



JS Value Fund Limited

Annual Report 2009



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Vision

To be Industry Leaders in Financial Services

Mission

Pursuit of Professional Excellence

Core Values

Shareholder Value ■ Integrity ■ Commitment

Organization

Management Company

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

Board of Directors

Nazar Mohammad Shaikh	Chairman
Muhammad Najam Ali	Chief Executive Officer
Muhammad Yousuf Amanullah	
Ali Hassan Hamdani	
Munawar Alam Siddiqui	
Muhammad Khalil Mian	
Suleman Lalani	

Audit Committee

Munawar Alam Siddiqui	Chairman
Muhammad Yousuf Amanullah	Member
Nazar Mohammad Shaikh	Member

Chief Financial Officer & Company Secretary

Suleman Lalani

Custodian

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

Auditors

M.Yousuf Adil Saleem & Co.
Chartered Accountants
Cavish Court, A-35, Block 7 & 8
KCHSU, Shahrah -e- Faisal
Karachi-75350.

Legal Adviser

Aman Law Associates
Room # 315, Hotel Metropole Bldg
Karachi-75520

Share Registrar

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

DIRECTORS' REPORT TO THE SHARE HOLDERS

The Board of Directors of JS Value Fund Limited (the Fund), is pleased to present the Annual Report for the year ended June 30, 2009.

1. Review of Fund Performance

The KSE-100 Index declined by 41.72% during the year under review and closed at 7,162 points on June 30, 2009. The KSE-30 Index also witnessed similar decline of 47.15% and closed the year at 7,571 level. A detailed market review is presented in the enclosed Fund Manager Report.

The Fund posted a return of -48.91% against a benchmark return of -47.15% resulting in an underperformance of 1.76%. The funds underperformance was mainly due to our reduced asset allocation to equities once the market freeze had been lifted on Dec 15th 2008. At the time we felt that a major element of systemic risk existed in the equity markets, due to the looming default on the large amount of CFS MK II and margin financing and the subsequent expected bankruptcy of a number of margin financing. Despite government and exchange help 7 brokers defaulted over time and though this number was much lower than expected, the damage could have been very severe. Systemic meltdown was avoided and the market rebound was much sharper than expected by us. While we did miss out on the upside from the market low due to a reduced allocation to equities, we felt that on the balance of probabilities, protection of capital was the prudent stance to adopt when the level of systemic risk in the equity market was so high.

The Fund incurred a net loss of Rs. 1,297 million during the year ended June 30, 2009, including unrealized loss on investment of Rs. 681 million. The net assets of the Fund declined by 53.41 percent from Rs. 2,655 million to Rs. 1,237 million during the year under review. This reduction in net assets include payment of interim dividend amounting to Rs. 118.575 million. The net assets value as on June 30, 2009 was Rs. 10.44 per share compared to beginning net assets value of Rs. 22.39 per share.

2. Fund and Asset Manager Rating

The Fund rating methodology is presently under discussion between the Management Company and the Pakistan Credit Rating Agency (PACRA). Further, MUFAP is also in consultation with the country's two rating agencies and the SECP in terms of having a consistent and uniform rating methodology for mutual funds. Updated fund rating will be announced once a conclusion is reached on the same.

PACRA has awarded an "AM2+" asset manager rating to JS Investments Limited. The rating denotes the company's very strong capacity to manage the risks inherent in asset management and the asset manager meets very high investment management industry standards and benchmarks.

3. Compliance

The Board of Directors of JS Value Fund Limited states that:

- a. The financial statements present fairly the state of affairs of the Fund, the results of its operations, cash flows and movement in net assets of the Fund.
- b. Proper books of accounts of the Fund have been maintained.
- c. Appropriate accounting policies have been consistently applied in preparation of financial statements, and financial estimates are based on reasonable and prudent judgment.
- d. International Accounting Standards, as applicable in Pakistan, provisions of the Non-Banking Finance Companies (Establishment & Regulation) Rules, 2003, Non-Banking Finance Companies and Notified Entities Regulations, 2008 and directives of the Securities and Exchange Commission of Pakistan have been followed in preparation of the financial statements.
- e. The system of internal control is sound in design and has been effectively implemented and monitored.
- f. There are no significant doubts upon the Fund's ability to continue as a going concern.
- g. There has been no material departure from the best practices of the Code of Corporate Governance, as detailed in the listing regulations.
- h. A performance table / key financial data is given on page 09 of this annual report.
- i. The Directors have signed the "Statement of Ethics and Business Practices".

- j. No shares were traded by the Chief Executive, directors and executives and their spouses and minor children during the financial year ended June 30, 2009.
- k. The company does not have any staff retirement benefit scheme as it has no employee on its payroll.

4. Meetings of the Directors

During the year four meetings of the Board of Directors were held. The attendance of each director for these meetings is disclosed in the notes to the financial statements.

5. Auditors

The external auditors of the Fund Messrs. M. Yousuf Adil Saleem & Co., Chartered Accountants, retire and being eligible offer themselves for reappointment. The Audit Committee of the Board has recommended reappointment of M. Yousuf Adil Saleem & Co., Chartered Accountants, as the Fund's auditors for the year ending June 30, 2010.

6. Acknowledgment

The Directors expresses their gratitude to the Securities and Exchange Commission of Pakistan for its valuable support, assistance and guidance. The Board also thanks the employees of the Management Company and the Custodian for their dedication and hard work and the share holders for their confidence in the Management.

Karachi: August 21, 2009

Muhammad Najam Ali
Chief Executive Officer



FUND MANAGER'S REPORT

Fund Profile

Fund type	Close end - Equity Fund
Fund launch date	14 January, 1996
Fund Assets (PKR mn)	1,237.33
Benchmark	KSE30 Index
Listing	KSE
Custodian	Muslim Comm. Fin. Services (Pvt) Ltd.
Auditors	M. Yousuf Adil Saleem & Co.
Risk profile	Medium risk
Management fee	2.00%

Investment Philosophy

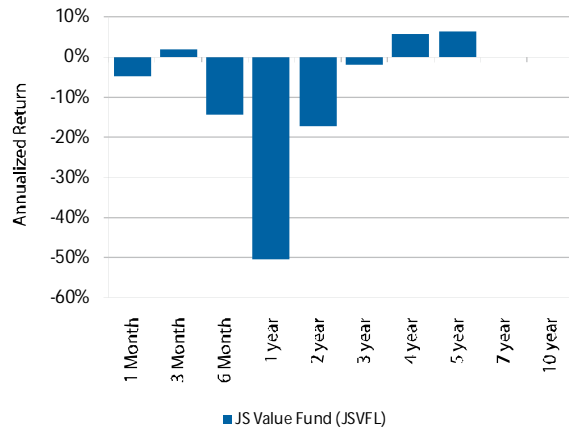
The fund maintains a mix of equities and debt instruments. Earnings comprise of capital appreciation, dividend income, and interest income. The portfolio seeks capital growth through investments in marketable securities with better-than-average appreciation potential and liberal dividend policies. To benefit from rising interest rates, and high levels of bank deposits are maintained. The fund during the period achieved its investment objective through its investment strategies. The investment strategy comprised of investment in fundamentally sound securities keeping in view both the market and the underlying economic sentiment in the country. The fund, during the year, underperformed the benchmark by 1.8%. There was no significant change in the state of affairs of the fund during the period.

Market Review FY09

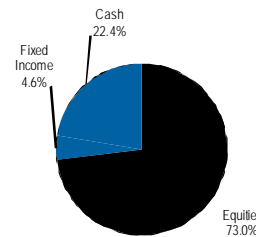
During the year under review, the KSE-100 index fell from 12,289.03 at June 30th, 2008 to 7,162.18 on June 30th, 2009, down by 41.72%. The decline was mainly on account of growing political uncertainties and worsening economic conditions. Activity in the equity market remained heavily subdued during the first half of the year after a floor mechanism was enforced by the management of the KSE on August 27th 2008 freezing scrip prices at their respective levels (the floor of the KSE-100 was set at a level of 9,144.93). Furthermore, high inflation and burgeoning fiscal and current deficits forced the country to enter into the IMF program with a loan of USD 7.6bn in order to bridge the expenditure gap. During FY09 two tranches of the IMF have been received. The tight monetary stance of the Central Bank continued into FY09. Having already raised its policy rate by 200 bps during 2HFY08, the regulator increased interest rates by another 100 bps to 13% on 30th July, 2008 and on 13th November 2008, the SBP, in an effort to bring down inflation from its 25% level, once again raised its discount rate, this time by 200 bps to 15%.

The removal of the floor mechanism on December 15th, 2008 led to strong selling pressure in the market, whereby the KSE-100 declined to a low of 4,815.34 points in January 2009. Thereafter, restoration of deposed judges, resolution of major political differences between the two leading parties and expectations of significant foreign inflows fuelled positive sentiments in the market. Declining inflation (June '09 inflation recorded at 13.13%) and a falling current account balance resulted in a 100 bps reduction (to 14%) in the policy rate by the State of Pakistan in its Monetary Policy Review on 21st April, 2009 which helped stimulate positive sentiments in the market and the KSE-100 index recovered by 58% to its closing level of 7,162.18 on June 30th 2009.

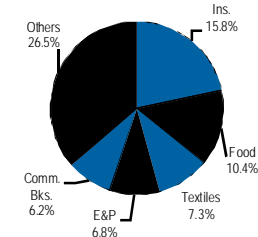
Performance (in percentage)



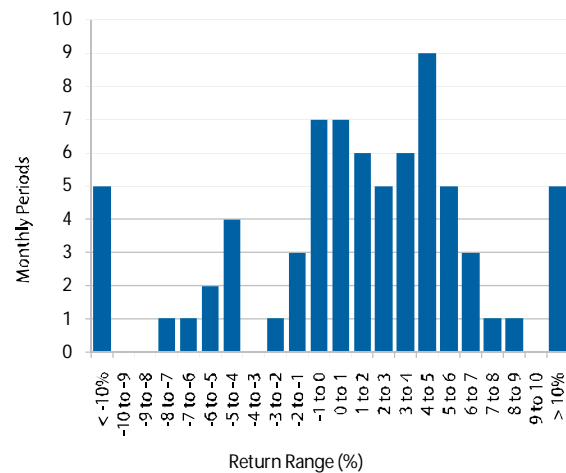
Asset Allocation



Sector Allocation



Distribution of Returns



Important Information: The value of mutual fund investments may go up or down and are subject to market conditions. Past performance is not necessarily indicative of future results and annualized returns for period of less than one year can be misleading. JS Investments Limited has exercised due diligence and care in preparing the information contained herein and believes it to be reliable as of the date indicated. However no guarantee is given that it is accurate or complete. JS Investments Limited shall not be liable for any direct, indirect, special, incidental, consequential, punitive or exemplary damages or losses, including lost profits arising in any way from the information contained herein. Please consult your legal and/or financial advisor before making any investment decisions. Information provided here is for the use of intended recipients only and the contents may not be reproduced, redistributed, or copied in whole or in part for any purpose without prior express consent of JS Investments Limited.

