Balance as at June 30, 2007 | | Percentage in relation to | | | | |
|--|---------------------|---------------------------|----------------|-------------------------------------|-----------------------------|--------|----------------------------|----------------------------|---|--|---|
| | As at July 01, 2006 | Purchases during the year | Bonus / Rights | Sales / adjustments during the year | As at June 30, 2007 | Cost | Market Value (Rupees '000) | Appreciation/ (diminution) | Net Assets of the company (with investments) (with market value of investments) | Paid-up capital of investee company (with face value of investments) | Total value of investments (with market value of investments) |
| Shares of listed companies - Fully paid ordinary shares of Rs. 10 each unless stated otherwise | | | | | | | | | | | |
| RELATED PARTIES | | | | | | | | | | | |
| Investment Companies and Banks | | | | | | | | | | | |
| Crescent Standard Investment Bank Limited * | 9,000,000 | - | - | 5,000,000 | 4,000,000 | 39,844 | - | (39,844) | - | 3.18 | - |
| | | | | | | 39,844 | - | (39,844) | - | 3.18 | - |
| Modaraba Companies | | | | | | | | | | | |
| First Fidelity Leasing Modaraba | - | 200,000 | - | - | 200,000 | 1,193 | 1,490 | 297 | 0.16 | 0.76 | 0.20 |
| | | | | | | 1,193 | 1,490 | 297 | 0.16 | 0.76 | 0.20 |
| OTHERS | | | | | | | | | | | |
| Investment Companies and Banks | | | | | | | | | | | |
| Arif Habib Securities Limited | - | 225,000 | 5,064 | 179,800 | 50,264 | 6,035 | 5,861 | (174) | 0.64 | 0.02 | 0.79 |
| Arif Habib Limited | - | 5,000 | - | 5,000 | - | 6,035 | 5,861 | (174) | 0.64 | 0.02 | 0.79 |
| Textile Composite | | | | | | | | | | | |
| Azgard Nine Limited | - | 150,000 | - | 150,000 | - | - | - | - | - | - | - |
| Artistic Denim Mills Limited | - | 110,000 | - | 110,000 | - | - | - | - | - | - | - |
| Nishat Chunian Limited | 83 | 210,000 | - | 159,900 | 50,183 | 2,137 | 2,065 | (72) | 0.22 | 0.07 | 0.28 |
| Nishat Mills Limited | 15,000 | 654,000 | 4,500 | 573,500 | 100,000 | 12,916 | 13,045 | 129 | 1.42 | 0.06 | 1.76 |
| Kohinoor Textile Mills Limited | 18,800 | - | 7,050 | - | 25,850 | 757 | 691 | (66) | 0.08 | 0.02 | 0.09 |
| | | | | | | 15,810 | 15,801 | (9) | 1.72 | 0.15 | 2.13 |
| Textile Weaving | | | | | | | | | | | |
| Samin Textile Mills Limited | - | 25,000 | - | 25,000 | - | - | - | - | - | - | - |
| Zephyr Textile Mills | 138,500 | - | - | 138,500 | - | - | - | - | - | - | - |
| Cement | | | | | | | | | | | |
| Attock Cement Limited | - | 165,400 | - | 165,400 | - | - | - | - | - | - | - |
| Cherat Cement Company Limited | - | 50,000 | - | 50,000 | - | - | - | - | - | - | - |
| Maple Leaf Cement Factory Limited | 2,300 | 108,500 | 10,200 | 120,800 | 200 | 4 | 5 | 1 | - | - | - |
| Dewan Cement Limited | 25,000 | 110,000 | - | 135,000 | - | - | - | - | - | - | - |
| Gharibwal Cement Company Limited | - | 50,000 | - | 50,000 | - | - | - | - | - | - | - |
| Pakistan Cement Company Limited | 35,000 | 175,000 | - | 210,000 | - | - | - | - | - | - | - |
| Pioneer Cement Limited | 50,000 | 103,500 | - | 155,600 | 155 | 5 | 6 | 1 | - | - | - |
| Fauji Cement Limited | 115,000 | 380,000 | 2,255 | 145,000 | 350,000 | 7,048 | 6,895 | (153) | 0.75 | 0.09 | 0.93 |
| Flying Cement Limited | - | 20,000 | - | 20,000 | - | - | - | - | - | - | - |
| Kohat Cement Company Limited | - | 40,000 | - | 30,000 | 10,000 | 558 | 545 | (13) | 0.06 | 0.01 | 0.07 |
| Lucky Cement Limited | 25,125 | 340,000 | - | 365,125 | - | - | - | - | - | - | - |
| D.G. Khan Cement Limited | 20,000 | 752,500 | 10,500 | 783,000 | - | 2,481 | 2,429 | (52) | 0.26 | 0.26 | 0.33 |
| Zeal Pak Cement | - | 450,000 | - | - | 450,000 | 10,096 | 9,880 | (216) | 1.07 | 0.36 | 1.33 |



Investments in marketable securities - 'held for trading'

