



JS Value Fund Limited

Annual Report 2010



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

VISION

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

MISSION

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

BROAD POLICY OBJECTIVES

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

ORGANIZATION

Management Company

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

Board of Directors

Nazar Mohammad Shaikh	Chairman
Rashid Mansur	Chief Executive Officer
Muhammad Yousuf Amanullah	
Ali Hassan Hamdani	
Munawar Alam Siddiqui	
Muhammad Khalil Mian	
Muhammad Amir Maskatiya	

Audit Committee

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

Chief Financial Officer & Company Secretary

Suleman Lalani

Custodian

MCB Financial Services Ltd.
(formerly Muslim Commercial Financial Services Ltd)
3rd Floor, Adamjee House
I.I.Chundrigar Road,
Karachi - 75530
Tel: (92-21) 32419770
Fax: (92-21) 32416371

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, 2010.

Market Review

The equity markets recovered considerably during the Fiscal Year 2010, as the KSE-30 Index surged 26.22% to close the FY10 at 9,556 points. The index rebounded sharply on the back of a lower base and continued economic improvements.

Despite a modest yet fragile economic growth, a major confidence boosting indicator has been the active injections due to foreigners interest in Pakistan's bourse, as the net Foreign Portfolio Investment (FPI) was recorded at US\$ 556mn for FY10. Improved macroeconomic conditions, coupled with extremely attractive valuations, have been the prime drivers of the equity markets. In contrast, there exists a liquidity conundrum due to the absence of a leveraged product to cash-strapped investors, with consequent impact on average daily trading value of US\$ 84mn.

The local investors, however, still remain jittery while seeking clarity on the modalities of Capital Gains Tax (CGT) and viability of Value Added Tax's implementation. The latter's impact on already soaring inflation rates also remain a cause for concern. Nevertheless, astounding equity valuations a 38% P/E discount to regional peers and 2010E P/E of 6.9x packaged with possible reemergence of a keenly-awaited leveraged product are imminent key triggers to attract both foreign and local investors interest in Fiscal Year 2011.

Review of Fund Performance

The Fund incurred a loss of 11.32% against a benchmark return of 26.22%, underperforming the benchmark by 37.54%.

The Fund incurred net loss Rs. 115.852 million during the year ended June 30, 2010, including unrealized loss on investment of Rs. 241.708 million. During the year the Fund made a provision of Rs. 26.431 million against non-performing investment in Term Finance Certificate (TFC) issue of Azgard Nine Limited. The Fund also had to reverse the accrued mark-up of Rs.1.087 million on the above TFC. During the year the Fund has paid an interim cash dividend of Re.1.00 per share based on the distributable income as on the date of announcement of dividend. The net assets of the Fund declined by 18.82 percent from Rs. 1,237.330 million to Rs. 1,004.473 million during the year under review. The net assets value per share, after adjustment of interim dividend @ Re.1/- per share as on June 30, 2010 was Rs 8.47 per share compared to net assets value of Rs.10.44 per share as on June 30, 2009. Therefore the decline in NAV per share inclusive of interim dividend comes to 9.29 percent.

Fund and Asset Manager Rating

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

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

Future Outlook

Mr. Rashid Mansur was appointed as the new Chief Executive Officer of your Management Company w.e.f April 01, 2010. The incoming CEO carried out a detailed SWOT Analysis of your Management Company and the Funds based on assessment of the prevailing Macroeconomic and Financial Market trends as well as their impact on the mutual fund industry, generally, and your Management Company, specifically. Based on this, the CEO reviewed and revised the Vision, Mission and Statement of Broad Policy Objectives of your Management Company to reposition it towards sustainable growth. This initiative has been branded as, **JSIL 2010 Onwards**.

The CEO also reassessed the Organizational Structure and initiated certain desired changes to enhance the operational efficiency of your Management Company. These include creation of a separate and independent Risk Management, Research and Market Intelligence department, defining and augmenting the role and responsibilities of Investment Committee and Fund Managers.

JS Value Fund Limited

We believe that a progressive and proactive approach to business will enhance the Brand Visibility of your Management Company and its products, yielding higher returns for all stakeholders. At the same time a strong Prudential Risk Management would play fundamental role in working of your Management Company.

We understand that Pakistan is passing through a challenging time on the economic front, yet we are confident that Your Company will continue to achieve sustainable growth based on business model that aims to thrive on efficiency, innovation and transparency.

Corporate Governance and Financial Reporting Framework

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 08 of this annual report.
- i. The Directors have signed the Statement of Ethics and Business Practices .
- j. The number of shares of the Fund held by the Chief Executive, directors and executives and their spouses as at June 30, 2010 are disclosed in the Pattern of Shareholding.
- k. Summary of shares acquired / sold during the year by the Chief Executive, directors and executives, their spouses and minor children is provided below:

Name	Designation	Shares Acquired	Shares Sold
Nazar Mohammad Shaikh	Director	2000	NIL

- l. The company does not have any staff retirement benefit scheme as it has no employee on its payroll.

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.