JS Value Fund Limited

Benchmark Analysis	Benchmark
Alpha	0.4%
Annualized Alpha	4.6%
Beta	0.6
Correlation	0.8
R-squared	0.6

Statistical Analysis	Fund	Benchmark
Compound ROR	10.3%	8.8%
Standard Deviation	24.9%	35.2%
Cumulative Return	80.0%	65.69%
Cumulative VAMI	1,800	1,657
Sharpe (13.00%)	0.0	0.1
Largest Month Gain	21.4%	25.2%
Largest Month Loss	-24.4%	-45.1%
% Positive Months	66.7%	55.6%
% Negative Months	33.3%	44.4%

Split of Shares

The Fund has not carried out any share split exercise during the year.

Effects on the NAV after Split

n/a

Distribution (FY08)	in %	in PKR
Cash Dividend	30% on the face value of PKR 10/- per share	3.00

Distribution for the Year Ended June 30, 2009

Fund has paid cash dividend @ Rs. 1.00 per share of Rs. 10/- each i.e. 10% during the year.

Other Disclosures

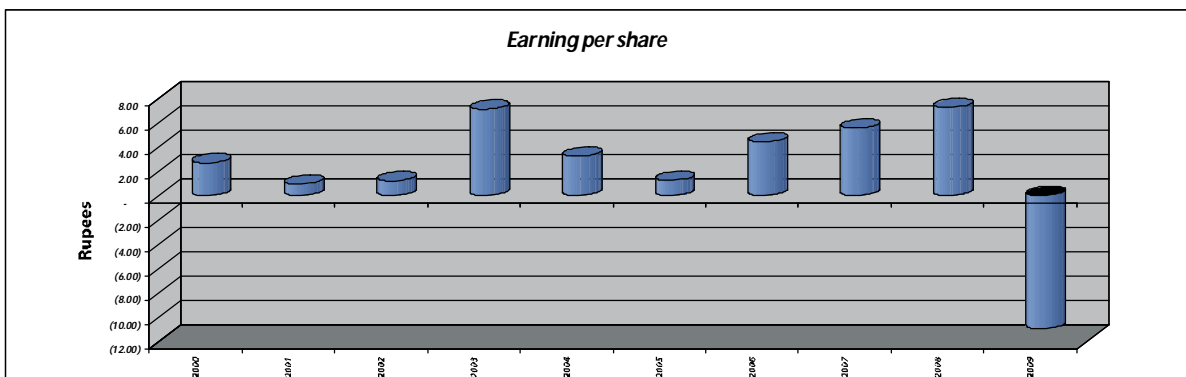
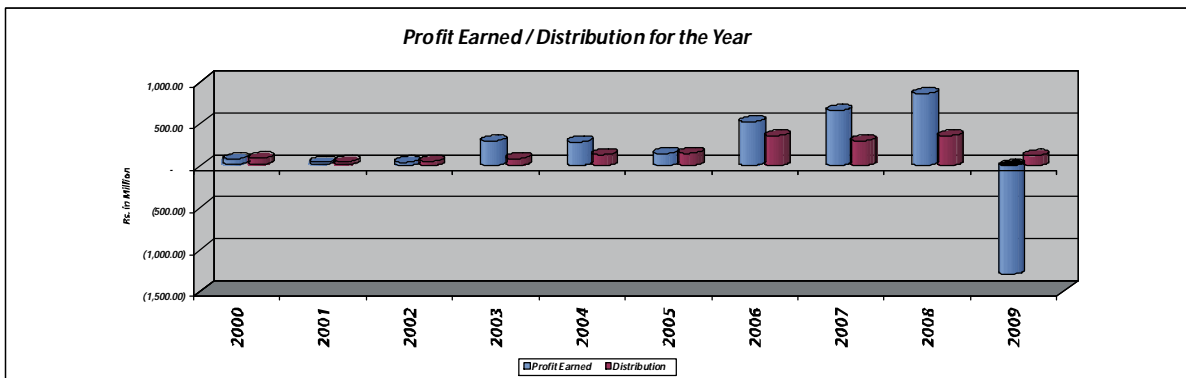
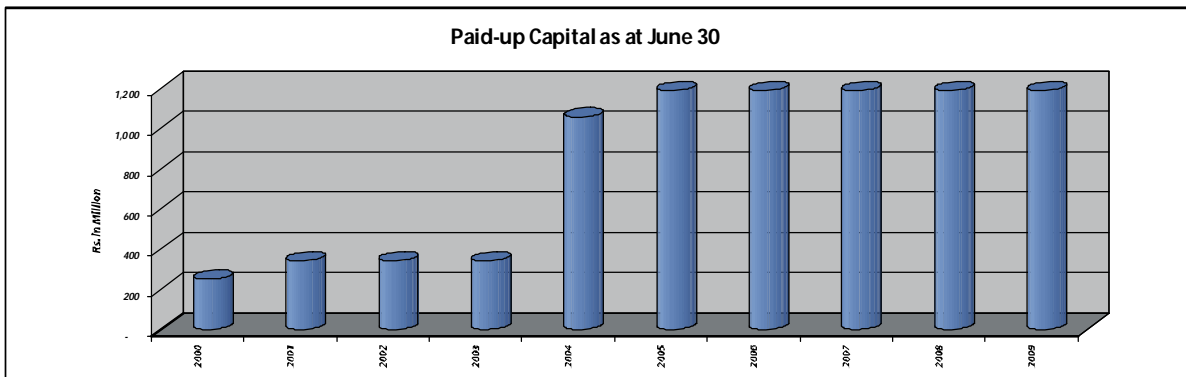
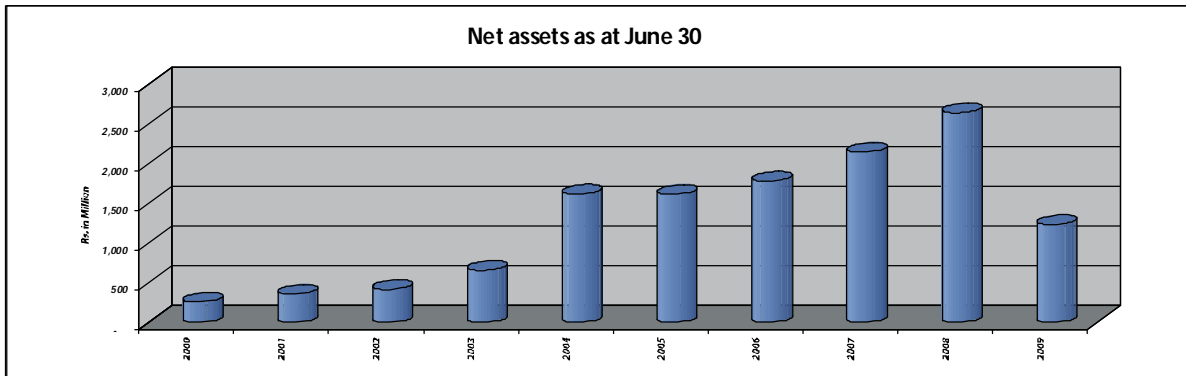
The Management Company and / or any of its delegates have not received any soft commission from its brokers / dealers by virtue of transactions conducted by the Fund.

Important Information: The value of mutual fund investments may go up or down and are subject to market conditions. Past performance is not necessarily indicative of future results and annualized returns for period of less than one year can be misleading. JS Investments Limited has exercised due diligence and care in preparing the information contained herein and believes it to be reliable as of the date indicated. However no guarantee is given that it is accurate or complete. JS Investments Limited shall not be liable for any direct, indirect, special, incidental, consequential, punitive or exemplary damages or losses, including lost profits arising in any way from the information contained herein. Please consult your legal and/ or financial advisor before making any investment decisions. Information provided here is for the use of intended recipients only and the contents may not be reproduced, redistributed, or copied in whole or in part for any purpose without prior express consent of JS Investments Limited.

PERFORMANCE TABLE / KEY FINANCIAL DATA

	year									
	2009	2008	2007	2006	2005	2004	2003	2002	2001	2000
Net assets (Rs in 000)	1,237,330	2,654,667	2,152,513	1,789,332	1,620,936	1,624,589	661,901	420,177	358,864	257,468
Net assets value per share (Rs.)	10.44	22.39	18.15	15.09	13.67	15.41	19.46	12.35	10.55	10.30
Paid-up Capital (Rs. in 000)	1,185,750	1,185,750	1,185,750	1,185,750	1,185,750	1,054,000	340,000	340,000	340,000	250,000
Net (loss)/ profit for the year (Rs in 000)	(1,296,844)	859,001	658,483	524,437	146,549	282,688	292,724	41,498	28,316	67,464
(Loss) / earnings per share (Rs.)	(10.94)	7.24	5.55	4.42	1.24	3.24	7.11	1.22	0.94	2.70
Income Distribution (Rs in 000)	118,575	355,725	296,438	355,725	148,219	131,750	85,000	51,000	27,500	46,500
Accumulated Capital Growth (Rs. in 000)	43,151	1,458,570	955,294	593,248	424,536	426,205	275,267	67,543	77,045	76,229
Average Annual Return (%)										
One Year	-105%	32%	31%	29%	9%	17%	44%	10%	8%	26%
Two Year	-36%	31%	30%	19%	13%	31%	27%	9%	17%	36%
Three Year	-14%	31%	23%	19%	24%	24%	21%	15%	27%	27%
Dividend distribution Per Share										
Cash (Rs.)										
Interim	1.00	3.00	1.00	1.00	1.25	-	-	-	-	-
Date of announcement	Oct 24, 2008	Feb 11, 2008	Feb 20, 2007	Feb 07, 2006	Feb 18, 2005	-	-	-	-	-
2nd Interim	-	-	1.50	2.00	-	-	-	-	-	-
Date of announcement	-	-	May 25, 2007	April 15, 2006	-	-	-	-	-	-
Final	-	-	-	-	-	-	1.50	1.50	1.10	3.10
Date of announcement	-	-	-	-	-	-	Oct 18, 2003	Dec 20, 2002	Oct 20, 2001	Sep 30, 2000
Bonus (%)						12.50	10			
Date of announcement						Oct 20, 2004	Oct 18, 2003			

Note: Past performance is not necessarily indicative of future performance and that share prices and investments return may go down as well as up.





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 the JS Value Fund Limited (the Company) to comply with the Listing Regulation No. 35 (Chapter XI) of the Karachi 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 personnel of the Company and review of various documents prepared by the Company to comply with the Code.

As part of our audit of the 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, 2009.

Karachi: August 21, 2009

M. Yousuf Adil Saleem & Co.
Chartered Accountants

STATEMENT OF COMPLIANCE WITH THE CODE OF CORPORATE GOVERNANCE

This Statement is being presented in compliance with the Code of Corporate Governance (the Code) contained in Regulation 35 of the Listing Regulations of the Karachi Stock Exchange. The purpose of the Code is to establish a framework of good governance, whereby a listed company is managed in compliance with the best practices of corporate governance.