| Name of the Investee Company | Number of shares [□] | | | Balance as at June 30, 2007 [□] | | | Percentage in relation to | | | | |
|---|-------------------------------|---------------------------|----------------|--|---------------------|--------|----------------------------|---|--|---|--|
| | As at July 01, 2006 | Purchases during the year | Bonus / Rights | Sales / adjustments during the year | As at June 30, 2007 | Cost | Market Value (Rupees '000) | Appreciation/ (diminution) [□] | Net Assets of the company (with investments) of value of investments [□] the face value of investments [□] | Paid-up capital of investee company (with investments) of value of investments [□] | Total carrying value of investments (with market value of investments) |
| Shares of listed companies - Fully paid ordinary shares of Rs. 10 each unless stated otherwise[□] | | | | | | | | | | | |
| Tobacco[□] | | | | | | | | | | | |
| Lakson Tobacco Company Limited [□] | - | 11,200 | - | 11,200 | - | - | - | - | - | - | - |
| Commercial Banks | | | | | | | | | | | |
| Allied Bank Limited | - | 50,000 | 2,000 | 52,000 | 20,100 | 2,026 | 2,129 | 103 | 0.23 | 0.01 | 0.29 |
| Askari Bank Limited | - | 640,000 | 50,000 | 698,000 | - | - | - | - | - | - | - |
| Bank-Afalah Limited | - | 910,000 | 78,000 | 988,000 | - | - | - | - | - | - | - |
| Bank of Khyber | - | 10,000 | - | 10,000 | - | - | - | - | - | - | - |
| Bank Islami Pakistan Limited | - | 153,500 | - | 153,500 | - | - | - | - | - | - | - |
| J.S. Bank Limited | - | 200,000 | - | 200,000 | - | - | - | - | - | - | - |
| PICIC Commercial Bank Limited | - | 775,000 | - | 775,000 | - | - | - | - | - | - | - |
| Prime Commercial Bank Limited | 15,000 | 33,000 | - | 13,000 | 20,000 | 1,068 | 1,040 | (28) | 0.11 | 0.01 | 0.14 |
| Union Bank Limited | 30,000 | - | - | 15,000 | - | - | - | - | - | - | - |
| United Bank Limited | - | 131,000 | - | 161,000 | - | - | - | - | - | - | - |
| Standard Chartered Bank Limited | - | 20,000 | - | 20,000 | 20,000 | 1,097 | 1,059 | (38) | 0.12 | 0.01 | 0.14 |
| Soneri Bank Limited | - | 99,000 | 1,000 | 100,000 | 31,000 | 1,826 | 1,750 | (76) | 0.19 | 0.01 | 0.24 |
| The Bank of Punjab | - | 1,210,000 | 3,994 | 1,213,994 | 994 | 112 | 116 | 4 | 0.01 | 0.01 | 0.02 |
| National Bank of Pakistan | - | 1,436,600 | 5,250 | 1,441,850 | 50,250 | 13,032 | 13,166 | 134 | 1.43 | 0.01 | 1.78 |
| NIB Bank Limited (R) | - | 200,000 | - | 200,000 | 200,000 | 1,789 | 1,830 | 41 | 0.20 | 0.01 | 0.25 |
| MCB Bank Limited | - | 222,500 | - | 222,500 | 25,000 | 9,194 | 9,125 | (69) | 0.99 | 0.01 | 1.23 |
| Saudi Pak Commercial Bank Limited | - | 390,000 | 15,000 | 405,000 | 50,000 | 1,235 | 1,258 | 23 | 0.14 | 0.01 | 0.17 |
| Bank Al-Habib Limited | - | 20,000 | - | 20,000 | - | - | - | - | - | - | - |
| Faysal Bank Limited [□] | - | 570,000 | - | 570,000 | - | - | - | - | - | - | - |
| | | 31,379 | | 31,473 | | | 94 | | 3.42 | 0.07 | 4.26 |
| Modarabas[□] | | | | | | | | | | | |
| BRR Guardian Modaraba | - | 100,000 | - | 100,000 | 100,000 | 866 | 870 | 4 | 0.09 | 0.13 | 0.12 |
| Modaraba Al-Mall [□] | - | 50,000 | - | 50,000 | 50,000 | 401 | 450 | 49 | 0.05 | 0.27 | 0.06 |
| | | 1,267 | | 1,320 | | | 53 | | 0.14 | 0.40 | 0.18 |
| Leasing Companies | | | | | | | | | | | |
| Saudi Pak Leasing Company | 25,000 | 125,000 | - | 150,000 | 100,000 | 954 | 950 | (4) | 0.10 | 0.23 | 0.13 |
| Network Leasing Corporation Limited | - | 25,000 | - | 25,000 | - | - | - | - | - | - | - |
| Orix Leasing Limited | - | 25,000 | - | 25,000 | - | - | - | - | - | - | - |
| Union Leasing Limited [□] | - | 45,000 | - | 45,000 | 45,000 | 512 | 500 | (12) | 0.05 | 0.11 | 0.07 |
| | | 1,466 | | 1,450 | | | (16) | | 0.15 | 0.34 | 0.20 |
| Insurance [□] | | | | | | | | | | | |
| Adamjee Insurance Company Limited | 20,000 | 122,500 | 2,500 | 145,000 | - | - | - | - | - | - | - |
| Atlas Insurance Limited | - | 27,300 | - | 27,300 | 27,300 | 3,478 | 3,548 | 70 | 0.39 | 0.13 | 0.48 |
| Beema Pakistan Company Limited | - | 200,000 | - | 200,000 | 200,000 | 518 | 460 | (58) | 0.05 | 0.48 | 0.06 |
| Premier Insurance Limited | - | 193,500 | 20,000 | 213,500 | 50,000 | 1,678 | 2,210 | 532 | 0.24 | 0.13 | 0.30 |
| Pakistan Re-Insurance | - | 25,900 | - | 25,900 | - | - | - | - | - | - | - |
| Shahreen Insurance Company Limited | - | 44,800 | - | 44,800 | 27,100 | 2,280 | 2,331 | 51 | 0.25 | 0.15 | 0.31 |
| New Jubilee Life Insurance Company Limited | 20,000 | 50,000 | - | 70,000 | - | - | - | - | - | - | - |
| | | 7,954 | | 8,549 | | | 595 | | 0.93 | 0.89 | 1.15 |



Investments in marketable securities - 'held for trading'