Auditors

The external auditors of the Fund Messrs.M. Yousuf Adil Saleem & Co., Chartered Accountants, retire and being eligible offers themselves for reappointment. The Audit Committee of the Board has recommended reappointment of M/s M. Yousuf Adil Saleem & Co., Chartered Accountants, as the Fund's auditors for the year ending June 30, 2011.

Acknowledgment

The Directors express 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 17, 2010

Rashid Mansur
Chief Executive Officer

FUND MANAGER REPORT

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, high levels of bank deposits maintained.

Key information

Fund type	Closed end
Category	Equity Fund
Fund launch date	14 January, 1996
Net Assets (PKR mn)	1,004.47
Management fee	2.00%
Custodian	MCB Financial Services Ltd
Auditor	M. Yousuf Adil Saleem & Co.
Risk profile	High
Listing	KSE
Benchmark	KSE30 Index

Market Review

The equity markets recovered considerably during the Fiscal Year 2010, as the KSE-100 Index surged 36% to close the FY10 at 9721 points. The index rebounded sharply on the back of a lower base and continued economic improvements.

Despite a modest –yet fragile– economic growth, a major confidence boosting indicator has been the active injections due to foreigners' interest in Pakistan's bourse, as the net Foreign Portfolio Investment (FPI) was recorded at US\$ 556mn for FY10. Improved macroeconomic conditions, coupled with extremely attractive valuations, have been the prime drivers of the equity markets. In contrast, there exists a liquidity conundrum due to the absence of a leveraged product to cash-strapped investors, with consequent impact on average daily trading value of US\$ 84mn.

The local investors, however, still remain jittery while seeking clarity on the modalities of Capital Gains Tax (CGT) and viability of Value Added Tax's implementation. The latter's trickle down impact on already soaring inflation rates also remain a cause for concern. Nevertheless, astounding equity valuations –a 38% P/E discount to regional peers and 2010E P/E of 6.9x– packaged with possible reemergence of a keenly-awaited leveraged product are imminent key triggers to attract both foreign and local investors' interest in Fiscal Year 2011.

Fund vs Benchmark Comparison

	1M	1Y	2Y	3Y	5Y
Fund	-2.87	-11.32	-56.06	-39.37	10.48
Benchmark	3.39	26.22	-33.30	-43.77	-4.44
Difference	-6.26	-37.54	-22.76	4.40	14.92

Distribution for the Year Ended June 30, 2009

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

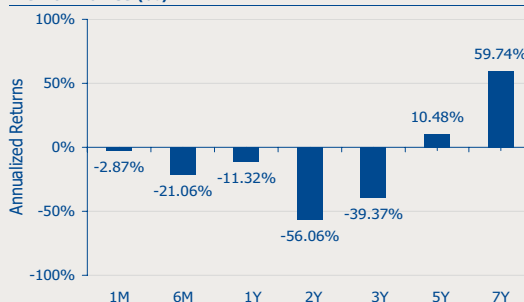
Distribution for the Year Ended June 30, 2010

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

Effects on the NAV after Distribution

NAV per share	
Cum NAV (PKR)	11.87
Ex-NAV (PKR)	10.87

Performance (%)



Asset allocation (%)

	Jun-10
Cash	7.79
Equity	89.89
TFCs	1.56
Other including receivables	0.76
Total	100.00

Equity sector breakdown (%)

	Jun-10
Oil & Gas	18.69
Food Producers	12.63
Non Life Insurance	11.09
Construction & Materials	8.19
Industrial Transportation	5.29
Others	34.00
Total	89.89

Statistical analysis

	Fund	Benchmark
Beta	0.6	1.0
Standard Deviation	24.0%	33.4%
Largest Month Gain	21.4%	25.2%
Largest Month Loss	-24.4%	-45.1%
% Positive Months	62.4%	60.0%

Investment Committee Members

Mr. Rashid Mansur - Chief Executive Officer
 Mr. Suleman Lalani - Chief Financial Officer
 Mr. Wasim Jalbani - Fund Manager

Split of Shares

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

Effects on the NAV after Split

n/a

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.

Disclaimer : This publication is for informational purposes only and nothing herein should be construed as a solicitation, recommendation or an offer to buy or sell any fund. All investments in mutual funds are subject to market risks. The NAV based prices of shares and any dividends/returns thereon are dependent on forces and factors affecting the capital markets. These may go up or down based on market conditions. Past performance is not necessarily indicative of future results.