JS Value Fund Limited (the Company) has applied the principles contained in the Code in the following manner:

1. The Company encourages representation of independent non-executive directors and directors representing minority interests on its Board of Directors (the board). Presently, the Board includes five non-executive directors.
2. The directors have confirmed that none of them is serving as a director in more than ten listed companies, including the Company.
3. All the directors of the Company have confirmed that they are registered as taxpayers and none of them has defaulted in payment of any loan to a banking company, a DFI or an NBFC or, being a member of a stock exchange, has been declared as a defaulter by that stock exchange..
4. During the year under review two casual vacancies occurred in the Board, which was duly filled in by the other director within 30 days of its occurrence.
5. The Management Company has prepared a "Statement of Ethics and Business Practices", which has been signed by all the directors and employees of the Management Company.
6. The Board has developed a vision / mission statement, overall corporate strategy and significant policies of the Company which have been approved by the Board. A complete record of particulars of significant 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 the Chairman, and in his absence, by a director elected by the Board for this purpose and the Board met at least once in every quarter during the year. Written notices of the meetings of the Board of Directors, 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 company is in the process of evaluating and introducing necessary procedures and systems for related party transactions vis-à-vis the pricing method for related parties transactions, separate consideration and maintenance of records of transactions with related parties etc
10. The Board of Directors is well aware of the requirements of the Code of Corporate Governance and had participated in orientation courses arranged by the company in previous years. Arrangements shall also be made shortly for another orientation session.
11. During the year, there was no change of CFO / Company Secretary and the Head of Internal Audit & Compliance. The CFO / Company Secretary and the Head of Internal Audit & Compliance are employees of JS Investments Limited (the Management Company). Their terms and conditions of employment have been approved by the Board of Directors of the Management Company.
12. The directors' report has been prepared in compliance with the requirements of the Code and fully describes the salient matters required to be disclosed.



13. The financial statements of the Company have been prepared in accordance with the approved accounting standards as applicable in Pakistan and were duly endorsed by the Chief Executive Officer and Chief Financial Officer before approval of the Board.
14. The directors, CEO and Executives of the Company do not hold any interest in the shares of the Company other than those disclosed in the directors' report.
15. The Company has complied with all the corporate and financial reporting requirements of the Code with respect to the Company.
16. The Board has formed an Audit Committee comprising of three non-executive directors including the chairman of the Committee.
17. The meetings of the Audit Committee are held every quarter prior to approval of interim and annual results of the Company as required by the Code. The Board has approved terms of reference of the Audit Committee.
18. The Board has set-up an effective internal audit function headed by the Head of Internal Audit & Compliance.
19. 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 shares 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 the Institute of Chartered Accountants of Pakistan.
20. The statutory auditors or the persons associated with them have not been appointed to provide other services except in accordance with the listing regulations and the auditors have confirmed that they have observed IFAC guidelines in this regard.
21. We confirm that all other material principles contained in the Code have been complied with.

Karachi: August 21, 2009

Muhammad Najam Ali
Chief Executive Officer

AUDITORS' REPORT TO THE MEMBERS

We have audited the annexed Statement of Assets and Liabilities of JS Value Fund Limited (the Company) as at June 30, 2009 and the income statement, distribution statement, cash flow statement, statement of changes in equity and statement of movement in equity and reserves 'per share' together with the notes forming part thereof, 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 Management Company to establish and maintain a system of internal control, and prepare and present the above said statements in conformity with the requirements of the approved accounting standards and the requirements of the Companies Ordinance, 1984, the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 and the Non-Banking Finance Companies and Notified Entities Regulation, 2008. 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 disclosure 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, the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 and the Non-Banking Finance Companies and Notified Entities Regulation, 2008;
- b) in our opinion:
 - i) the statement of assets and liabilities and income statement 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 the Non-Banking Finance Companies and Notified Entities Regulation, 2008 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;
- 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, statement of changes in equity 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, the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 and the Non-Banking Finance Companies and Notified Entities Regulation, 2008, in the manner so required and respectively give a true and fair view of the Company's affairs as at June 30, 2009 and of the loss, its distribution, its cash flows and changes in equity for the year then ended; and
- d) in our opinion, Zakat deductible at source under the Zakat and Ushr Ordinance, 1980(XVIII of 1980), was deducted by the Company and deposited in the Central Zakat Fund establish under Section 7 of that Ordinance.

Karachi: August 21, 2009

M. Yousuf Adil Saleem & Co.
Chartered Accountants
Engagement Partner
Nadeem Yousuf Adil



FINANCIAL STATEMENTS

**STATEMENT OF ASSETS AND LIABILITIES
AS AT JUNE 30, 2009**

	Note	2009 Rupees	2008 Rupees
ASSETS			
Investments	3	959,729,987	1,908,852,575
Bank balances	4	288,312,623	758,217,088
Dividend, other receivables and prepayments	5	1,399,188	1,915,854
Accrued mark-up / return	6	3,013,863	5,150,390
Security deposits	7	2,637,500	3,637,500
		1,255,093,161	2,677,773,407
LIABILITIES			
Remuneration payable to the management company		1,984,597	4,152,128
Remuneration payable to the custodian		177,967	283,192
Annual fee payable to Securities and Exchange Commission of Pakistan		1,478,438	2,547,140
Accrued and other liabilities	8	793,574	381,760
Dividend payable		-	3,538,726
Unclaimed dividend		13,328,441	12,203,036
		17,763,017	23,105,982
NET ASSETS		1,237,330,144	2,654,667,425
Share Capital and Reserves			
Authorised Capital		1,500,000,000	1,500,000,000
150,000,000 (2008: 150,000,000) ordinary shares of Rs. 10/- each			
Issued, subscribed and paid-up capital	9	1,185,750,000	1,185,750,000
Capital reserve	10	10,000,000	10,000,000
Unappropriated profit		43,150,846	1,458,569,765
Net (diminution) / appreciation on available-for-sale investment		(1,570,702)	347,660
		1,237,330,144	2,654,667,425

The annexed notes 1 to 24 form an integral part of these financial statements.

Muhammad Najam Ali
Chief Executive Officer

Nazar Mohammad Shaikh
Chairman

Munawar Alam Siddiqui
Director

**INCOME STATEMENT
FOR THE YEAR ENDED JUNE 30 2009**

	Note	2009 Rupees	2008 Rupees
Income			
Investment income			
Net (loss) / gain on sale of marketable securities		(673,017,045)	538,760,936
(Diminution)/appreciation on investment in held-for-trading securities financial instruments - net		(680,537,450)	273,978,427
Net (loss)/gain on investments in marketable securities		(1,353,554,495)	812,739,363
Dividend income		43,562,545	28,133,596
Mark-up/return on:			
- bank balances and term deposits		49,701,234	73,305,910
- term finance certificates		3,003,913	5,882,218
- government securities		-	2,214,600
Amortization of discount on investments		1,597,524	-
		54,302,671	81,402,728
Other income		-	996,605
		(1,255,689,279)	923,272,292
Expenditure			
Remuneration to the Management Company	11	31,125,007	50,942,794
Remuneration to the custodian	12	2,534,171	3,525,246
Annual fee to Securities and Exchange Commission of Pakistan	13	1,478,438	2,547,140
Bank charges		15,827	35,926
Securities transaction cost		1,674,951	4,513,566
Auditor's remuneration	14	470,000	425,000
Directors meeting fee		85,000	25,000
Share registrar and clearing charges		1,000,823	1,387,187
Professional tax and charges		225,000	100,000
Other operating expenses	15	2,545,423	769,512
		41,154,640	64,271,371
Net (loss)/income for the year carried forward to distribution statement		(1,296,843,919)	859,000,921
Earnings per share - basic and diluted	17	(10.94)	7.24

The annexed notes 1 to 24 form an integral part of these financial statements.

Muhammad Najam Ali
Chief Executive Officer

Nazar Mohammad Shaikh
Chairman

Munawar Alam Siddiqui
Director

CASH FLOW STATEMENT FOR THE YEAR ENDED JUNE 30 2009

	2009 Rupees	2008 Rupees
Cash flows from operating activities		
Net (loss) / income for the year	(1,296,843,919)	859,000,921
Adjustments for:		
Net loss / (gain) on sale of marketable securities	673,017,045	(538,760,936)
Diminution / (Appreciation) on held-for-trading investments	680,537,450	(273,978,427)
Mark-up / return on:		
- bank balances and term deposits	(49,701,234)	(73,305,910)
- term finance certificates	(3,003,913)	(5,882,218)
- amortization of discount on investments	(1,597,524)	-
- government securities	-	(2,214,600)
Dividend income	(43,562,545)	(28,133,596)
	(41,154,640)	(63,274,766)
(Increase) / decrease in current assets		
Due from brokers - considered good	-	12,248,475
Other receivables	916,666	(916,666)
Security deposits	1,000,000	(2,500,000)
	1,916,666	8,831,809
Increase / (decrease) in liabilities		
Remuneration payable to the management company	(2,167,531)	(33,859,614)
Remuneration payable to the custodian	(105,225)	(126,174)
Annual fee payable to Securities and Exchange Commission of Pakistan	(1,068,702)	646,552
Accrued and other liabilities	411,814	39,562
	(2,929,644)	(33,299,674)
	(42,167,618)	(87,742,631)
Sale of investments	656,545,188	3,455,123,732
Purchase of investments	(1,014,809,812)	(3,148,460,983)
Dividend received	43,162,545	32,696,698
Mark-up / return received on bank balances and term finance certificates	54,841,674	81,934,255
	(260,260,405)	421,293,702
Net cash (used in) / flows from operating activities	(302,428,023)	333,551,071
Cash flows from investing activities		
Sale / redemption of available-for-sale investments	15,125,233	439,897,118
Purchase of available-for-sale investments	(61,613,352)	(374,723,800)
Cash (used in) / flows from investing activities	(46,488,119)	65,173,318
Cash flows from financing activities		
Dividend paid	(120,988,323)	(525,751,135)
Cash outflow from financing activities	(120,988,323)	(525,751,135)
Net decrease in cash and cash equivalents	(469,904,465)	(127,026,746)
Cash and cash equivalents at the beginning of the year	758,217,088	885,243,834
Cash and cash equivalents at the end of the year	288,312,623	758,217,088

The annexed notes from 1 to 24 form an integral part of these financial statements.

Muhammad Najam Ali
Chief Executive Officer

Nazar Mohammad Shaikh
Chairman

Munawar Alam Siddiqui
Director

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED JUNE 30 2009**

	Issued, subscribed and paid-up capital	Capital Reserve (Note 10)	Unappropriated profit Rupees	Net appreciation / (diminution) on available-for-sale investments	Total
Balance as at July 01, 2007	1,185,750,000	10,000,000	955,293,844	1,469,498	2,152,513,342
Net income for the year	-	-	859,000,921	-	859,000,921
Adjustment for disposal of available-for-sale investments	-	-	-	(1,069,738)	(1,069,738)
Diminution on remeasurement of available-for-sale investments to fair value	-	-	-	(52,100)	(52,100)
Interim cash dividend @ Rs.3 per share	-	-	(355,725,000)	-	(355,725,000)
Balance as at June 30, 2008	1,185,750,000	10,000,000	1,458,569,765	347,660	2,654,667,425
Net loss for the year	-	-	(1,296,843,919)	-	(1,296,843,919)
Diminution on remeasurement of available-for-sale investments to fair value	-	-	-	(1,918,362)	(1,918,362)
Interim dividend @ Re.1 per share	-	-	(118,575,000)	-	(118,575,000)
Balance as at June 30, 2009	1,185,750,000	10,000,000	43,150,846	(1,570,702)	1,237,330,144

The annexed notes from 1 to 24 form an integral part of these financial statements.