| Name of the Investee Company | Number of shares | | | | Balance as at June 30, 2007 | | Percentage in relation to | | | | |
|---|---------------------|---------------------------|--------------|-------------------------------------|-----------------------------|--------------------|----------------------------|----------------------------|---|--|----------------------------|
| | As at July 01, 2006 | Purchases during the year | Bonus/Rights | Sales / adjustments during the year | As at June 30, 2007 | Cost (Rupees '000) | Market Value (Rupees '000) | Appreciation/ (diminution) | Net Assets of Paid-up capital carrying the company of investee (with market value of investments) | of investee company (with face value of investments) | Total value of investments |
| Shares of listed companies - Fully paid ordinary shares of Rs. 10 each unless stated otherwise. | | | | | | | | | | | |
| Refinery | | | | | | | | | | | |
| Attock Refinery Limited | - | 20,000 | - | 20,000 | 145,000 | - | - | - | - | - | - |
| Boscor Pakistan Limited | 75,000 | 25,000 | 45,000 | - | 4,500 | 2,791 | 2,574 | (217) | 0.28 | 0.06 | 0.35 |
| National Refinery Limited | - | 121,000 | - | 116,500 | - | 1,542 | 1,535 | (7) | 0.17 | 0.01 | 0.21 |
| | | | | | | 4,333 | 4,109 | (224) | 0.45 | 0.07 | 0.56 |
| Power Generation and Distribution | | | | | | | | | | | |
| Sitara Energy Limited | - | 10,000 | - | 10,000 | - | - | - | - | - | - | - |
| Synthetic & Rayon | | | | | | | | | | | |
| Dewan Saliman Fiber Limited | 30,000 | 255,000 | - | 285,000 | - | - | - | - | - | - | - |
| Ibrahim Fibres Limited | - | 60,000 | - | 60,000 | - | - | - | - | - | - | - |
| | | | | | | | | | | | |
| Jute | | | | | | | | | | | |
| Thal Jute Limited (Ordinary shares of Rs. 5 each) | - | 178,200 | - | 85,200 | 93,000 | 25,844 | 25,947 | 103 | 2.82 | 0.40 | 3.50 |
| | | | | | | 25,844 | 25,947 | 103 | 2.82 | 0.40 | 3.50 |
| Transport | | | | | | | | | | | |
| Pakistan National Shipping Corporation | 18,000 | 93,500 | - | 101,500 | 10,000 | 916 | 940 | 24 | 0.10 | 0.01 | 0.13 |
| Pakistan International Container Terminal Ltd. | - | 44,000 | - | 44,000 | - | - | 940 | 24 | 0.10 | 0.01 | 0.13 |
| | | | | | | 916 | 940 | 24 | 0.10 | 0.01 | 0.13 |
| Textile Spinning | | | | | | | | | | | |
| H. Muhammad Ismail Textile Mills Limited | 200,000 | - | - | 200,000 | - | - | - | - | - | - | - |
| | | | | | | | | | | | |
| Engineering | | | | | | | | | | | |
| Addos Pakistan Limited | 20,000 | - | - | 20,000 | - | - | - | - | - | - | - |
| | | | | | | | | | | | |
| Power Generation and Distribution | | | | | | | | | | | |
| The Hub Power Company Limited | 100,000 | 220,000 | - | 270,000 | 50,000 | 1,856 | 1,835 | (21) | 0.20 | - | 0.25 |
| Kot Addu Power Company | 25,000 | 113,000 | - | 138,000 | - | - | - | - | - | - | - |
| Karachi Electric Supply Corporation Limited | - | 100,000 | - | 100,000 | 100,000 | 667 | 675 | 8 | 0.07 | - | 0.09 |
| Kohinoor Energy Limited | - | 75,000 | - | 75,000 | 75,000 | 2,807 | 2,813 | 6 | 0.31 | 0.04 | 0.38 |
| Southern Electric Power Supply Corporation | - | 107,000 | - | 57,000 | 50,000 | 305 | 327 | 22 | 0.04 | 0.04 | 0.04 |
| Japan Power Generation Limited | 100,000 | - | - | 50,000 | 50,000 | 383 | 300 | (83) | 0.03 | 0.03 | 0.04 |
| | | | | | | 6,018 | 5,950 | (68) | 0.65 | 0.11 | 0.80 |
| Oil and Gas Exploration Companies | | | | | | | | | | | |
| Mari Gas Company Limited | - | 73,700 | - | 53,700 | 20,000 | 3,485 | 3,500 | 15 | 0.38 | - | 0.47 |
| Pakistan Oilfields Limited | 18,750 | 720,950 | - | 644,700 | 95,000 | 32,883 | 30,114 | (2,769) | 3.28 | 0.05 | 4.06 |
| Pakistan Petroleum Limited | - | 736,500 | - | 626,500 | 110,000 | 29,212 | 28,870 | (342) | 3.14 | 0.02 | 3.90 |
| Oil and Gas Development Company | 80,000 | 1,467,210 | - | 1,096,700 | 450,510 | 54,401 | 53,971 | (430) | 5.87 | 0.01 | 7.28 |
| | | | | | | 119,981 | 116,455 | (3,526) | 12.67 | 0.08 | 15.71 |



Investments in marketable securities - 'held for trading'

| Name of the Investee Company | Number of shares | | | Balance as at June 30, 2007 | | | Percentage in relation to | | | | |
|---|---------------------|---------------------------|--------------|-----------------------------------|---------------------|--------|----------------------------|----------------------------|--|--|----------------------------|
| | As at July 01, 2006 | Purchases during the year | Bonus/Rights | Sales/adjustments during the year | As at June 30, 2007 | Cost | Market Value (Rupees '000) | Appreciation/ (diminution) | Net Assets of the company (with market value of investments) | Paid-up capital of investee company (with market value of investments) | Total value of investments |
| Shares of listed companies - Fully paid ordinary shares of Rs. 10 each unless stated otherwise. | | | | | | | | | | | |
| Oil and Gas Marketing Companies | | | | | | | | | | | |
| Attock Petroleum Limited | - | 15,000 | - | 15,000 | - | - | - | - | - | - | - |
| Pakistan State Oil Company Limited | 20,000 | 307,000 | - | 297,000 | 30,000 | 12,047 | 11,744 | (303) | 1.28 | 0.02 | 1.59 |
| Sui Northern Gas Pipeline Limited | 10,000 | 265,900 | 3,500 | 123,200 | 156,200 | 11,393 | 11,051 | (342) | 1.20 | 0.03 | 1.49 |
| Sui Southern Gas Pipeline Limited | 60,000 | 490,000 | - | 150,000 | 400,000 | 10,859 | 10,320 | (539) | 1.12 | 0.06 | 1.39 |
| | | | | | | 34,299 | 33,115 | (1,184) | 3.60 | 0.11 | 4.47 |
| Automobile Assembler | | | | | | | | | | | |
| Dewan Farooq Motors Limited | - | 4,000 | - | 4,000 | - | - | - | - | - | - | - |
| Ghandara Nissan Limited | - | 85,000 | - | 85,000 | - | - | - | - | - | - | - |
| Indus Motors Company Limited | - | 81,800 | - | 71,800 | 10,000 | 3,033 | 3,055 | 22 | 0.33 | 0.01 | 0.41 |
| Pakistan Suzuki Motors Company | - | 13,500 | - | 1,500 | 12,000 | 4,578 | 4,704 | 126 | 0.51 | 0.01 | 0.63 |
| | | | | | | 7,611 | 7,759 | 148 | 0.84 | 0.02 | 1.04 |
| Automobile Parts & Accessories | | | | | | | | | | | |
| Agriautos Industries Limited (Ordinary shares of Rs. 5 each) | - | 60,000 | - | 60,000 | - | - | - | - | - | - | - |
| Cable & Electrical Goods | | | | | | | | | | | |
| Pak Elektron Limited | - | 45,000 | - | 45,000 | - | - | - | - | - | - | - |
| Technology and Communication | | | | | | | | | | | |
| Pakistan Telecommunications Limited | 100,000 | 1,080,000 | - | 1,105,000 | 75,000 | 4,154 | 4,275 | 121 | 0.47 | - | 0.58 |
| Pakistan International Airlines Limited | - | 100,000 | - | 100,000 | - | - | - | - | - | - | - |
| Telecard Limited | 35,000 | 265,000 | - | 100,000 | 200,000 | 2,557 | 2,600 | 43 | 0.28 | 0.07 | 0.35 |
| Callimate Limited | 36,000 | 189,000 | - | 145,000 | 80,000 | 4,093 | 3,960 | (133) | 0.43 | 0.12 | 0.53 |
| TRG Pakistan Limited | 25,000 | 150,000 | - | 175,000 | - | - | - | - | - | - | - |
| World Call Telecom Limited | - | 100,000 | - | 100,000 | - | 10,804 | 10,835 | 31 | 1.18 | 0.19 | 1.46 |
| Pharmaceuticals | | | | | | | | | | | |
| Abbot Laboratories Pakistan Limited | - | 99,900 | - | 5,100 | 94,800 | 15,962 | 17,633 | 1,671 | 1.92 | 0.10 | 2.38 |
| Highnoon Laboratories | - | 41,000 | - | 41,000 | - | - | - | - | - | - | - |
| Searle Pakistan Limited | - | 43,500 | - | - | 43,500 | 1,650 | 1,664 | 14 | 0.18 | 0.18 | 0.22 |
| Glaxo Smith Kline Pakistan Limited | - | 52,600 | - | - | 52,600 | 8,778 | 9,862 | 1,084 | 1.07 | 0.04 | 1.33 |
| | | | | | | 26,390 | 29,159 | 2,769 | 3.17 | 0.32 | 3.93 |
| Chemicals | | | | | | | | | | | |
| BOC Pak Limited | - | 58,500 | - | 8,500 | 50,000 | 8,374 | 8,150 | (224) | 0.89 | 0.20 | 1.10 |
| Clarient Pakistan Limited | - | 1,100 | - | 1,100 | - | - | - | - | - | - | - |
| Sitara Chemical Industries Limited | 6,100 | - | - | 6,100 | - | - | - | - | - | - | - |
| ICI Pakistan Limited | 9,500 | 46,500 | - | 56,000 | - | - | - | - | - | - | - |
| Pakistan PTA Limited | 150,000 | 50,000 | - | - | 200,000 | 1,463 | 1,100 | (363) | 0.12 | 0.01 | 0.15 |
| | | | | | | 9,837 | 9,250 | (587) | 1.01 | 0.21 | 1.25 |