PERFORMANCE TABLE / KEY FINANCIAL DATA

	year									
	2010	2009	2008	2007	2006	2005	2004	2003	2002	2001
Net assets (Rs.in 000)	1,004,473	1,237,330	2,654,667	2,152,513	1,789,332	1,620,936	1,624,589	661,901	420,177	358,864
Net assets value per share (Rs.)	8.47	10.44	22.39	18.15	15.09	13.67	15.41	19.46	12.35	10.55
Paid-up Capital (Rs. in 000)	1,185,750	1,185,750	1,185,750	1,185,750	1,185,750	1,185,750	1,054,000	340,000	340,000	340,000
Net (loss)/ profit for the year (Rs. in 000)	(115,852)	(1,296,844)	859,001	658,483	524,437	146,549	282,688	292,724	41,498	28,316
(Loss) / earnings per share (Rs.)	(0.98)	(10.94)	7.24	5.55	4.42	1.24	2.68	8.61	1.22	0.83
Income Distribution (Rs. in 000)	118,575	118,575	355,725	296,438	355,725	148,219	131,750	85,000	51,000	27,500
Accumulated Capital Growth (Rs. in 000)	(191,276)	43,151	1,458,569	955,294	593,248	424,536	426,205	275,267	67,543	77,045
Average Annual Return										
One Year	-12%	-105%	32%	31%	29%	9%	17%	44%	10%	8%
Two Year	-58%	-36%	31%	30%	19%	13%	31%	27%	9%	17%
Three Year	-28%	-14%	31%	23%	19%	24%	24%	21%	15%	27%
Dividend distribution Per Share										
Cash (Rs.)										
Interim	1.00	1.00	3.00	1.00	1.75	1.25	-	-	-	-
Date of announcement	Oct 23, 2009	Oct 24, 2008	Feb 11, 2008	Feb 20, 2007	Feb 07, 2006	Feb 18, 2005	-	-	-	-
2nd Interim	-	-	-	1.50	1.25	-	-	-	-	-
Date of announcement	-	-	-	May 25, 2007	April 15, 2006	-	-	-	-	-
Final	-	-	-	-	-	-	-	1.50	1.50	1.10
Date of announcement	-	-	-	-	-	-	-	Oct 18, 2003	Dec 20, 2002	Oct 20, 2001
Bonus (%)										
Date of announcement	-	-	-	-	-	-	12.50	10	-	-
							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 THE 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 Company personnel and review of various documents prepared by the Company to comply with the Code.

As part of our audit of financial statements we are required to obtain an understanding of the accounting and internal control systems sufficient to plan the audit and develop an effective audit approach. We are not required to consider whether the Board's statement on internal control covers all risks and controls, or to form an opinion on the effectiveness of such internal controls, the Company's corporate governance procedures and risks.

Further, a Sub-Regulation (xiii a) of Listing Regulation No. 35 (previously Regulation No. 37) notified by The Karachi Stock Exchange (Guarantee) Limited vid circular KSE/N-269 dated January 2009 requires the Company to place before the Board of Directors for their consideration and approval related party transactions distinguishing between transactions carried out on terms equivalent to those that prevail in arm's length transactions and transactions which are not executed at arm's length price recording proper justification for using such alternate pricing mechanism. Further, all such transactions are also required to be separately placed before the audit committee. We are only required and have ensured compliance of requirement to the extent of approval of related party transactions by the Board of Directors and placement of such transactions before the audit committee. We have not carried out any procedures to determine whether the related party transactions were under taken at arm's length price or not.

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, 2010.

Karachi: August 17, 2010

M.Yousuf Adil Saleem & Co.
Chartered Accountants

STATEMENT OF COMPLIANCE WITH THE CODE OF CORPORATE GOVERNANCE FOR THE YEAR ENDED JUNE 30, 2010

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. Presently, the Board of Directors (Directors) includes six 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 Mr. Muhammad Najam Ali, CEO and Mr. Suleman Lalani, Director tendered their resignation and Mr. Rashid Mansur, CEO and Mr. Muhammad Amir Maskatiya, Director were appointed to fill the casual vacancies after obtaining prior approval from SECP.
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 of the Management Company 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 has established adequate procedures and systems for related party transactions vis- -vis the pricing method for related party transactions. All the related party transactions are placed before the Audit Committee and the Board of Directors for their review and approval.
10. The Board of Directors is well aware of the requirements of the Code of Corporate Governance. However arrangements will also be made shortly for an orientation session.
11. During the year, there was no change of Chief Financial Officer / Company Secretary. The CFO / Company Secretary and the Head of Internal Audit & Compliance are employees of JS Investments Limited (the Management Company). The Head of Internal Audit & Compliance resigned on June 11, 2010 and the Management Company is in the process to fill the position of the Head of Internal Audit & Compliance. Their remuneration and 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 17, 2010

Rashid Mansur
Chief Executive Officer

INDEPENDENT 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, 2010 and the income statement, statement of comprehensive income, 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; except for the changes described in note 2.2.1 with which we concur;
 - 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, statement of comprehensive income, 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, 2010 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.