Muhammad Najam Ali
Chief Executive Officer

Nazar Mohammad Shaikh
Chairman

Munawar Alam Siddiqui
Director



**DISTRIBUTION STATEMENT
FOR THE YEAR ENDED JUNE 30 2009**

	2009 Rupees	2008 Rupees
Unappropriated income brought forward		
Realised	731,852,152	153,607,341
Unrealised	726,717,613	801,686,503
	1,458,569,765	955,293,844
Net (loss)/income for the year	(1,296,843,919)	859,000,921
Less: Distribution for the year: - announced on October 24, 2008 (2008: February 11, 2008)	(118,575,000)	(355,725,000)
Unappropriated income carried forward	43,150,846	1,458,569,765
Represented by:		
Realised	212,097,403	731,852,152
Unrealised	(168,946,557)	726,717,613
	43,150,846	1,458,569,765

The annexed notes from 1 to 24 form an integral part of these financial statements.

Muhammad Najam Ali
Chief Executive Officer

Nazar Mohammad Shaikh
Chairman

Munawar Alam Siddiqui
Director

**STATEMENT OF MOVEMENTS IN EQUITY AND RESERVES 'PRE SHARE'
FOR THE YEAR ENDED JUNE 30 2009**

	2009 Rupees	2008 Rupees
Net assets per share outstanding at the beginning of the year	22.39	18.15
Net (loss)/gain on sale of marketable securities	(5.68)	4.54
(Diminution)/appreciation on investment in held-for-trading securities financial instruments - net	(5.74)	2.31
Net income for the year excluding net (loss)/gain from sale of marketable securities and unrealised (loss)/gain on held-for-trading- investments	0.48	0.39
	(10.94)	7.24
Deficit on revaluation of available-for-sale investment	(0.0162)	(0.0004)
Adjustment for disposal of available for sale investments	-	(0.01)
Interim dividend paid during the year	(1.00)	(3.00)
Net assets per share outstanding at the end of the year	10.44	22.39

The annexed notes 1 to 24 form an integral part of these financial statements.

Muhammad Najam Ali
Chief Executive Officer

Nazar Mohammad Shaikh
Chairman

Munawar Alam Siddiqui
Director



**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30 2009**

1. LEGAL STATUS AND NATURE OF BUSINESS

The JS Value Fund Limited (the Company) was incorporated on March 26, 1994 as a public limited company under the Companies Ordinance, 1984 (the Ordinance) and is listed on the Karachi Stock Exchange. The Company's registered office is situated at 7th Floor, The Forum, Khyaban-e-Jami, Clifton Karachi in the province of Sindh. It was registered as an 'Investment Company' under the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (the Rules) on April 14, 2005. It was also registered as notified entity under Regulation 46 of Non-Banking Finance Companies and Notified Entities Regulation, 2008 on January 27, 2009.

The Company entered into an agreement with JS Investments Limited to act as its management company and Muslim Commercial Financial Services (Pvt.) Limited as its 'custodian' in line with the requirements of the Rules.

The company is a closed end mutual fund and its principal activity is to make investments in marketable securities.

The financial statements are presented in Pak Rupees, which is the company's functional and presentation currency.

2. SIGNIFICANT ACCOUNTING POLICIES

2.1 Statement of compliance

These financial statements have been prepared in accordance with the requirements of the Non Banking Finance Companies and Notified Entities Regulations, 2008 (the Regulations), Non Banking Finance Companies (Establishment and Regulation) Rules, 2003 (the Rules), the Companies Ordinance, 1984 (the Ordinance), directives issued by the Securities and Exchange Commission of Pakistan (SECP) and approved accounting standards as applicable in Pakistan. Approved accounting standards comprise of such International Financial Reporting Standards (IFRSs) as notified under the provisions of the Ordinance. Wherever, the requirements of the Regulations, the Rules, the Ordinance or directives issued by the SECP differ with the requirements of these standards, the requirements of the Regulations, the Rules, the Ordinance and the said directives take precedence.

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

The following standards, amendments and interpretations of approved accounting standards as applicable in Pakistan, effective for accounting periods beginning on or after October 1, 2008 are either not relevant to Company's operations or are not expected to have significant impact on the Company's financial statements other than increased disclosure in certain cases: -

IAS 1 - Presentation of Financial Statements (Revised)	Effective from accounting period beginning on or after January 01, 2009
IAS 23 - Borrowing Costs (Revised)	Effective from accounting period beginning on or after January 01, 2009
IAS 27 - Consolidated and Separate Financial Statements (Revised)	Effective from accounting period beginning on or after July 01, 2009
IAS 41 - Agriculture	Effective from accounting period beginning on or after January 01, 2009

IFRS 3 - Business Combination (Revised)	Effective from accounting period beginning on or after July 1, 2009
IFRS 8 - Operating Segments	Effective from accounting period beginning on or after January 01, 2009
IFRIC 15 -Agreements for the Construction of Real Estate	Effective from accounting period beginning on or after January 01, 2009
IFRIC 16 -Hedges of a Net Investment in a Foreign Operation	Effective from accounting period beginning on or after October 1, 2008
IFRIC 17 - Distributions of Non Cash Assets to Owners	Effective from accounting period beginning on or after July 01, 2009
IFRIC 18 - Transfer of Assets from Customers	Effective from accounting period beginning on or after July 01, 2009

2.2.1 Standard effective and adopted in current year

IFRS 7- "Financial Statement: Disclosures", requires extensive disclosures about the significance of financial instruments for the Fund's financial position and performance, and quantitative disclosure on the nature and extent of risks. Adoption of this standard has resulted in additional disclosures given in note 19 to the financial statements

2.3 Basis of preparation

These financial statements have been prepared under the historical cost convention, except for the investments which are stated at fair value.

The principal accounting policies adopted are set out below:

2.4 Cash and cash equivalents

Cash and cash equivalents comprise of bank balances and short term deposits. Cash equivalents are short term highly liquid investments that are readily convertible to known amounts of cash.

2.5 Investments

All investments are initially recognised at cost being the fair value of the consideration given including transaction cost associated with investment excluding that pertaining to held-for-trading securities which are charged to income statement.

The management of the company determines the appropriate classification of its investments at the time of purchase and classifies these investments as held-for-trading, held-to-maturity or available-for-sale.

Investments at fair value through profit or loss - held-for-trading

An investment that is acquired principally for the purpose of generating profit from short-term fluctuations in prices is classified as "fair value through profit or loss - held-for-trading". Subsequent to initial recognition, these are remeasured at fair value with reference to quoted market price and the resultant gain or loss on remeasurement of value of investment is recognised in the income statement.

Held-to-maturity

These are securities with fixed or determinable payments and fixed maturity that the Company has the positive intent and ability to hold to maturity and are subsequently measured at amortized cost, less any impairment loss recognized to reflect irrecoverable amounts.

Available-for-sale

Other investments are classified as "available-for-sale". Subsequent to initial recognition these are remeasured at fair value with reference to quoted rates and the resultant gain or loss is recognised directly in statement of changes in equity until the investment is derecognised or determined to be impaired at which time the cumulative gain or loss previously recognised in statement of changes in equity is taken to income statement.

- Debt securities

A debt security whether traded or not shall be valued at the rate, notified by the Mutual Funds Association of Pakistan (MUFAP) based on the methodology prescribed by the SECP.

- Government securities

Government securities not listed on stock exchange and traded in inter bank market shall be valued at an average rate quoted on widely used electronic quotation system and such average rate shall be based on the remaining tenure of the securities.

All regular purchases / sales of investments are recognised on the trade date i.e. the date that the Company commits to purchase / sell the investments. Purchases / sales of investments require delivery of securities within the time frame established by the regulations. i.e. 'T+2'.

Financial assets are de-recognised when rights to receive cash flows from the financial assets have expired or where the Company has transferred substantially all risks and rewards of ownership.

2.6 Derivatives

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

Derivative financial instruments entered into by the Company do not meet the hedging criteria as defined by International Accounting Standard - 39, Recognition and Measurement of Financial Instruments (IAS - 39), consequently hedge accounting is not used by the Company.

2.7 Securities under repurchase / resale agreements

Transaction of purchase under resale (reverse-repo) of marketable and government securities, including the securities purchased under Continuous Funding System, are entered into at contracted rates for specific periods of time. Securities purchased with a corresponding commitment to resell at a specified future dates (reverse-repo) are not recognised in the statement of assets and liabilities. Amount paid under these agreements are included in receivable in respect of reverse repurchase transaction / against Continuous Funding System. The difference between purchase and resale price is treated as income from reverse repurchase transaction / Continuous Funding System and accrued

over the period of the reverse repo agreement / Continuous Funding System transaction.

Transaction of sale under repurchase (repo) of marketable and government securities are entered into at contracted rates for specified period of time. Securities sold with a simultaneous commitment to repurchase at a specific future date (repo) continue to be recognised in the statement of assets and liabilities and are measured in accordance with accounting policies for investment in securities. The counterparty liabilities for amount received under these transactions are recorded as liabilities. The difference between sale and repurchase price is treated as borrowing charges and accrued over the period of the repo agreement.

2.8 Payables and accruals

Payables and accruals are carried at cost which is the fair value of consideration to be paid in the future for the services received whether billed or not to the Company.

2.9 Provisions

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

2.10 Financial instruments

Financial assets and financial liabilities are recognised at the time when the Company becomes a party to the contractual provisions of the instrument. Financial assets are derecognised when the Company loses control of the contractual rights that comprises that financial assets. Financial liabilities are derecognised when they are extinguished, that is, when 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 taken to income currently.

At the time of initial recognition, all financial assets and financial liabilities are measured at fair value. The particular recognition method adopted for measurement of financial assets and financial liabilities investments subsequent to initial recognition is disclosed in the individual policy statement associated with each item.

2.11 Impairment of Financial assets

An assessment is made at each statement of assets and liabilities date to determine whether there is objective evidence that a specific financial asset may be impaired. If any such evidence exists, impairment loss is recognised in the income statement. For available-for-sale equity investments reversal of impairment losses are recorded as increases in cumulative changes in fair value through statement of changes in equity. In addition, a provision is made to cover impairment for specific groups of assets where there is a measurable decrease in estimated future cash flows.

2.12 Offsetting of financial assets and financial liabilities

Financial assets and financial liabilities are only offset and the net amount reported in the statement of assets and liabilities when there is a legally enforceable right to set off the recognised amount and the company intends to either settle on a net basis, or to realise the asset and settle the liability simultaneously.

2.13 Revenue recognition

Gain or loss on sale of marketable securities is accounted for in the income statement in the year in which it arises.

Dividend income is recorded at the time of the closure of share transfer book of the company declaring the dividend. Dividend received on marketable securities acquired after the announcement of dividend till the book closure date are not taken to income but reflected as reduction in the cost of investment.



Mark-up / return on term finance certificates, government securities, bank balances and term deposits are recorded on time proportion basis.

2.14 Transaction costs

Transaction costs are incurred to acquire financial assets and financial liabilities at their fair value through profit or loss. They include the bid-ask spread, fees and commissions paid to agents, advisers, and dealers.

2.15 Transactions with connected persons

Transactions between the Company and its "connected persons", as defined in the Regulations and the Rules, are carried out on an arm's length basis and are disclosed in note 18 to these financial statements.