Investments in marketable securities - 'held for trading'

| Name of the Investee Company | Number of shares[] | | | | Balance as at June 30, 2007[] | | Percentage in relation to | | | | |
|---|---------------------|---------------------------|----------------|-------------------------------------|-------------------------------|----------------|----------------------------|------------------------------|---|---------------------------------|----------------------------|
| | As at July 01, 2006 | Purchases during the year | Bonus/Rights | Sales / adjustments during the year | As at June 30, 2007 | Cost | Market Value (Rupees '000) | Appreciation/ (diminution)[] | Net Assets of Paid-up capital carrying the company of investee value of investments[] | the face value of investments[] | Total value of investments |
| Shares of listed companies - Fully paid ordinary shares of Rs. 10 each unless stated otherwise.[] | | | | | | | | | | | |
| Fertilizer[] | | | | | | | | | | | |
| Engro Chemicals Pakistan Limited | - | 470,000 | - | 445,000 | 25,000 | 6,282 | 6,325 | 43 | 0.69 | 0.01 | 0.85 |
| Fauji Fertilizer Company Limited | 56,113 | 245,000 | - | 180,000 | 121,113 | 13,543 | 14,685 | 1,142 | 1.60 | 0.02 | 1.98 |
| Fauji Fertilizer Bin Qasim Company Limited | - | 446,000 | - | 446,000 | - | 19,825 | 21,010 | 1,185 | 2.29 | 0.03 | 2.83 |
| Open End Mutual Fund | | | | | | | | | | | |
| AKD Income Fund Limited (certificates of Rs. 50 each) | - | 100,000 | - | - | 100,000 | 5,000 | 5,178 | 178 | 0.56 | - | 0.70 |
| First Habib Income Fund (certificates of Rs. 50 each) | - | 50,000 | - | - | 50,000 | 5,000 | 5,080 | 80 | 0.55 | 0.49 | 0.69 |
| United Money Market Fund (certificates of Rs. 5,000 each) | 19,255 | - | 1,924 | - | 21,179 | 2,000 | 2,334 | 334 | 0.25 | 1.08 | 0.32 |
| NIT (Units) [] | - | 199,601 | - | 199,601 | - | 12,000 | 12,592 | 592 | 1.36 | 1.57 | 1.71 |
| Paper and Board Packages Limited[] | | | | | | | | | | | |
| Packages Limited[] | - | 21,700 | - | 21,700 | - | - | - | - | - | - | - |
| Food & Personal Care-products | | | | | | | | | | | |
| Shakarganj Foods Limited (Formerly Al Jadeed Textile Mills Limited)[] | 270,000 | - | - | 122,000 | 148,000 | 538 | 2,287 | 1,749 | 0.25 | 4.93 | 0.31 |
| | | | | | | 538 | 2,287 | 1,749 | 0.25 | 4.93 | 0.31 |
| Miscellaneous | | | | | | | | | | | |
| Tri Pack Films Limited | 10,000 | 15,000 | - | 25,000 | - | - | - | - | - | 0.06 | 0.22 |
| Siddiqson Tin Plate Limited | 50,000 | 75,000 | 7,500 | 82,500 | 50,000 | 1,675 | 1,618 | (57) | 0.18 | 0.33 | 0.22 |
| ECCOPACK Limited | - | 75,000 | - | - | 75,000 | 1,557 | 1,604 | 47 | 0.17 | 0.01 | 0.20 |
| Pakistan Services[] | - | 3,200 | - | - | 3,200 | 1,434 | 1,491 | 57 | 0.16 | 0.40 | 0.64 |
| | | | | | | 4,666 | 4,713 | 47 | 0.51 | 0.40 | 0.64 |
| Bonds[] | | | | | | | | | | | |
| Allied Bank Limited (Term Finance Certificates of Rs. 5,000 each) | - | 2,000 | - | - | 2,000 | 10,000 | 10,911 | 911 | 1.19 | 0.40 | 1.47 |
| Orix Leasing (Term Finance Certificates of Rs. 5,000 each)[] | - | 6,423 | - | - | 6,423 | 32,115 | 32,757 | 642 | 3.56 | 1.28 | 4.42 |
| | | | | | | 42,115 | 43,668 | 1,553 | 4.75 | 1.68 | 5.89 |
| Total | 11,078,526 | 22,212,984 | 275,237 | 24,054,326 | 9,512,421 | 440,221 | 403,613 | (36,608) | | | |