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

Karachi: August 17, 2010



FINANCIAL STATEMENTS



**STATEMENT OF ASSETS AND LIABILITIES
AS AT JUNE 30, 2010**

	Note	June 30, 2010 Rupees	June 30, 2009 Rupees
Assets			
Investments	3	934,113,282	959,729,987
Bank balances	4	79,565,435	288,312,623
Dividend and other receivables	5	5,042,188	1,399,188
Accrued mark-up / return		-	3,013,863
Security deposits	6	2,637,500	2,637,500
		1,021,358,405	1,255,093,161
Liabilities			
Remuneration payable to the management company		102,160	1,984,597
Remuneration payable to the custodian		159,281	177,967
Annual fee payable to Securities and Exchange Commission of Pakistan		1,178,049	1,478,438
Accrued and other liabilities	7	1,307,776	793,574
Unclaimed dividend		14,137,776	13,328,441
		16,885,042	17,763,017
Net assets		1,004,473,363	1,237,330,144
Share Capital And Reserves			
Authorised Capital		1,500,000,000	1,500,000,000
150,000,000 (2009:150,000,000) ordinary shares of Rs.10/-each			
Issued, subscribed and paid-up capital	8	1,185,750,000	1,185,750,000
Capital reserve	9	10,000,000	10,000,000
Unappropriated (loss) / profit		(191,276,637)	43,150,846
Net diminution in value on available-for-sale investment		-	(1,570,702)
		1,004,473,363	1,237,330,144

The annexed notes from 1 to 23 form an integral part of these financial statements.

Rashid Mansur

Chief Executive Officer

Munawar Alam Siddiqui

Director

**INCOME STATEMENT
FOR THE YEAR ENDED JUNE 30, 2010**

	Note	June 30, 2010 Rupees	June 30, 2009 Rupees
Income			
Investment income			
Net gain / (loss) on sale of marketable securities		115,166,792	(671,904,796)
Diminution on investment at fair value through profit or loss - held-for-trading - net		(241,708,455)	(680,537,450)
Net loss on investments in marketable securities		(126,541,663)	(1,352,442,246)
Dividend income		46,188,060	43,562,545
Mark-up / return on:			
- bank balances and term deposits		17,073,100	49,701,234
- term finance certificates		5,631,902	3,003,913
Amortization of discount on investments		2,882,699	1,597,524
		25,587,701	54,302,671
		(54,765,902)	(1,254,577,030)
Expenditure			
Remuneration to the management company	10	24,801,034	31,125,007
Remuneration to the custodian	11	2,217,819	2,534,171
Annual fee to Securities and Exchange Commission of Pakistan	12	1,178,049	1,478,438
Bank charges		16,790	15,827
Securities transaction cost		3,311,711	2,787,200
Auditors' remuneration	13	445,850	470,000
Directors meeting fee		50,000	85,000
Share registrar and clearing charges		1,077,076	1,000,823
Professional tax and charges		100,000	225,000
Provision on available-for-sale investments - debt security		26,430,607	-
Other operating expenses	14	1,457,645	2,545,423
		61,086,581	42,266,889
Net loss for the year carried forward to distribution statement		(115,852,483)	(1,296,843,919)
Loss per share - Basic and Diluted	16	(0.98)	(10.94)

The annexed notes from 1 to 23 form an integral part of these financial statements.

Rashid Mansur

Chief Executive Officer

Munawar Alam Siddiqui

Director



**STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED JUNE 30, 2010**

	June 30, 2010 Rupees	June 30, 2009 Rupees
Net loss for the year	(115,852,483)	(1,296,843,919)
Other comprehensive income:		
Unrealised loss on remeasurement of available-for-sale investments to fair value - net	-	(1,918,362)
Transferred to income on maturity for available-for-sale investments	93,544	-
Transferred to income on provision of available-for-sale investments	1,477,158	-
	1,570,702	(1,918,362)
Total comprehensive loss for the year	(114,281,781)	(1,298,762,281)

The annexed notes from 1 to 23 form an integral part of these financial statements.

Rashid Mansur
Chief Executive Officer

Munawar Alam Siddiqui
Director

CASH FLOW STATEMENT FOR THE YEAR ENDED JUNE 30, 2010

	June 30, 2010 Rupees	June 30, 2009 Rupees
Cash flows from operating activities		
Net loss for the year	(115,852,483)	(1,296,843,919)
Adjustments for:		
Net (gain) / loss on sale of marketable securities	(115,166,792)	671,904,796
Diminution on investment at fair value through profit or loss - held-for-trading - net	241,708,455	680,537,450
Mark-up / return on:		
- bank balances and term deposits	(17,073,100)	(49,701,234)
- on term finance certificates	(5,631,902)	(3,003,913)
- amortization of discount on investments	(2,882,699)	(1,597,524)
Provision on available-for-sale investments - debt security	26,430,607	-
Dividend income	(46,188,060)	(43,562,545)
	(34,655,974)	(42,266,889)
Decrease in current assets		
Other receivables	-	916,666
Security deposits	-	1,000,000
	-	1,916,666
Decrease in liabilities		
Remuneration payable to the management company	(1,882,437)	(2,167,531)
Remuneration payable to the custodian	(18,686)	(105,225)
Annual fee payable to Securities and Exchange Commission of Pakistan	(300,389)	(1,068,702)
Accrued and other liabilities	514,202	411,814
	(1,687,310)	(2,929,644)
	(36,343,284)	(43,279,867)
Sale of investments	767,151,265	657,657,437
Purchase of investments	(908,512,262)	(1,014,809,812)
Dividend received	42,545,060	43,162,545
Mark-up / return received on bank balances and term finance certificates	25,718,865	54,841,674
	(73,097,072)	(259,148,156)
Net cash used in operating activities	(109,440,356)	(302,428,023)
Cash flows from investing activities		
Sale / redemption of available-for-sale investments	18,458,832	15,125,233
Purchase of available-for-sale investments	-	(61,613,352)
Cash flows from / (used in) investing activities	18,458,832	(46,488,119)
Cash flows from financing activities		
Dividend paid	(117,765,664)	(120,988,323)
Cash used in financing activities	(117,765,664)	(120,988,323)
Net decrease in cash and cash equivalents	(208,747,188)	(469,904,465)
Cash and cash equivalents at the beginning of the year	288,312,623	758,217,088
Cash and cash equivalents at the end of the year	79,565,435	288,312,623