2.16 Dividend distributions and appropriations

Dividend and other appropriations of reserves is recognised upon the declaration and approval by the Board of Directors of the Company.

2.17 Taxation

The Company is exempt from taxation under clause 99 of the Part 1 of the 2nd Schedule of the Income Tax Ordinance, 2001, subject to the condition that not less than 90% of its accounting income excluding realised and unrealised capital gains for the year is distributed amongst the Company's shareholders. The Company intends to avail this exemption for current and future periods. Accordingly, no provision is made for current and deferred taxation in these financial statements.

2.18 Accounting estimates and judgements

The preparation of financial statements in conformity with approved accounting standards requires the use of certain critical accounting estimates, judgments and assumptions that affect the reported amounts of assets and liabilities and income and expenses. 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 historic experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

In the process of applying the Company's accounting policies, management has made the following estimates and judgments which are significant to the financial statements.

- (a) classification of investments (Note 2.5)
- (b) provisions (Note 2.9)
- (c) impairment (Note 2.11)

	Note	2009 Rupees	2008 Rupees
3. INVESTMENTS			
Investments at fair value through profit or loss - held-for-trading			
- Listed ordinary shares	3.1	903,225,045	1,898,514,915
- Right shares options	3.2	-	-
		903,225,045	1,898,514,915
Available-for-sale			
- Quoted debt securities	3.3	56,504,942	10,337,660
		959,729,987	1,908,852,575

JS Value Fund Limited

3.1 Listed ordinary shares

* Ordinary Shares / Certificates / units have a face value of Rs. 10/- each unless stated otherwise.

Sectors / Companies	(Number of shares / certificates / units)				Holdings at the end of the year	Carrying / Market Value (Rupees)	% of Total investments
	Holdings at the beginning of the year	Acquired during the year	Bonus / rights received during the year	Disposed / matured during the year			
Modarabas							
Standard Chartered Modaraba	436,177	-	-	-	436,177	4,078,255	0.42
Leasing							
Orix Leasing Pakistan Limited	517,822	293,000	77,673	-	888,495	7,107,960	0.74
Investments Banks / Companies							
Jahangir Siddiqui & Company Limited (related party)	482,467	47,000	1,290,725	1,670,192	150,000	3,478,500	0.36
JS Global Capital Limited (related party)	-	65,900	26,359	-	92,259	6,320,664	0.66
						9,799,164	1.02
Commercial Banks							
United Bank Limited	97,700	503,300	-	601,000	-	-	-
Bank Islami Pakistan Limited (related party)	10,764,000	565,000	-	1,000	11,328,000	72,159,359	7.52
Habib Metropolitan Bank Limited	-	-	1,211	809	402	9,974	0.00
Bank Alfalah Limited	-	752,500	12,500	290,000	475,000	5,011,250	0.52
						77,180,583	8.04
Insurance							
EFU Life Assurance Limited (related party)	534,200	93,100	-	50,000	577,300	57,695,362	6.01
EFU General Insurance Limited (related party)	305,150	394,900	-	130,850	569,200*	50,140,828	5.22
Adanjee Insurance Company Limited	-	250,000	-	250,000	-	-	-
IGI Insurance Limited	560,867	89,200	325,033	-	975,100	88,090,534	9.18
						195,926,724	20.41
Textile Spinning							
Dewan Khalid Textile Mills Limited	222,715	-	-	-	222,715	890,860	0.09
Textile Composite							
Azgard Nine Limited (related party)	1,687,100	940,500	1,014,293	305,500	3,336,393	73,867,741	7.70
Nishat Mills Limited	-	1,062,900	525,000	1,187,900	400,000	15,128,000	1.58
						88,995,741	9.28
Cement							
D.G.Khan Cement Company Limited	-	354,500	-	30,000	324,500	9,621,425	1.00
Lucky Cement Limited	857,600	-	-	857,600	-	-	-
						9,621,425	1.00
Power Generation and Distribution							
The Hub Power Company Limited	-	978,000	-	121,000	857,000	23,216,130	2.42
Oil and Gas Marketing Companies							
Attock Petroleum Limited	-	254,700	5,260	143,260	116,700	37,170,117	3.87
Pakistan State Oil Company Limited	245,000	460,000	-	705,000	-	-	-
						37,170,117	3.87
Oil and Gas Exploration Companies							
Oil & Gas Development Company Limited	-	200,000	-	-	200,000	15,728,000	1.64
Pakistan Oilfields Limited (related party)	304,400	469,400	100,880	494,600	380,080	55,453,672	5.78
Pakistan Petroleum Limited	-	450,200	-	382,000	68,200	12,926,628	1.35
						84,108,300	8.77
Automobile Assembler							
Al-Ghazi Tractors Limited	-	45,500	-	22,500	23,000	3,726,000	0.39
Ghani Automobile Industries Limited	-	262,500	-	-	262,500	1,837,500	0.19
						5,563,500	0.58
Transport							
Pakistan International Container Terminal Limited (related party)	434,949	408,800	-	257,000	586,749	31,349,999	3.27
Technology and Communication							
Eye Television Network Limited (related party)	-	1,290,000	-	6,000	1,284,000	36,915,000	3.85
Fertilizer							
Fauji Fertilizer Company Limited	-	100,000	-	100,000	-	-	-
Engro Chemical Pakistan Limited	535,500	150,000	-	685,500	-	-	-

* This includes 307,400 shares amounting to Rs. 27,078,866 pledged with National Clearing Company of Pakistan Limited against exposure calls.

Sectors / Companies	(Number of shares / certificates / units)				Holdings at the end of the year	Carrying / Market Value (Rupees)	% of Total investments
	Holdings at the beginning of the year	Acquired during the year	Bonus / rights received during the year	Disposed / matured during the year			
Pharmaceutical							
Glaxo Smithkline Pakistan Limited	397,518	42,700	-	24,400	415,818	49,819,155	5.19
Searle Pakistan Limited	-	168,500	3	-	168,503	7,506,809	0.78
						57,325,964	5.97
Chemicals							
ICI Pakistan Limited	-	262,800	-	-	262,800	36,857,700	3.84
Paper & Board							
Packages Limited	399,043	141,000	-	100,300	439,743	69,057,241	7.20
Food & Personal Care Products							
Rafhan Maize Products Company Limited	94,417	200	-	800	93,817	128,060,205	13.34
IBL Health Care Limited	-	-	13	-	13	177	0.00
						128,060,382	13.34
						903,225,045	94.11
Cost as at June 30, 2009						1,072,171,602	

3.2 Right Shares options

	Holding at the beginning of the year	Entitled / acquired during the year	Disposed during the year	Subscribed during the year	Holding at the end of the year	Carrying / Market Value
Investments Banks / Companies						
Jahangir Siddiqui & Company Limited (related party)	-	78,903	78,903	-	-	-
Commercial Banks						
Bank Islami Pakistan Limited (related party)	-	2,515,116	2,515,116	-	-	-
Textile Composite						
Azgard Nine Limited (related party)	-	549,873	-	549,873	-	-
Nishat Mills Limited	-	525,000	-	525,000	-	-

3.3 Available-for-sale (Quoted Debt Securities)

*Term finance certificates - face value of Rs.5,000/- each unless stated otherwise.

Sectors / Companies	Note	Holdings at the beginning of the year	Acquired during the year	Disposed during the year	Holdings at end of the year	Carrying / Market value (Rupees)	% of Total investments
Textile Composite							
Azgard Nine Limited (related party)	3.3.1	2,000	10,000	-	12,000	44,183,707	4.61
Investment Banks / Securities							
Jahangir Siddiqui & Company Limited II (related party)	3.3.2	-	5,392	-	5,392	12,321,235	1.28
						56,504,942	5.89
Cost as at June 30, 2009						56,478,120	

3.3.1 These term finance certificates carry a rate equal to six month KIBOR plus 240 basis points per annum without any floor and cap receivable semi-annually in arrears and will mature in September 2012. These term finance certificates are secured by first pari passu charge on the present and future assets of the company (excluding land and building) with 25% margin in favor of the Trustee and memorandum for creation of mortgage through deposits of title deeds on lands and building in favor of the Trustee of the issue.

3.3.2 These term finance certificates carry a fixed rate mark-up of 8.29% per annum receivable semi-annually in arrears and will mature in December 2009. These term finance certificates are unsecured.

	Note	2009 Rupees	2008 Rupees
4. BANK BALANCES			
- In current accounts		2,109,839	2,112,840
- In PLS savings accounts	4.1	86,202,784	756,104,248
- Term deposits	4.2	200,000,000	-
		288,312,623	758,217,088
4.1	PLS saving accounts carry mark-up rates ranging from 5% to 16% (2008: 5% to 12%) per annum and includes balance of Rs. 22,697,277/- (2008: Rs. 92,226,616) with JS Bank Limited - a related party.		
4.2	This represents term deposits placed with JS Bank Limited that carries markup ranging from 14.25% to 14.50% per annum.		
		2009 Rupees	2008 Rupees
5. DIVIDEND, OTHER RECEIVABLES AND PREPAYMENTS			
Dividend		400,000	-
Tax deducted at source		999,188	999,188
Annual fee paid to National Clearing Company of Pakistan Limited		-	916,666
		1,399,188	1,915,854
6. ACCRUED MARK-UP / RETURN			
Mark-up on term finance certificates		2,118,983	356,503
Return on bank balances and term deposits		894,880	4,793,887
		3,013,863	5,150,390
7. SECURITY DEPOSITS			
Central Depository Company of Pakistan Limited		137,500	137,500
National Clearing Company of Pakistan Limited		2,500,000	3,500,000
		2,637,500	3,637,500
8. ACCRUED AND OTHER LIABILITIES			
Payable against purchase of marketable securities		75,169	-
Settlement charges		30,000	76,000
Share registrar charges		30,000	26,000
Withholding tax payable		7,500	-
Others		650,905	279,760
		793,574	381,760

9. ISSUED, SUBSCRIBED AND PAID-UP CAPITAL

2009	2008		2009	2008
Number of shares			Rupees	
102,000,000	102,000,000	Ordinary shares of Rs.10/- each fully paid in cash	1,020,000,000	1,020,000,000
16,575,000	16,575,000	Ordinary shares of Rs.10/- each issued as bonus shares	165,750,000	165,750,000
<u>118,575,000</u>	<u>118,575,000</u>		<u>1,185,750,000</u>	<u>1,185,750,000</u>

9.1 Shares of the Company held by related parties as at June 30,

	2009		2008	
	No. of shares	Percentage of holdings	No. of shares	Percentage of holdings
JS Investments Limited	21,498,992	18.13	21,498,992	18.13
Jahangir Siddiqui & Company Limited	11,238,812	9.48	11,238,812	9.48
JS Bank Limited	8,745,668	7.38	8,745,668	7.38
Unit Trust of Pakistan	-	-	5,759,199	4.86
JS Funds of Funds	6,128,500	5.17	4,201,500	3.54
Jahangir Siddiqui & Sons Ltd.	9,992,500	8.42	-	-
	<u>57,604,472</u>	<u>48.58</u>	<u>51,444,171</u>	<u>43.39</u>

10. CAPITAL RESERVE

This represents the reserve created as a result of merger of JS Value Fund Limited and Security Stock Fund in the financial year ended June 30, 2002.