(*) Consequent to the suspension in trading of Crescent Standard Investment Bank Limited (CSIBL) shares since April 3, 2007 no market value for such shares is available as at June 30, 2007. Pursuant to the merger of CSIBL with Innovative Housing Finance Limited (IHFL) with effect from June 28, 2007, the company will receive one share IHFL for every two hundred shares held in CSIBL based on the scheme of amalgamation approved by the Securities and Exchange Commission of Pakistan. IHFL is an unlisted company whose equity would be significantly restructured after the merger and thus the value of its shares to be received in exchange as a result of the merger, cannot be ascertained reliably. Based on the prudence principle of accounting, the investment in CSIBL has consequently been valued at Nil.



7.2 Investments in marketable securities - 'available for sale'

| Name of the Investee Company | Number of shares | | | | Balance as at June 30, 2007 | | Percentage in relation to | | | | |
|--|---------------------|---------------------------|----------------|-------------------------------------|-----------------------------|----------------|----------------------------|----------------------------|---|--|--|
| | As at July 01, 2006 | Purchases during the year | Bonus / Rights | Sales / adjustments during the year | As at June 30, 2007 | Cost | Market Value (Rupees '000) | Appreciation/ (diminution) | Net Assets of the company (with value of investments) | Paid-up capital of investee company (with face value of investments) | Total value of investments (with market value) |
| Shares of listed companies - Fully paid ordinary shares of Rs. 10 each unless stated otherwise | | | | | | | | | | | |
| RELATED PARTIES | | | | | | | | | | | |
| Leasing Companies | | | | | | | | | | | |
| Universal Leasing Corporation Limited (*) | 971,900 | - | - | - | 971,900 | 9,525 | 5,831 | (3,694) | 0.63 | 4.63 | 0.79 |
| Crescent Leasing Corporation Limited (*) | 4,538,594 | 100,000 | - | 4,538,594 | 100,000 | 841 | 800 | (41) | 0.09 | 0.22 | 0.11 |
| | | | | | | 10,366 | 6,631 | (3,735) | 0.72 | 4.85 | 0.90 |
| Commercial Banks | | | | | | | | | | | |
| Crescent Commercial Bank Limited | 5,945,382 | 1,240,000 | - | 6,485,000 | 700,382 | 13,259 | 15,724 | 2,465 | 1.71 | 0.08 | 2.12 |
| | | | | | | 13,259 | 15,724 | 2,465 | 1.71 | 0.08 | 2.12 |
| Sugar & Allied Products Limited | | | | | | | | | | | |
| Shakarganj Mills Limited | 2,217,500 | 81,000 | - | 598,500 | 1,700,000 | 66,558 | 86,700 | 20,142 | 9.43 | 2.93 | 11.70 |
| Shakarganj Mills Limited (Preference Shares) | 180,000 | - | - | - | 180,000 | 1,800 | 1,080 | (720) | 0.12 | 0.52 | 0.15 |
| | | | | | | 68,358 | 87,780 | 19,422 | 9.55 | 3.45 | 11.85 |
| Engineering | | | | | | | | | | | |
| Crescent Steel and Allied Products Limited | 1,689,660 | 312,000 | - | 763,000 | 1,238,660 | 65,266 | 87,945 | 22,679 | 9.57 | 2.65 | 11.87 |
| Crescent Steel and Allied Products Limited (R) | 569,763 | - | - | 569,763 | - | - | - | - | 0.00 | 0.00 | 0.00 |
| | | | | | | 65,266 | 87,945 | 22,679 | 9.57 | 2.65 | 11.87 |
| OTHERS | | | | | | | | | | | |
| Insurance Companies | | | | | | | | | | | |
| PICIC Insurance Limited | - | 7,000 | 71,885 | 78,885 | - | - | - | - | 0.00 | 0.00 | 0.00 |
| Modarabas | | | | | | | | | | | |
| Crescent Standard Modaraba | 1,793,500 | - | - | 1,084,000 | 709,500 | 3,015 | 1,206 | (1,809) | 0.13 | 3.55 | 0.16 |
| | | | | | | 3,015 | 1,206 | (1,809) | 0.13 | 3.55 | 0.16 |
| Investment Companies and Banks | | | | | | | | | | | |
| Javed Omer Vohra and Company | 771,000 | 100,000 | - | 871,000 | - | - | - | - | 0.00 | 0.00 | 0.00 |
| Pakistan Industrial Credit and Investment Corporation Limited | 1,938,450 | 1,856,500 | 62,845 | 3,857,795 | - | - | - | - | 0.00 | 0.00 | 0.00 |
| International Housing Finance Limited | 4,500,000 | - | - | 3,445,000 | 1,055,000 | 11,722 | 23,105 | 11,383 | 2.51 | 2.34 | 3.12 |
| | | | | | | 11,722 | 23,105 | 11,383 | 2.51 | 2.34 | 3.12 |
| Power Generation and Distribution | | | | | | | | | | | |
| Altern Energy Limited | 1,100,000 | 394,000 | - | 56,000 | 1,438,000 | 18,441 | 25,165 | 6,724 | 2.74 | 6.51 | 3.40 |
| | | | | | | 18,441 | 25,165 | 6,724 | 2.74 | 6.51 | 3.40 |
| Textile Composite | | | | | | | | | | | |
| Crescent Textile Mills Limited | 1,746,000 | 88,500 | 174,600 | 709,000 | 1,300,100 | 46,477 | 89,707 | 43,230 | 9.76 | 3.20 | 12.11 |
| | | | | | | 46,477 | 89,707 | 43,230 | 9.76 | 3.20 | 12.11 |
| Total | 27,961,749 | 4,179,000 | 309,330 | 23,056,537 | 9,393,542 | 236,904 | 337,263 | 100,359 | | | |

(*) The board of directors of Universal Leasing Corporation Limited (ULCL) and Crescent Leasing Corporation Limited (CLCL) have approved the merger of ULCL into CLCL. Based on this scheme of merger, shareholders of ULCL will receive one share of CLCL for every 2.44 shares held in ULCL. However, the merger is subject to the approval by shareholders and regulatory authorities.