The annexed notes from 1 to 23 form an integral part of these financial statements.

Rashid Mansur

Chief Executive Officer

Munawar Alam Siddiqui

Director



**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED JUNE 30, 2010**

	Issued, subscribed and paid-up capital .Rupees	Capital Reserve (Note 10)	Unappropriated profit	Available-for-sale investments Reserve	Total
Balance as at July 01, 2008	1,185,750,000	10,000,000	1,458,569,765	347,660	2,654,667,425
Total comprehensive income for the year					
Net loss of the year	-	-	(1,296,843,919)	-	(1,296,843,919)
Other comprehensive income					
Unrealised loss on remeasurement of available-for-sale investments to fair value - net	-	-	-	(1,918,362)	(1,918,362)
Total comprehensive income for the year	-	-	(1,296,843,919)	(1,918,362)	(1,298,762,281)
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
Total comprehensive income for the year					
Net loss of the year	-	-	(115,852,483)	-	(115,852,483)
Other comprehensive income					
Transferred to income on maturity for available-for-sale investments	-	-	-	93,544	93,544
Transferred to income on provision of available-for-sale investments				1,477,158	1,477,158
Total comprehensive income for the year	-	-	(115,852,483)	1,570,702	(114,281,781)
Interim dividend @ Re.1 per share	-	-	(118,575,000)	-	(118,575,000)
Balance as at June 30, 2010	1,185,750,000	10,000,000	(191,276,637)	-	1,004,473,363

The annexed notes from 1 to 23 form an integral part of these financial statements.

Rashid Mansur

Chief Executive Officer

Munawar Alam Siddiqui

Director

**DISTRIBUTION STATEMENT
FOR THE YEAR ENDED JUNE 30, 2010**

	June 30, 2010 Rupees	June 30, 2009 Rupees
Unappropriated income brought forward		
Realised	212,097,403	731,852,152
Unrealised	(168,946,557)	726,717,613
	43,150,846	1,458,569,765
Net loss for the year	(115,852,483)	(1,296,843,919)
Less: Distribution for the year:		
- announced on October 23, 2009 (2009: October 24, 2008)	(118,575,000)	(118,575,000)
Unappropriated (loss) / income carried forward	(191,276,637)	43,150,846
Represented by:		
Realised	244,793,903	212,097,403
Unrealised	(436,070,540)	(168,946,557)
	(191,276,637)	43,150,846

The annexed notes from 1 to 23 form an integral part of these financial statements.

Rashid Mansur
Chief Executive Officer

Munawar Alam Siddiqui
Director



**STATEMENT OF MOVEMENTS IN EQUITY AND RESERVES 'PER SHARE'
FOR THE YEAR ENDED JUNE 30, 2010**

	June 30, 2010 Rupees	June 30, 2009 Rupees
Net assets per share outstanding at the beginning of the year	10.44	22.39
Net gain / (loss) on sale of marketable securities	0.97	(5.68)
Diminution on investments at fair value through profit or loss - held-for-trading - net	(2.04)	(5.74)
Net income for the year excluding net gain / (loss) from sale of marketable securities and unrealised loss on held-for-trading-investments	0.09	0.48
	(0.98)	(10.94)
Deficit on revaluation of available-for-sale investment	0.00	(0.162)
Adjustment on provision of available-for-sale investment	0.01	-
Interim dividend paid during the year	(1.00)	(1.00)
Net assets per share outstanding at the end of the year	8.47	10.44

The annexed notes from 1 to 23 form an integral part of these financial statements.

Rashid Mansur

Chief Executive Officer

Munawar Alam Siddiqui

Director

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2010

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 MCB Financial Services Limited (Formerly Muslim Commercial Financial Services 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 approved accounting standards as applicable in Pakistan. Approved accounting standards comprise of such International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board as are notified under the Companies Ordinance, 1984, provisions of and directives issued under the Companies Ordinance, 1984, Non Banking Finance Companies (Establishment and Regulation) Rules, 2003 and Non-Banking Finance Companies and Notified Entities Regulations, 2008 (NBFC rules and regulations). In case, the requirements differ, the provisions or directives of the Companies Ordinance, 1984 and Non Banking Finance Companies (Establishment and Regulation) Rules, 2003, Non Banking Finance Companies and Notified Entities Regulations, 2008 shall prevail.