11. REMUNERATION TO THE MANAGEMENT COMPANY

Under the provisions of the Regulations, the management company is entitled to a remuneration for services rendered to the Company upto a maximum of 3% per annum based on the monthly average net assets of the Company during the first five years of Company's existence, and thereafter, of an amount equal to 2% of such assets of the Company. The management company has charged its remuneration for the current year at the rate of 2% per annum of the monthly average net assets value.

12. REMUNERATION TO THE CUSTODIAN

Muslim Commercial Financial Services (Pvt.) Limited (MCFSL) (the Custodian) is entitled monthly remuneration for the services rendered under the terms of the agreement.

- Net Assets Value upto rupees one billion Rs. 2,000,000/-
- exceeding Rupees One Billion Rs.2,000,000/- plus 0.10% per annum of the amount exceeding Rs. 1 billion

13. ANNUAL FEE TO SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN

This represents annual fee of one tenth of one percent of average monthly net assets till November 20, 2008, thereafter at the rate of 0.095% of average monthly net assets.

	2009 Rupees	2008 Rupees
14. AUDITORS' REMUNERATION		
Annual audit fee	240,000	240,000
Half yearly fee	110,000	110,000
Other services	90,000	45,000
Out of pocket expenses	30,000	30,000
	<u>470,000</u>	<u>425,000</u>

15. OTHER OPERATING EXPENSES

Listing and rating fee	227,500	227,500
NCCPL fee	916,667	83,333
Subscription fee	-	8,500
Postage and stamps	249,325	151,497
Printing and stationery	856,135	164,062
Advertisement and publicity	135,532	134,620
Travelling & daily allowance	160,264	-
	<u>2,545,423</u>	<u>769,512</u>

16. TAXATION

No provision for taxation has been made in these financial statements in view of the exemption available under clause 99 of the Part 1 of the Second Schedule of the Income Tax Ordinance, 2001 and the fact that 90% of the Company's income excluding realised and unrealised capital gains has been distributed amongst the shareholders as interim dividends.

The income tax assessment of the Company have been finalized upto tax year 2008. The Company has filed tax return which are deemed to be assessed under section 120 of the Income Tax Ordinance, 2001, unless amended.

	2009 Rupees	2008 Rupees
17. EARNINGS PER SHARE - BASIC AND DILUTED		
Net (loss) / profit for the year	<u>(1,296,843,919)</u>	<u>859,000,921</u>
Weighted average number of ordinary shares outstanding during the year	<u>118,575,000</u>	<u>118,575,000</u>
Basic and diluted earnings per share	<u>(10.94)</u>	<u>7.24</u>

17.1 No figure for diluted earnings per share has been presented as the Company has not issued any instrument which would impact on earnings per share when exercised.

18. TRANSACTIONS WITH CONNECTED PERSONS / RELATED PARTIES

Connected persons comprises of the management company, Jahangir Siddiqui & Company Limited being the holding company of the management company, JS Global Capital Limited being associated company of the holding company of the management company, JS Bank Limited being subsidiary of the holding company of the management company, JS ABAMCO Commodities Limited being subsidiary of the management company and JS Large Cap. Fund (Formerly UTP Large Cap. Fund), UTP Islamic Fund, Unit Trust of Pakistan, JS - Income Fund, JS - Aggressive Asset Allocation Fund, JS Fund of Funds, UTP A 30 + Fund, JS Capital Protected Fund, JS Capital Protected Fund II, JS Capital Protected Fund III, JS Capital Protected Fund IV, JS Aggressive Income Fund, JS Pension Savings Fund, JS Islamic Pension Savings Fund, JS Principal Secure Fund I, and JS Growth Fund being funds under common management.

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

	Note	2009 Rupees	2008 Rupees
JS Investments Limited			
Remuneration to the management company		31,125,007	50,942,794
Dividend paid		21,498,992	69,971,976
Jahangir Siddiqui & Company Limited			
Dividend received		-	545,000
Dividend paid		11,238,812	33,716,436
Principal redeemed		13,458,432	-
Interest received		1,115,704	-
JS Global Capital Limited			
Brokerage commission	18.1	670,036	709,099
Unit Trust of Pakistan			
Dividend paid		-	18,777,597
JS Fund of Funds			
Dividend paid		5,355,000	64,500
JS Bank Limited			
Dividend paid		8,745,668	26,237,004
Interest received		7,844,854	15,484,853
Pak Oilfields Limited			
Dividend received		9,986,240	-
Eye Television Network Limited			
Dividend received		320,875	-

	2009 Rupees	2008 Rupees
EFU Life Assurance Limited		
Dividend received	2,433,600	1,264,197
Pakistan International Container Terminal Limited		
Dividend received	1,304,847	-
Azgard Nine Limited		
Principal redeemed	1,666,800	4,000
Interest received	1,389,136	3,593,523
Dividend received	-	2,108,875

18.1 This represents the amount of brokerage commission paid to the related party and not the purchases or sales value of securities transacted through them as the ultimate counter-parties in respect of purchases and sales are not related.

19. FINANCIAL RISK MANAGEMENT

Financial risk factors

The Company's activities expose it to a variety of financial risks: market risk, credit risk and liquidity risk.

The Company's overall risk management program seeks to maximize the returns derived for the level of risk to which Company is exposed and seeks to minimize potential adverse effects on the Company's financial performance.

The management of risk is carried out by the Fund Manager under policies approved by the Board of Directors. The Board provides written principles for overall risk management, as well as written policies covering specific areas, such as interest rate risk, credit risk, market risk and the investment of excess liquidity etc.

The Company uses different methods to measure and manage the various types of risks to which it is exposed, these are summarised below;

19.1 Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: price risk, interest rate risk and currency risk.

i. Price risk

Price risk is the risk that the value of a financial instrument may fluctuate as a result of changes in market prices. This risk arises from the investments held by Company for which prices are uncertain in future. The management company manages its price risk by monitoring exposure on marketable securities by following the internal guidelines of the investment Committee and the Regulations laid down by the SECP.

The majority of the Company's equity investments are publicly traded on stock exchange. The Company's policy requires that the overall market position is monitored on a daily basis by the Fund Manager and is reviewed periodically by the Investment Committee. Compliance with the Fund's investment policies are reported to the management company on regular basis.

As at June 30, 2009, fair value of equity securities exposed to price risk were as follows;

	<u>2009</u>	<u>2008</u>
Rupees.....	
Equity investments -Held-for-trading	<u>903,225,045</u>	<u>1,898,514,915</u>

In case of 10% increase / decrease in KSE 100 index on June 30, 2009, income / (loss) for the period would be affected by Rs 45.8 million as a result of gains / losses on equity securities classified at fair value through profit or loss.

The analysis is based on the assumption that the equity index had increased / decreased by 10% with all other variables held constant and all the Fund's equity instruments moved according to the historical correlation with the index. This represents management's best estimate of a reasonable possible shift in the KSE 100 Index, having regard to the historical volatility of the index. The composition of the Fund's investment portfolio and the correlation thereof to the KSE 100 index, is expected to change over time. Accordingly, the sensitivity analysis prepared as of June 30, 2009 is not necessarily indicative of the effect on the Fund's net assets of future movements in the level of the KSE 100 Index.

ii. Yield / Interest rate risk

Yield risk is the risk of decline in earnings due to adverse movement of the yield curve. Interest / mark up rate risk is the risk that the value of the financial instruments will fluctuate due to changes in the market interest rates. Sensitivity to interest / mark up rate risk arises from mismatches or gaps in the amounts of interest / mark up based on assets and liabilities that mature or reprice in a given period. The management company through investment committee monitors the Fund's overall interest rate sensitivity on periodic basis. The Company holds fixed interest rate securities that expose the Company to fair value interest rate risk. The Company also holds a limited amount of floating rate debt that expose the Company to cash flow interest rate risk.

The interest rate profile of the Company is as follows:

	<u>Floating</u>	<u>Fixed interest</u>	<u>Non-interest</u>	<u>Total</u>
	<u>interest rate</u>	<u>rate</u>	<u>bearing</u>	
Rupees.....			
At June 30, 2009				
Investments	44,183,707	12,321,235	903,225,045	959,729,987
Bank balances	88,312,623	200,000,000	-	288,312,623
Dividend, other receivables and prepayments	-	-	1,399,188	1,399,188
Accrued mark-up / return	-	-	3,013,863	3,013,863
Security Deposits	-	-	2,637,500	2,637,500
	<u>132,496,330</u>	<u>212,321,235</u>	<u>910,275,596</u>	<u>1,255,093,161</u>

	Floating interest rate	Fixed interest rate	Non-interest bearing	Total
Rupees.....			
At June 30, 2008				
Investments	10,337,660	-	1,898,514,915	1,908,852,575
Bank balances	758,217,088	-	-	758,217,088
Dividend, other receivables and prepayments	-	-	1,915,854	1,915,854
Accrued mark-up / return	-	-	5,150,390	5,150,390
Security Deposits	-	-	3,637,500	3,637,500
	768,554,748	-	1,909,218,659	2,677,773,407

Interest rate sensitivity

The sensitivity analysis demonstrates the sensitivity of the Company's income and equity for the year to a reasonably possible change in interest rates, with all other variables held constant.

The sensitivity of the Company's income for the year is the effect of the assumed change in interest rates on the net interest income for the year, based on the floating rate financial assets held at the statement of assets and liabilities date.

If the interest rate would have been higher or lower by 50 basis points and all the other variables remain constant, the Company's income would increase / decrease by Rs. 662,482 for the year ended June 30, 2009. This is attributable to the Company's exposure to interest rates on its floating rate bank balances and securities.

The Company also hold fixed interest rate financial assets which may be subject to change in fair value as a result of change in interest rate. However, all the fixed interest rate financial assets of the Company are short term and therefore their carrying value approximates the fair value. Accordingly, there would not material impact on income.

Management is of the view that the above sensitivity analyses is not representative of the year as a whole, since the level of exposure changes frequently as part of the interest rate risk management process used to meet the Company's objectives.

iii. Currency Risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Company, at present, is not exposed to currency risk as its operations are geographically restricted to Pakistan and all transactions are carried out in Pak Rupees

19.2 Credit risk

Credit risk arises from the inability of the issuers of the instruments or counter parties, in case of reverse repurchase transactions or other arrangements, to fulfill their obligations. The risk is generally limited to principal amounts and accrued interest thereon, if any. The Company's policy is to enter into financial contracts in accordance with the investment guidelines approved by the Investment Committee.



In summary, compared to the maximum amount included in statement of assets and liabilities, the maximum exposure to credit risk as at June 30, 2009 is as follows;

	June 30, 2009		June 30, 2008	
	Statement of asset and liabilities	Maximum Exposure	Statement of asset and liabilities	Maximum Exposure
Rupees.....	Rupees.....	
Investments	959,729,987	56,504,942	1,908,852,575	10,337,660
Bank balances	288,312,623	288,312,623	758,217,088	758,217,088
Dividend, other receivables and prepayments	1,399,188	400,000	1,915,854	-
Accrued mark-up / return	3,013,863	3,013,863	5,150,390	5,150,390
Security Deposits	2,637,500	2,637,500	3,637,500	3,637,500
	<u>1,255,093,161</u>	<u>350,868,928</u>	<u>2,677,773,407</u>	<u>777,342,638</u>

As per management view the credit risk arising on the investments is addressed as follows:

Where the investment committee makes a investment decision, the credit worthiness of the issuer is taken into account along with the financial background, past experience and other factors so as to minimise the risk of default.