| | | 2007 | 2006 |
|---|--|-----------------|------------------|
| | | (Rupees '000) | |
| 7.3 | Net unrealized diminution in the value of investments classified as 'held for trading' | | |
| Market value | – note 7.1 | 403,613 | 114,651 |
| Less: Cost | – note 7.1 | (440,221) | (182,271) |
| | | (36,608) | (67,620) |
| Add: Realized on disposal during the year | | (43,668) | (108,972) |
| Less: Net unrealized appreciation at the beginning of the year | | 67,620 | 56,886 |
| Net unrealized diminution in the market value of securities during the year | | <u>(12,656)</u> | <u>(119,706)</u> |
| 7.4 | Net unrealized appreciation/(diminution) in the value of investments classified as 'available for sale' | | |
| Market value | – note 7.2 | 337,263 | 430,770 |
| Less: Cost | – note 7.2 | (236,904) | (627,484) |
| | | 100,359 | (196,714) |
| Add: impairment charge recognized in income statement | – note 7.4.1 | 5,543 | - |
| | | <u>105,902</u> | <u>(196,714)</u> |
| 7.4.1 | Impairment charge | | |
| Opening balance | | - | - |
| Add: Impairment charge recognised during the period | | 10,531 | - |
| Less: Sales of investments | | (4,988) | - |
| Closing balance | | <u>5,543</u> | <u>-</u> |

Impairment charge for the period is included in other expenses.

8. Remuneration Payable to Investment Advisor

Under the provisions of the NBFC Rules, the Investment Advisor of the Company is entitled to a remuneration, to be paid annually after the financial statements of the company have been audited. The Investment Advisor has charged its remuneration for the current year at the rate of two percent per annum.

| | 2007 | 2006 |
|--|---------------|--------------|
| | (Rupees '000) | |
| 9. Accrued Expenses and Other Liabilities | | |
| Payable to brokers | 33,200 | 37 |
| SECP fee payable | 722 | 770 |
| Custodian fee and settlement charges payable | 178 | 69 |
| Audit fee payable | 360 | 75 |
| Other liabilities | 275 | 420 |
| | <u>34,735</u> | <u>1,371</u> |



10. Issued, Subscribed and Paid up Capital

| 2007 (Number of shares) | 2006 (Number of shares) | Ordinary shares of Rs. 10 each fully paid in cash. | 2007 (Rupees '000) | 2006 (Rupees '000) |
|----------------------------|----------------------------|--|-----------------------|-----------------------|
| 90,000,000 | 90,000,000 | | 900,000 | 900,000 |

9,000,000 (2006: 9,000,000) ordinary shares of the company are held by Asian Capital Management Limited an associated undertaking.

11. Reserves

| | Capital reserve | Revenue reserve | Total 2007 | Total 2006 |
|--|--|------------------------|---------------|---------------|
| | Gain/(loss) on remeasurement of investments classified as available for sale | Un-appropriated profit | (Rupees '000) | (Rupees '000) |
| Balance as at June 30, 2006 | (196,714) | (160,018) | (356,732) | (66,888) |
| Profit/(Loss) for the year | - | 73,439 | 73,439 | (101,657) |
| Loss on derecognition of investments transferred to return on investments | 138,771 | - | 138,771 | 4,129 |
| Gain/(loss) on remeasurement of investments classified as 'available for sale' | 158,302 | - | 158,302 | (192,316) |
| Impairment charge on investments classified as 'available for sale' | 5,543 | - | 5,543 | - |
| Balance as at June 30, 2007 | 105,902 | (86,579) | 19,323 | (356,732) |

12. Return on Investments

| | 2007 (Rupees '000) | 2006 (Rupees '000) |
|--|-----------------------|-----------------------|
| Gain on sale of shares | 84,354 | 24,237 |
| Loss on remeasurement of investments classified as 'held for trading' – note 7.3 | (12,656) | (119,706) |
| Return on TFCs | 627 | - |
| Dividend Income | 10,806 | 11,198 |
| | 83,131 | (84,271) |



13. Administrative and General Expenses

| | 2007 (Rupees '000) | 2006 |
|---|-----------------------|--------------|
| Annual fee - Securities and Exchange Commission of Pakistan | 722 | 770 |
| Settlement and custody charges | 1,280 | 1,933 |
| Professional fee and subscription | 289 | 237 |
| Auditors' remuneration – note 13.1 | 497 | 113 |
| Receivable written-off | 11 | - |
| Others | 183 | 57 |
| | <u>2,982</u> | <u>3,110</u> |

13.1 Auditors' remuneration

| | 2007 (Rupees '000) | 2006 |
|----------------------------------|-----------------------|------------|
| Statutory audit | 275 | 75 |
| Half yearly review | 150 | 25 |
| Certification and other services | 32 | 10 |
| Out of pocket expenses | 40 | 3 |
| | <u>497</u> | <u>113</u> |

14. Impairment

This represents impairment charge on investments classified as available for sale as referred to in note 7.4.1.

15. Provision for Taxation

| | 2007 (Rupees '000) | 2006 |
|----------------|-----------------------|------------|
| Current | | |
| - for the year | - | 728 |
| - prior years | (168) | - |
| | <u>(168)</u> | <u>728</u> |

The management of the company intends to avail the tax exemption under clause 99 of the Second Schedule to the Income Tax Ordinance, 2001 by distributing at least ninety percent of its accounting income for the year as reduced by capital gains, whether realised or unrealised, to its shareholders. Accordingly, no current tax liability for the year has been recognised in these financial statements.

The management is of the view that it will continue availing the above exemption in future years and deductible temporary differences will not reverse for some considerable period. Consequently, based on the prudence principle, deferred tax asset to the extent of Rs. 13,545 (2006: Rs. 12,257) has not been recognised in these financial statements.