2.2 Standard effective and adopted in current year

2.2.1 IAS 1 - Presentation of financial statements (Revised)

January 01, 2009

IAS 1 (revised), Presentation of financial statements. The revised standard prohibits the presentation of items of income and expenses (that is, non-owner changes in equity) in the statement of changes in equity. It requires non-owner changes in equity to be presented separately from owner changes in equity. All non-owner changes in equity are required to be shown in a performance statement, but entities can choose whether to present one performance statement (the statement of comprehensive income) or two statements (the income statement and statement of comprehensive income). The Company has applied IAS 1 (revised) from July 1, 2009, and has elected to present two statements (the income statement and statement of comprehensive income).

2.2.2 Improving Disclosures about Financial Instruments (Amendments to IFRS 7 Financial Instruments: Disclosures)

January 01, 2009

The amendments to IFRS 7 expand the disclosures required in respect of fair value measurements and liquidity risk. In particular, the amendment requires disclosure of fair value measurements by level of a fair value measurement hierarchy. The Company has elected not to provide comparative information for these expanded disclosures in the current year in accordance with the transitional reliefs offered in these amendments.

As the change in accounting policy only results in additional disclosures, there is no impact on earnings per share.



2.2.3 IFRS 8 - Operating Segments

January 01, 2009

IFRS 8 replaces IAS 14 and requires a management approach, under which segment information is presented on the same basis as that used for internal reporting purposes. The Company considers itself as a single operating segment company and the Company's performance is evaluated on an overall basis. The adoption of this standard has no impact on the Company's financial statements.

2.3 New accounting standards and IFRS interpretations that are not yet effective

The following International Financial Reporting Standards and Interpretations as notified by the Securities and Exchange Commission of Pakistan are only effective for accounting periods, beginning on or after the date mentioned against each of them :

IFRS 9 - Financial Instruments	Effective from accounting period beginning on or after January 01, 2013
Amendments to IFRS 2 - Share Based Payment	Effective from accounting period beginning on or after January 01, 2010
Amendments to IFRS 5 - Non-Current Assets Held for Sale and Discontinued Operations	Effective from accounting period beginning on or after January 01, 2010
Amendments to IAS 7 - Statement of Cash Flows	Effective from accounting period beginning on or after January 01, 2010
Amendments to IAS 17 - Leases	Effective from accounting period beginning on or after January 01, 2010
Amendments to IAS 24 - Related Party Disclosures	Effective from accounting period beginning on or after January 01, 2010

2.4 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:

2.5 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.

2.6 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 fair value through profit or loss 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 amortised 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.

2.7 Derivatives

Derivative instruments held by the Company generally comprise of futures contracts in the capital market. These are initially recognised at cost 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.

2.8 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.

2.9 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.

2.10 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.

2.11 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.

2.12 Impairment of Financial assets

A financial asset is assessed at each balance sheet date to determine whether there is any objective evidence that it is impaired. A financial asset is considered to be impaired if objective evidence indicates that one or more events have had a negative effect on the estimated future cash flows of the asset.

An impairment loss in respect of a financial asset measured at amortised cost is calculated as the difference between its carrying amount and the present value of estimated cash flows discounted at the original effective interest rate. Individually significant financial assets are tested for impairment on an individual basis. The remaining financial assets are assessed collectively in groups that share similar credit risk characteristics. All impairment losses are recognised in the income statement.

Impairment losses recognised in profit or loss for an investment in an equity instrument classified as available for sale shall not be reversed through profit or loss. If, in a subsequent period, the fair value of a debt instrument classified as available-for-sale increases and the increase can be objectively related to an event occurring after the impairment loss was recognised in profit or loss, the impairment loss shall be reversed, with the amount of the reversal recognised in profit or loss.

2.13 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.

2.14 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 recognised when its right to receive the dividend is established.

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

2.15 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.

2.16 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 historical 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 2.6)

(b) provisions (Note 2.10)

(c) impairment (Note 2.12)

3. INVESTMENTS	Note	June 30, 2010 Rupees	June 30, 2009 Rupees
Investments at fair value through profit or loss - held-for-trading			
- Quoted ordinary shares	3.1	918,137,922	903,225,045
- Right shares options	3.2	-	-
		918,137,922	903,225,045
Available-for-sale			
- Quoted debt securities	3.3	15,975,360	56,504,942
		934,113,282	959,729,987