Investment transactions are carried out with a large number of brokers, whose wothiness is taken into account so as to minimise the risk of default.

The risk of counterparty exposure due to failed trades causing a loss to the Company is mitigated by periodic review of trade reports. In addition, the Investment Committee allows investment in debt securities of only those entities with credit rating approved by external credit rating agencies.

Cash is held only with reputable banks with high quality credit ratings assigned by approved credit rating agencies.

Information relating to financial assets secured by collateral has been disclosed in respective notes in the financial statements.

None of the Company's financial assets are passed due or impaired.

19.3 Liquidity risk

Liquidity risk is the risk that a Company will encounter difficulty in raising funds to meet commitments associated with financial liabilities stood at Rs. 17,763,017 as at June 30, 2009. The management company manages liquidity risk by following internal guidelines of the Investment Committee such as monitoring maturities of financial assets and financial liabilities and investing in highly liquid financial assets.

The Company is not materially exposed to liquidity risk as all obligations / commitments of the Company are short term in nature and most of the assets of the Company are readily disposable on the stock exchanges.

The following are the contractual maturities of financial liabilities:

	Less than 1 month	Between 1 and 12 months	More than 1 year	Total
Rupees.....			
As at June 30, 2009				
Remuneration payable to the - management company	1,984,597	-	-	1,984,597
Remuneration payable to the custodian	177,967	-	-	177,967
Annual fee payable to Securities and Exchange Commission of Pakistan	-	1,478,438	-	1,478,438
Accrued and other liabilities	793,574	-	-	793,574
Dividend payable	-	-	-	-
Unclaimed dividend	13,328,441	-	-	13,328,441
	16,284,579	1,478,438	-	17,763,017
As at June 30, 2008				
Remuneration payable to the - management company	4,152,128	-	-	4,152,128
Remuneration payable to the custodian	283,192	-	-	283,192
Annual fee payable to Securities and Exchange Commission of Pakistan	-	2,547,140	-	2,547,140
Accrued and other liabilities	381,760	-	-	381,760
Dividend payable	3,538,726	-	-	3,538,726
Unclaimed dividend	12,203,036	-	-	12,203,036
	20,558,842	2,547,140	-	23,105,982

20. FAIR VALUE OF FINANCIAL INSTRUMENTS

Fair value is the amount for which an asset could be exchanged, or a liability settled, between knowledgeable willing parties in an arm's length transaction. Consequently differences can arise between carrying values and the fair value estimates.

Underlying the definition of fair value is the presumption that the Company is a going concern without any intention or requirement to curtail materially the scale of its operations or to undertake a transaction on adverse terms. Financial assets which are tradable in an open market are revalued at the market prices prevailing on the balance sheet date. The estimated fair value of all other financial assets and liabilities is considered not significantly different from book value as the items are short term in nature.

21. CAPITAL MANAGEMENT

JS Value Fund Limited is a closed end fund. The Company's objectives when managing capital are to safeguard its ability to continue as a going concern so that it can continue to provide returns for shareholders and to maintain a strong capital base to meet unexpected losses or opportunities. In accordance with the Regulations the Company is required to distribute at least ninety percent of its income from sources other than unrealized capital gains as reduced by such expenses as are chargeable to the Company.



22. OTHER SUPPLEMENTARY INFORMATION

The information regarding share holding pattern of the Company, transaction with top ten broker, details of the members of the investment committee, particulars of the fund manager, details of meetings of the Board of Directors of the Company & the Fund and Assets Manager Rating of the Company has been disclosed in Annexure I to the financial statements.

23. DATE OF AUTHORISATION FOR ISSUE

These financial statements were authorised for issue by Board of Directors of the Company on August 21, 2009.

24. GENERAL

Figures have been rounded off to the nearest Rupees.

Muhammad Najam Ali
Chief Executive Officer

Nazar Mohammad Shaikh
Chairman

Munawar Alam Siddiqui
Director

**OTHER SUPPLEMENTARY INFORMATION
AS REQUIRED UNDER CLAUSES 6(D), (F), (G), (H), (I), AND (J)
OF THE FIFTH SCHEDULE TO THE NBFC REGULATIONS**

(I) SHARE HOLDING PATTERN OF THE FUND

Category	2009			2008		
	No. of share holders	Share-holding / investment amount	% of Total	No. of share holders	Share-holding / investment amount	% of Total
	Rupees			Rupees		
Individuals	6,811	355,971,030	30.02	6,912	315,554,160	26.61
Associated Companies/Directors	5	576,044,720	48.58	5	514,441,710	43.39
Insurance Companies	3	51,054,160	4.31	3	51,054,160	4.31
Banks/DFIs	7	44,963,350	3.79	3	21,203,090	1.79
NBFCs	4	35,990	0.00	5	19,459,020	1.64
Retirement Funds	12	3,512,330	0.30	10	3,381,870	0.29
Public Limited Companies	14	1,987,230	0.17	12	6,082,360	0.51
Others	89	152,181,190	12.83	112	254,573,630	21.47
	6,945	1,185,750,000	100.00	7,062	1,185,750,000	100.00

(II) LIST OF TOP TEN BROKERS BY PERCENT OF THE COMMISSION PAID

Name of Brokers	2009
	% of commission paid
JS Global Capital Ltd.	26.01
Investment Managers Securities (Pvt) Ltd.	18.93
Crosby Securities Pakistan (Pvt.) Limited	17.73
AKD Securities Limited	8.15
Fortune Securities Ltd.	6.87
WE Financial Services Limited	5.21
KASB Securities Ltd.	3.81
Foundation Securities (Pvt.) Limited	2.45
Al-Habib Capital Markets (Pvt.) Limited	2.35
Standard Capital Securities (Pvt) Ltd.	1.75
	2008
	% of commission paid
JS Global Capital Ltd.	9.50
AAG Securities (Pvt.) Ltd.	8.53
Investment Managers Securities (Pvt.) Limited	8.53
Standard Capital Securities (Pvt) Ltd.	6.47
Live Securities (Pvt.) Ltd.	5.83
First Capital Equities Ltd.	4.41
Fortune Securities Ltd.	4.19
KASB Securities Ltd.	4.07
Global Securities Pakistan Limited	3.72
Aziz Fida Hussain & Company Limited	3.71

(III) DETAILS OF MEMBERS OF INVESTMENT COMMITTEE

Details of the members of investment committee of the Company are as follows:

Mr. Muhammad Najam Ali
Mr. Ali Raza Siddiqui
Syed Ather Ahmed

MR. MUHAMMAD NAJAM ALI

Mr. Najam Ali joined JS Investments Limited as Chief Executive Officer in 2004. Prior to his appointment, he was the Executive Director and Head of the Non-Banking Finance Companies Department at the Securities & Exchange Commission of Pakistan (SECP) where he was involved in regulation, monitoring and enforcement for mutual funds, leasing, housing finance, investment banking, venture capital and discounting companies.

Prior to his appointment to the SECP, he served for seven years as the founding CEO of the Central Depository Company OF Pakistan Limited (CDC) which is Pakistan's only share depository established by Citigroup, IFC and Pakistan's stock exchanges. While at CDC, he also led the development of the National Clearing and Settlement System, which is the centralized clearing system in Pakistan for all the stock exchanges. The success of these projects has laid the foundation of a world class capital market infrastructure that has made it possible to settle enormous trading volumes witnessed in the recent years. It was due to his leadership role in Pakistan's Capital Market that has earned high praise and recognition at the national level. The Money Magazine has included his name in the list of Top Ten Capital Market Builders in Pakistan.

He has worked in various positions at the Fidelity Investment Banking including Group Financial Controller and Head of Money and Capital Markets at Fidelity Investment Bank. He has also worked with Robson Rhodes, Chartered Accountants, a member firm of the RSM Group in the UK.

He serves on the Boards of Directors of Pakistan Oilfields Limited and has also previously been a director of the National Clearing Company of Pakistan Limited and the Karachi Stock Exchange (Guarantee) Limited. He is also the Chairman of Mutual Funds Association of Pakistan.

Mr. Najam Ali holds a Bachelors degree in Economics from the University of Michigan, Ann Arbor, USA. He is a qualified Chartered Accountant and holds memberships of the Institute of Chartered Accountants in England & Wales and the Institute of Chartered Accountants of Ontario, Canada. He has also qualified as a Certified Public Accountant (CPA) in USA.

MR. ALI RAZA SIDDIQUI

Mr. Siddiqui has recently been appointed as the Chief Investment Officer in January, besides his role as an Executive Director at JS Investments Limited, which he has been associated with since 2005. Previously, he was Assistant Vice President at AIM Investments in Houston, a wholly-owned subsidiary of AMVESCAP plc.

At AIM, Mr. Siddiqui was part of a 5-person team responsible for the management of USD 60 billion in mutual fund assets. These included the AMVESCAP Global Portfolios (USD 4+ billion), Brown Brothers Investment Trust (USD 1+ billion) and STIT Treasury Portfolio (USD 10+ billion).

Mr. Siddiqui holds a Bachelors Degree from Cornell University, USA, with double majors in Economics and Government.

SYED ATHER AHMED

Mr. Ahmed joined JS Investments Limited in May 2007 and is presently looking after Investment Advisory, Products & International Business Development, Marketing, Investor Relations and Investment Finance activities of the Company. Prior to joining JSIL, Mr. Ahmed was associated with Standard Chartered Bank for almost 11 years. His last assignment with Standard Chartered was in the capacity of Director & Head of Transaction Banking, Pakistan. Prior to this, he also worked as Corporate Head of Lahore for Standard Chartered Bank.

Mr. Ahmed earned his MSc. in Accounting & Finance from London School of Economics, UK, in addition to MBA degree from Lahore University of Management Sciences.

(IV) PARTICULARS OF THE FUND MANAGER

Mr. Ali Raza Siddiqui has recently been appointed as the Chief Investment Officer in January, besides his role as an Executive Director at JS Investments Limited, which he has been associated with since 2005. Currently he is managing JS AAA Fund, JS Value Fund and JS Aggressive Income Fund. Previously, he was Assistant Vice President at AIM Investments in Houston, a wholly-owned subsidiary of AMVESCAP plc.

Mr. Siddiqui holds a Bachelors Degree from Cornell University, USA, with double majors in Economics and Government.

(V) FOLLOWING ARE THE DATES AND NAME OF PERSONS WHO ATTENDED THE MEETING OF THE DIRECTORS DURING THE YEAR.

Name of Directors	Meetings attended	Meetings held on			
		15-Sep-08	24-Oct-08	26-Feb-09	22-Apr-09
Mr. Nazar Mohammad Shaikh	4	1	1	1	1
Mr. Muhammad Najam Ali	4	1	1	1	1
Mr. Munwar Alam Siddiqui	4	1	1	1	1
Mr. Muhammad Khalil Mian	3	-	1	1	1
Mr. Muhammad Yousuf Amanullah	3	1	1	-	1
Syed Ather Ahmed	4	1	1	1	1
Mr. Ali Hassan Hamdani	-	-	-	-	-
		5	6	5	6

(VI) FUND AND ASSET MANAGER RATING

Pakistan Credit Rating Agency (PACRA) assigned rating of 5-Star for the year ended June 2007. For the year ended June, 2008 the fund rating methodology is presently under discussion between the Company and PACRA. Furthermore, Mutual Fund Association of Pakistan (MUFAP) is also in consultation with the country's two rating agencies and SECP in terms of having a consistent and uniform rating methodology from mutual funds. Updated Fund rating will be announced once a conclusion is reached on rating methodology of mutual funds.