16. Financial Assets and Liabilities

| | (Rupees '000) | | | | | | | | | | |
|--|--------------------------|-------------------------|-----------|------------------------|-------------------------|-----------|---------------|---------------|---------------|---------------|---------|
| | Interest/mark-up bearing | | | | Non-interest bearing | | | Total | | Credit Risk | |
| | Maturity upto one year | Maturity after one year | Sub total | Maturity upto one year | Maturity after one year | Sub total | June 30, 2007 | June 30, 2006 | June 30, 2007 | June 30, 2006 | |
| Financial assets | | | | | | | | | | | |
| On balance sheet | | | | | | | | | | | |
| Cash and bank balances | 215,653 | - | 215,653 | - | - | - | 215,653 | 10,278 | 10,278 | 215,653 | 10,278 |
| Accounts receivable | - | 8,577 | - | 8,577 | - | 8,577 | 8,577 | 1,021 | 1,021 | 8,577 | 1,021 |
| Dividend receivable | - | - | - | 1,054 | - | 1,054 | 1,054 | 895 | 895 | 1,054 | 895 |
| Income tax refundable | - | - | - | 928 | - | 928 | 928 | - | - | 928 | - |
| Advances, deposits and prepayments | - | - | - | - | 75 | 75 | 75 | 100 | 100 | 75 | 100 |
| - Security deposit | 1,303 | - | 1,303 | - | - | - | 1,303 | 49 | 49 | 1,303 | 49 |
| - Mark-up receivable | - | - | - | - | - | - | - | - | - | - | - |
| Short-term investments | - | - | - | 403,613 | - | 403,613 | 403,613 | 114,651 | 114,651 | 403,613 | 114,651 |
| - Held for trading | - | - | - | 337,263 | - | 337,263 | 337,263 | - | - | 337,263 | - |
| - Available for sale | - | - | - | - | - | - | - | - | - | - | - |
| Long-term investments | - | - | - | - | - | - | - | 430,770 | 430,770 | - | 430,770 |
| - Available for sale | - | - | - | - | - | - | - | - | - | - | - |
| Off balance sheet | 216,956 | - | 216,956 | 751,435 | 75 | 751,510 | 968,466 | 557,764 | 557,764 | 968,466 | 557,764 |
| Total | 216,956 | - | 216,956 | 751,435 | 75 | 751,510 | 968,466 | 557,764 | 557,764 | 968,466 | 557,764 |
| Financial liabilities | | | | | | | | | | | |
| On balance sheet | | | | | | | | | | | |
| Remuneration payable to Investment Advisor | - | - | - | 14,436 | - | 14,436 | 14,436 | 12,176 | 12,176 | 14,436 | 12,176 |
| Accrued expenses and other liabilities | - | - | - | 34,735 | - | 34,735 | 34,735 | 1,371 | 1,371 | 34,735 | 1,371 |
| Off balance sheet | - | - | - | 49,171 | - | 49,171 | 49,171 | 13,547 | 13,547 | - | - |
| Total | - | - | - | 49,171 | - | 49,171 | 49,171 | 13,547 | 13,547 | - | - |
| On balance sheet gsp | 216,956 | - | 216,956 | 702,264 | 75 | 702,339 | 919,295 | 544,217 | 544,217 | 919,295 | 544,217 |
| Off balance sheet gsp | - | - | - | - | - | - | - | - | - | - | - |

The effective interest/mark-up rates for the monetary financial assets and liabilities are mentioned in respective notes to the financial statements.



16.1 Financial risk management

The company primarily invests in shares of listed companies including preference shares and term finance certificates. Such investments are subject to varying degrees of risk. These risks emanates from various factors that include, but are not limited to:

(a) Market risk

Market risk is the risk that the value of the financial instrument may fluctuate as a result of market interest rates or the market price of securities due to a change in credit rating of the issuer, speculative activities, supply and demand of securities and liquidity in the market.

The Investment Advisor manages market risk by monitoring exposure on marketable securities by following the internal risk management policies and regulations laid down by the Securities and Exchange Commission of Pakistan.

(b) Credit risk

Credit risk management

Credit risk arises from the inability of the issuer of the instruments, the relevant financial institutions or counter parties to fulfill their obligations. There is a possibility of failure of the financial markets/stock exchanges, the depositories, the settlements or the clearing system etc.

The Company's policy is to enter into financial contracts in accordance with the internal risk management policies and investment guidelines approved by the investment committee. In addition, the risk is managed through assignment of credit limited, obtaining adequate collateral and by following strict credit evaluation criteria laid down by the investment advisor. The company does not expect to incur material credit losses on its financial assets.

Concentration of credit risk

Credit risk exists when changes in economic or industry factors affect groups of counter parties whose aggregate credit exposure is significant in relation to the company's total credit exposure. Financial assets subject to credit risk amount to Rs. 968.466 million (2006: Rs. 557.764 million). The company's portfolio of financial assets is broadly diversified and transactions are entered into with diverse credit worthy counter-parties thereby mitigating any significant concentration of credit risk.

(c) Liquidity risk

Liquidity risk is the risk that the company may encounter difficulty in raising funds to meet its obligations and commitments. Liquidity risk also arises lack of marketability of an investment that cannot be bought or sold quickly enough to prevent or minimise a loss. The risk is accelerated by the need to revalue investments according to mark to market requirement. Investment securities with less free float on infrequent trading history can pose problems in ascertaining the market value of the investments. The Investment Advisor manages this by maintaining maturities of financial assets and financial liabilities and investing a major portion of the company's assets in highly liquid financial assets.

(d) Market rate of return (MROR) risk

MROR risk is the risk that the value of a financial instrument will fluctuate due to changes in the market interest rates. The company is not exposed to a significant MROR risk.

(e) Settlement risk

Settlement risk is the risk that the broker/counter party may not be able to settle the purchase/sale transaction through payment/delivery of securities. The Investment Advisor manages this by selecting reputable brokers for executing purchase/sale transactions.

16.2 Fair value of financial assets and liabilities

Investments categorized as 'held for trading' and 'available for sale' are carried on the statement of assets and liabilities at their fair value. The Investment Advisor is of the view that the fair market value of most of the remaining financial assets and financial liabilities are not significantly different from their carrying values since these are essentially short-term in nature.



17. Maturities of Assets and Liabilities

| | June 30, 2007 | | | |
|--|----------------|-------------------|--|--------------------|
| | Total | Upto three months | More than three months and upto one year | More than one year |
| | (Rupees '000) | | | |
| Assets | | | | |
| Cash and bank balances | 215,653 | 215,653 | - | - |
| Short-term investments | 740,876 | 740,876 | - | - |
| Accounts receivable | 8,577 | 8,577 | - | - |
| Dividend receivable | 1,054 | 1,054 | - | - |
| Income tax refundable | 928 | - | 928 | - |
| Advances, deposits and prepayments | 1,406 | 1,331 | - | 75 |
| | 968,494 | 967,491 | 928 | 75 |
| Liabilities | | | | |
| Remuneration payable to Investment Advisor | 14,436 | 14,436 | - | - |
| Accrued expenses and other liabilities | 34,735 | 34,735 | - | - |
| | 49,171 | 49,171 | - | - |
| Net assets | 919,323 | 918,320 | 928 | 75 |