JS Value Fund Limited

3.1 Quoted equity securities

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

Company/Sector	(Number of shares / certificates / units)				Holdings at the end of the year	Market/ Carrying Value (Rupees)	% of Total Investments
	Holdings at the beginning of the year	Acquired during the year	Bonus / rights received during the year	Disposed during the year			
Oil and Gas							
Attock Petroleum Limited	116,700	116,000	-	166,000	66,700	19,326,325	2.07
Attock Refinery Limited	-	300,000	-	100,000	200,000	16,112,000	1.72
Oil & Gas Development Company Limited	200,000	443,747	-	643,747	-	-	-
Pakistan Oilfields Limited	380,080	995,000	-	905,080	470,000	101,473,000	10.86
Pakistan Petroleum Limited	68,200	293,045	-	68,200	293,045	53,955,445	5.78
Pakistan Refinery Limited	-	130,000	-	130,000	-	-	-
Pakistan State Oil Company Limited	-	35,000	-	35,000	-	-	-
						190,866,770	20.43
Chemicals							
Engro Polymer & Chemicals Limited	-	995,389	273,731	-	1,269,120	12,741,965	1.36
Fauji Fertilizer Company Limited	-	243,726	-	63,726	180,000	18,552,600	1.99
I.C.I. Pakistan Limited	262,800	350,000	-	452,800	160,000	18,969,600	2.03
						50,264,165	5.38
Construction and Materials							
Attock Cement Pakistan Limited	-	443,000	-	16,380	426,620	27,943,610	2.99
D.G. Khan Cement Company Limited	324,500	-	-	324,500	-	-	-
Lucky Cement Limited	-	1,052,281	-	157,281	895,000	55,615,300	5.95
						83,558,910	8.95
General Industrials							
Packages Limited	439,743	-	-	-	439,743 *	52,109,546	5.58
Industrial Engineering							
Al-Ghazi Tractors Limited	23,000	-	-	-	23,000	4,652,670	0.50
Industrial Transportation							
Pakistan International Container Terminal Limited (related party)	586,749	612,250	119,999	599,000	719,998	53,999,850	5.78
Automobile and Parts							
Ghani Automobile Industries Limited	262,500	31,600	-	-	294,100	1,220,515	0.13
Food Producers							
Al Abbas Sugar Mills Limited (related party)	-	335,000	-	-	335,000	28,475,000	3.05
Rafhan Maize Products Company Limited	93,817	-	-	6,495	87,322	100,532,072	10.76
						129,007,072	13.81
Personal Goods							
Azgard Nine Limited (related party)	3,336,393	100,000	-	3,436,393	-	-	-
Dewan Khalid Textile Mills Limited	222,715	-	-	-	222,715	244,987	0.03
Nishat Mills Limited	400,000	314,562	-	564,562	150,000	6,468,000	0.69
						6,712,987	0.72
Pharma and Bio Tech							
GlaxoSmithkline Pakistan Limited	415,818	1,300	-	-	417,118	33,844,955	3.62
IBL HealthCare Limited	13	-	-	13	-	-	-
Searle Pakistan Limited	168,503	-	25,275	-	193,778	11,432,902	1.22
						45,277,857	4.85

* This includes 235,000 shares amounting to Rs. 27,847,500/- pledged with National Clearing Company of Pakistan Limited against exposure calls

JS Value Fund Limited

	(Number of shares / certificates / units)				Holdings at the end of the year	Market/ Carrying Value (Rupees)	% of Total Investments
	Holdings at the of the year	Acquired during the year	Bonus / rights received during the year	Disposed during the year			
Media							
Eye Television Network Limited (related party)	1,284,000	107,000	-	-	1,391,000	32,299,020	3.46
Fixed Line Telecommunication							
Pakistan Telecommunication Company Limited	-	1,750,000	-	-	1,750,000	31,150,000	3.33
Electricity							
The Hub Power Company Limited	857,000	-	-	-	857,000	27,389,720	2.93
Banks							
Bank Alfalah Limited	475,000	-	-	475,000	-	-	-
BankIslami Pakistan Limited (related party)	11,328,000	-	-	-	11,328,000	36,362,880	3.89
Faysal Bank Limited	-	100,000	-	100,000	-	-	-
Habib Metropolitan Bank Limited	402	-	-	402	-	-	-
						36,362,880	3.89
Non-Life Insurance							
EFU General Insurance Limited (related party)	569,200	-	49,495	-	618,695	30,402,672	3.25
IGI Insurance Limited	975,100	17,000	198,420	-	1,190,520	82,848,287	8.87
						113,250,959	12.12
Life Insurance							
EFU Life Assurance Limited (related party)	577,300	587,000	77,640	582,000	659,940	51,415,925	5.50
Financial Services							
Jahangir Siddiqui & Company Limited (related party)	150,000	-	-	150,000	-	-	-
JS Global Capital Limited (related party)	92,259	-	-	-	92,259	3,377,602	0.36
Orix Leasing Pakistan Limited	888,495	109,875	-	-	998,370	5,221,475	0.56
						8,599,077	0.92
Equity Investment Instruments							
Standard Chartered Modaraba	436,177	-	-	436,177	-	-	-
						918,137,922	98.29
						1,354,208,463	
Cost as at June 30, 2010							

3.2 Right Shares options

	(Number of shares)				Holdings at the end of the year	Market/ Carrying Value (Rupees)	% of Total Investments
	Number of Right Shares	Acquired during the year	Disposed during the year	Subscribed during the year			
Chemicals							
Engro Polymer & Chemicals Limited (Letters of Rights)	273,731	-	-	273,731	-	-	-