PACRA has maintained the "AM2+" asset manager rating to JS Investments Limited. The rating denotes the company's very strong capacity to manage the risks inherent in asset management and the asset manager meets very high investment management industry standards and benchmarks.

STATEMENT OF INCOME & EXPENDITURE

of Management Company in relation to the Fund

JS Investments Limited - Management Company	2009 (Rupees)	2008 (Rupees)
Income		
Remuneration from JS Value Fund Fund	31,125,007	50,942,794
Dividend	21,498,992	69,971,976
	<u>52,623,999</u>	<u>120,914,770</u>
Expenses		
Salaries and benefits	7,150,174	12,753,814
Staff retirement benefits	383,496	465,016
Advertisement	790,869	1,748,476
Depreciation / amortisation	2,401,189	3,630,368
Printing and Stationery	193,541	588,033
Rent, rates, taxes, and maintenance	1,392,408	1,653,552
Travelling, conveyance and vehicle maintenance	866,171	1,115,721
Postage & telephone	410,911	662,705
Legal and professional	742,931	1,027,061
Fees and subscription	200,733	352,912
IT service	774,500	1,189,508
Utilities	389,603	456,331
Office supplies	57,163	24,963
Office security	459,761	261,169
Entertainment	54,781	96,971
Insurance	284,590	277,275
Auditors' remuneration	66,242	63,213
Newspaper	11,045	19,628
Directors meeting fee	222,223	272,878
Fees and commission	2,757,076	3,135,411
Royalty and advisory fee	585,567	697,007
Miscellaneous expenses	3,050	4,749
Financial charges	11,356,394	14,720,394
	<u>31,554,418</u>	<u>45,217,155</u>
Profit for the year	<u><u>21,069,581</u></u>	<u><u>75,697,615</u></u>

Notes:

- 1) Revenue directly related to Fund has been included in the above statement.
- 2) All expenses are prorated on the basis of Net Assets Value of all the funds.

JS VALUE FUND LIMITED

PATTERN OF SHARE HOLDING

As at June 30, 2009

No. of Shareholders	Share Holding		Total Shares Held
	From	To	
716	1	100	32,247
1416	101	500	459,957
2029	501	1000	1,413,932
1675	1001	5000	4,601,883
477	5001	10000	3,757,076
180	10001	15000	2,297,111
118	15001	20000	2,168,259
75	20001	25000	1,756,775
43	25001	30000	1,215,184
25	30001	35000	827,769
17	35001	40000	659,506
13	40001	45000	560,626
27	45001	50000	1,339,300
6	50001	55000	311,695
10	55001	60000	577,062
6	60001	65000	388,417
10	65001	70000	689,000
5	70001	75000	366,097
8	75001	80000	629,998
6	80001	85000	497,732
3	85001	90000	266,777
4	90001	95000	373,000
11	95001	100000	1,091,500
7	100001	105000	723,576
4	105001	110000	428,450
5	110001	115000	569,750
1	120001	125000	125,000
1	125001	130000	128,000
2	135001	140000	274,632
1	145001	150000	146,250
1	155001	160000	155,125
2	160001	165000	326,500
1	165001	170000	168,750
1	170001	175000	175,000
1	185001	190000	188,500
1	190001	195000	190,839
1	195001	200000	200,000
1	200001	205000	202,661
1	205001	210000	209,000
1	210001	215000	215,000
1	240001	245000	241,500
1	255001	260000	257,750
1	260001	265000	262,500
1	265001	270000	270,000
1	295001	300000	300,000
2	320001	325000	649,500
1	345001	350000	346,204
1	360001	365000	363,500
1	395001	400000	400,000
1	435001	440000	437,000
1	485001	490000	485,187
1	495001	500000	500,000
1	510001	515000	511,625
1	560001	565000	560,342
2	695001	700000	1,399,500
1	700001	705000	705,000
1	870001	875000	872,500
1	1180001	1185000	1,183,037
1	11900001	1195000	1,190,610

No. of Shareholders	Share Holding		Total Shares Held
	From	To	
1	1245001	1250000	1,247,500
1	1345001	1350000	1,350,000
1	1575001	1580000	1,580,000
1	2525001	2530000	2,530,000
1	3020001	3025000	3,022,000
1	4670001	4675000	4,674,837
1	4920001	4925000	4,922,500
1	6125001	6130000	6,128,500
1	8745001	8750000	8,745,668
1	9990001	9995000	9,992,500
1	11235001	11240000	11,238,812
1	21495001	21500000	21,498,992
6945			118,575,000

Categories of Share Holders	No. of Share Holders	Total Shares Held	Percentage
Individuals	6806	35,514,578	29.95
Investment Companies	63	34,828,358	29.37
Insurance Companies	3	5,105,416	4.31
Joint Stock Companies	19	12,619,431	10.64
Financial Institutions	8	13,242,003	11.17
Modarabas & Mutual Funds	10	7,768,970	6.55
Foreign Investors	12	3,488,275	2.94
Others	24	6,007,969	5.07
TOTAL	6945	118,575,000	100.00

DISCLOSURE TO PATTERN OF SHARE HOLDING

(% of Shareholding indicated where holding is 5% or more)

		Shares Held
1	Associated Companies, Undertakings and Related Parties:	
	JS Investments Limited	18.13% 21,498,992
	Jahangir Siddiqui & Company Limited	9.48% 11,238,812
	JS Bank Limited	7.38% 8,745,668
	JS Fund of Funds	5.17% 6,128,500
	Jahangir Siddiqui & Sons Limited	8.42% 9,992,500
		<u>57,604,472</u>
2	NIT and ICP	
	IDBP (ICP unit)	2,346
	National Bank of Pakistan (Trustee Department)	2,373,647
		<u>2,375,993</u>
3	Banks, DFIs, NBFs, Insurance Companies, Modarabas & Mutual Funds	20.02% <u>23,740,396</u>
4	Director, CEO and their Spouse and Minor children	<u>NIL</u>
5	Executives	<u>NIL</u>

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the 15th Annual General Meeting of JS Value Fund Limited will be held at 10:00 a.m. on Friday, October 02, 2009 at Beach Luxury Hotel, M.T. Khan Road, Karachi, to transact the following business:

Ordinary Business

1. To confirm the Minutes of the Annual General Meeting held on October 22, 2008.
2. To receive, consider and adopt the audited financial statements of the company together with the report of Directors and Auditors for the year ended June 30, 2009.
3. To appoint Auditors of the Company and fix their remuneration for the year ending June 30, 2010. The Audit Committee of the Board has recommended the reappointment of retiring auditors, M/s M. Yousuf Adil Saleem & Co., Chartered Accountants.
4. To transact any other business with the permission of the Chair.

By Order of the Board

Suleman Lalani
Company Secretary

Karachi: August 21, 2009

Notes:

1. The share transfer books of the Company will remain closed from Friday, September 25, 2009 to Friday, October 02, 2009 (both days inclusive). Transfer received at the Share Registrar of the Company, M/s Technology Trade (Pvt.) Limited, Dagia House, 241-C, Block 2, P.E.C.H.S, Off. Sharah-e-Quaideen, Karachi at the close of business on or before Thursday, September 24, 2009 will be considered in time to attend and vote at the meeting.
2. All the members are entitled to attend and vote at the meeting. A member entitled to attend and vote at the meeting is entitled to appoint another member as proxy to attend, speak and vote for him/ her.
3. An instrument of proxy and power of attorney or other authority (if any) under which it is signed or a notarially certified copy of such power of attorney, to be valid, be deposited with the share registrar of the Company not later than 48 hours before the scheduled time of the meeting.
4. Attested copies of CNIC or passport of the beneficial owner of the shares of the Company in the Central Depository system of the Central Depository Company of Pakistan Limited (CDC) and the proxy, entitled to attend and vote at this meeting, shall be furnished with the proxy form to the Company.
5. The beneficial owner of the share of the Company in the central depository system of the CDC or his/her proxy entitled to attend and vote at this meeting, shall produce his/her original CNIC or passport to prove his/her identity.
6. In case of corporate entity, the board of directors' resolution/power of attorney with specimen signature of the nominee shall be submitted with the proxy form to the Company, and the same shall be produced in original at the time of the meeting to authenticate the identity.
7. Shareholders are requested to notify immediately changes, if any, in their registered address, to the Share Registrar of the Company.



FIFTEENTH ANNUAL GENERAL MEETING

The Company Secretary,
JS Value Fund Limited
7th Floor, The Forum, G-20,
Khayaban-e-Jami, Clifton,
Karachi- 75500.

I/We _____ of _____
being the member of JS Value Fund Limited, holding _____ ordinary shares as per registered Folio No. CDC A/c No. (for members who have shares in CDS) _____
hereby appoint Mr. / Ms. _____ of _____ or failing
him / her Mr. / Ms. _____ of _____ my / our proxy in my / our
absence to attend and vote for me / us and my / our behalf at the 15th Annual General Meeting of the Company to be held at
10:00 a.m. on Friday , October 02, 2009 at Beach Luxury Hotel, M.T. Khan Road, Karachi.

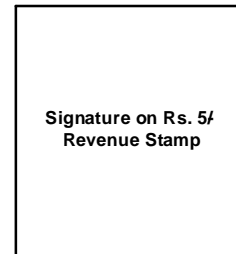
Witnesses:

1. Name _____
Signature _____
Address _____

CNIC / Passport No. _____

2. Name _____
Signature _____
Address _____

CNIC / Passport No. _____



The Signature should agree with the specimen
registered with the Company

Important:

1. This proxy form, duly completed and signed, must be received at the office of Company situated at 7th Floor, The Forum, G-20, Khayaban-e-Jami, Clifton, Karachi not less than 48 hours before the scheduled time of the meeting.
2. No person shall act as proxy, unless he / she himself / herself is a member with the Company, except that a Corporation may appoint a person who is not a member.
3. If a member more than one proxies and more than one instruments of proxy are deposited by a member with the Company, all such instruments of proxy shall be rendered invalid.
4. Any individual beneficial owner of shares registered as book entry securities with Central Depository Company of Pakistan Limited, entitled to attend and vote at this meeting, must bring his / her original CNIC or passport, account and participant ID number to prove his / her identity, and in case of proxy, must enclose an attested copy of his / her CNIC or passport. Representatives of corporate members should bring the usual documents required for this purpose.



AFFIX
CORRECT
POSTAGE

The Company Secretary
JS Value Fund Limited
7th Floor, The Forum, G-20
Khayaban-e-Jami, Block-9, Clifton
Karachi-75600



JS Investments Limited

7th Floor, The Forum,
G-20 Khayaban-e-Jami,
Block-9, Clifton, Karachi-75600

Phone: +92 21 111 222 626
Fax: +92 21 5361724
E-mail: info@jsil.com
Website: www.jsil.com