| | June 30, 2006 | | | |
|--|----------------|-------------------|--|--------------------|
| | Total | Upto three months | More than three months and upto one year | More than one year |
| | (Rupees '000) | | | |
| Assets | | | | |
| Cash and bank balances | 10,278 | 10,278 | - | - |
| Short-term investments | 114,651 | 114,651 | - | - |
| Accounts receivable | 1,021 | 1,021 | - | - |
| Dividend receivable | 895 | 895 | - | - |
| Advances, deposits and prepayments | 176 | 76 | - | 100 |
| Long-term investments | 430,770 | - | - | 430,770 |
| | 557,791 | 126,921 | - | 430,870 |
| Liabilities | | | | |
| Remuneration payable to Investment Advisor | 12,176 | 12,176 | - | - |
| Accrued expenses and other liabilities | 1,371 | 1,371 | - | - |
| Provision for taxation | 976 | - | 976 | - |
| | 14,523 | 13,547 | 976 | - |
| Net assets | 543,268 | 113,374 | (976) | 430,870 |

18. Earnings Per Share

18.1 Basic earnings per share

| | | 2007 | 2006 |
|--|------------------|--------|-----------|
| Net profit for the year | (Rupees '000) | 73,439 | (101,657) |
| Weighted average number of ordinary shares outstanding during the year | (Number in '000) | 90,000 | 90,000 |
| Earnings per share | (Rupees) | 0.82 | (1.13) |



18.2 Diluted earnings per share

There is no dilution effect on the basic earnings per share of the Company as the company has no such commitments.

19. Performance Table

19.1 Net assets

Net assets (Rs. '000)

Net assets value per share (Rs.)

| 2007 | 2006 | 2005 | 2004 | 2003 |
|---------|---------|---------|--------|--------|
| 919,323 | 543,268 | 833,112 | 59,532 | 58,376 |
| 10.22 | 6.04 | 9.26 | 15.95 | 5.84 |

19.2 Earnings per share and dividend distribution

| | 2007 | 2006 | 2005 | 2004 | 2003 | 2002 | 2001 | 2000 | 1999 | 1998 |
|--------------------------|------|--------|--------|------|------|--------|--------|------|------|--------|
| Earnings per share (Rs.) | 0.82 | (1.13) | (0.30) | 0.41 | 2.33 | (0.32) | (0.93) | 1.74 | 0.28 | (3.86) |
| Cash dividend (%) | - | - | - | - | - | - | 10.00 | - | - | - |
| Bonus issue (%) | - | - | - | - | - | - | - | - | - | - |

20. Transactions with Connected Persons

2007
(Rupees '000)

Remuneration to Investment Advisor

Asian Capital Management Limited - Investment Advisor

14,436

15,107

Dividend income

Shakarganj Mills Limited

153

153

21. Date of Authorisation for Issue and events after the balance sheet date

21.1 These financial statements have been authorised for issue on July 27, 2007 by the Board of Directors of the Company.

21.2 The Board of Directors have approved the final dividend for the year ended June 30, 2007, of Rs. 0.50 (2006 : Rs. nil) per share, amounting to Rs. 45 million (2006 : Rs. nil) at their meeting held on July 27, 2007, for approval of the members at the Annual General Meeting to be held on August 31, 2007.

22. Corresponding Figures

22.1 Figures have been rounded off to the nearest thousand rupees.

22.2 Previous year figures have been re-arranged wherever necessary, for the purposes of comparison. Dividend receivable has been reclassified from advances, deposits and prepayments and disclosed separately on the statement of assets and liabilities.

Chief Executive Officer

Director



Statement of Income and Expenditure in Relation to the Investment Advisor

For the year ended June 30, 2007

| | 2007 | 2006 |
|----------------------------|--------------|--------------|
| | (Rupees) | |
| Revenues□ | 14,540,174 □ | 15,140,875 |
| Operating expenses □ | (6,670,880)□ | (13,285,773) |
| □ | | |
| Operating profit□ | 7,869,294 □ | 1,855,102 |
| Financial charges□ | (5,323)□ | (950) |
| Profit before taxation□ | 7,863,971 □ | 1,854,152 |
| Taxation -current□ | 2,752,390 □ | 516,448 |
| -prior□ | 2,381,536 □ | - |
| | 5,133,926 □ | 516,448 |
| Profit after taxation □ | 2,730,045 □ | 1,337,704 |
| Basic earnings per share □ | 0.30 □ | 0.15 |

Proxy Form

I/We _____
of _____ (full address)
being a member of ASIAN STOCKS FUND LIMITED hereby appoint _____
of _____ (full address)
or failing him/her _____
of _____ (full address)
as my/our Proxy to attend and vote for me/us and on my/our behalf at the Annual General Meeting of the Company to be held on August 31, 2007 or at any adjournment thereof.

Signed this _____ of _____ 2007. _____
(day) _____ (date, month)

Signature of Member: _____

Folio Number: _____

Number of shares held : _____

Witnesses

1. _____

2. _____

Please affix
Revenue Stamp
of Rs. 5/-

Signature and Company Seal

NOTES:

- (i) All members are entitled to attend and vote at the Meeting.
- (ii) A member entitled to attend and vote at this meeting may appoint another member as his/her proxy to attend and vote.
- (iii) The instrument of proxy and the power of attorney or other commission (if any) under which it is signed, or a notarially certified copy of that power of attorney or authority must be deposited at the Registered Office of the Company not less than 48 hours before the time for holding the Meeting.
- (iv) Members are advised to bring their National Identity Cards along with CDC Participant ID and account number at the meeting venue.
- (v) If any proxies are granted by any such shareholders, the same must be accompanied with attested copies of the National Identify Cards of the grantors and the signatures on the proxy form should be the same as that appearing on the National Identity Cards.
- (vi) The Share transfer books of the Company will remain closed from August 24, 2007 to August 31, 2007 (both days inclusive). Physical transfers and CDC Transaction IDs received in order at the Registered Office of the Company up to the close of business on August 23, 2007 will be considered as on time for the determination of entitlement of shareholders to attend and vote at the meeting.
- (vii) Members are required to immediately notify regarding any changes in their registered address.

Affix
Correct
Postage

**The Company Secretary
Asian Stocks Fund Limited
Crescent Standard Tower,
10-B, Block E-2, Gulberg-III
Lahore, Pakistan.**



ASIAN
STOCKS FUND LIMITED

Crescent Standard Tower, 10-B, Block E-2, Gulberg-III, Lahore, Pakistan.

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