3.3 Quoted Debt Securities

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

Sectors / Companies	Note	(Number of units)			Holdings at end of the year	Market / carrying value (Rupees)	% of Total Investments
		Holdings at the beginning of the year	Acquired during the year	Disposed / matured during the year			
Textile Composite							
Azgard Nine Limited (related party)	3.3.1	12,000	-	-	12,000	15,975,360	1.71
Investment Banks /Securities							
Jahangir Siddiqui & Company Limited II(related party)		5,392	-	5,392	-	-	-
						15,975,360	1.71
Cost as at June 30, 2010						35,194,176	

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 are secured by first pari pasu charge on the present and future assets of the company(excluding land and building) with 25% margin in favour of the Trustee and memorandum for creation of mortgage through deposit of title deeds on land and building in favour of the Trustee of the issue. These term finance certificates have been declared non-performing by MUFAP since May 19, 2010, no interest is being accrued thereafter. Therefore, an impairment loss of Rs. 26.43 million has been booked in these financial statements.



	Note	June 30, 2010 Rupees	June 30, 2009 Rupees
4. BANK BALANCES			
- In current accounts		2,107,099	2,109,839
- In PLS savings accounts	4.1	77,458,336	86,202,784
- Term deposits	4.2	-	200,000,000
		79,565,435	288,312,623

4.1 PLS saving accounts carry mark-up rates ranging from 5% to 11.5% (June 2009: 5% to 16%) per annum and includes balance of Rs. 63,405,805/- (June 2009: Rs 22,697,277) 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.

	June 30, 2010 Rupees	June 30, 2009 Rupees
5. DIVIDEND AND OTHER RECEIVABLES		
Dividend	4,043,000	400,000
Tax deducted at source	999,188	999,188
	5,042,188	1,399,188

6. SECURITY DEPOSITS		
Central Depository Company of Pakistan Limited	137,500	137,500
National Clearing Company of Pakistan Limited	2,500,000	2,500,000
	2,637,500	2,637,500

7. ACCRUED AND OTHER LIABILITIES		
Payable against brokers commission	265,927	75,169
Settlement charges	30,000	30,000
Share registrar charges	30,000	30,000
Withholding tax payable	2,749	7,500
Others	979,100	650,905
	1,307,776	793,574

8. ISSUED, SUBSCRIBED AND PAID-UP CAPITAL

2010	2009		2010	2009
Number of shares			Rupees	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
118,575,000	118,575,000		1,185,750,000	1,185,750,000

8.1 Shares of the Company held by related / connected parties as at:

	June 30, 2010		June 30, 2009	
	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
JSIL-Staff Provident Fund	105,000	0.09	105,000	0.09
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
Jahangir Siddiqui & Sons Limited	9,992,500	8.43	9,992,500	8.43
Mahvash & Jahangir Siddiqui Foundation	4,922,500	4.15	4,922,500	4.15
JS Funds of Funds	10,254,837	8.65	6,128,500	5.17
EFU Life Assurance Limited	4,674,837	3.94	4,674,837	3.94
	71,433,146	60.25	67,306,809	56.76

9. 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.

10. 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.

11. REMUNERATION TO THE CUSTODIAN

MCB Financial Services Limited (MCBFSL) (Formely Muslim Commercial Financial Services Limited) (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



12. ANNUAL FEE TO SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN

This represents annual fee at the rate of 0.095% of average monthly net assets.

	June 30, 2010 Rupees	June 30, 2009 Rupees
13. AUDITORS' REMUNERATION		
Annual audit fee	240,000	240,000
Fee for review of half yearly financial statements	110,000	110,000
Other services	65,000	90,000
Out of pocket expenses	30,850	30,000
	445,850	470,000

14. OTHER OPERATING EXPENSES

Listing and rating fee	267,500	227,500
National Clearing Company of Pakistan Limited fee	-	916,667
Postage and stamps	271,379	249,325
Printing and stationery	798,220	856,135
Advertisement and publicity	49,804	135,532
Travelling and daily allowance	70,742	160,264
	1,457,645	2,545,423

15. 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 2009. The Company has filed tax return which are deemed to be assessed under section 120 of the Income Tax Ordinance, 2001, unless amended.

	June 30, 2010 Rupees	June 30, 2009 Rupees
16. LOSS PER SHARE - BASIC AND DILUTED		
Net loss for the year	(115,852,483)	(1,296,843,919)
Weighted average number of ordinary shares outstanding during the year	118,575,000	118,575,000
Basic and diluted loss per share	(0.98)	(10.94)

JS Value Fund Limited

- 16.1** 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.

17. TRANSACTIONS WITH CONNECTED PERSONS / RELATED PARTIES

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

- 17.1** Details of transactions with related parties during the period are as follows:

	June 30, 2010 Rupees	June 30, 2009 Rupees
JS Investments Limited		
Remuneration to the management company	24,801,034	31,125,007
Dividend paid	21,498,992	21,498,992
Other costs incurred	61,330	98,804
JSIL - Staff Provident Fund		
Dividend paid	105,000	105,000
Jahangir Siddiqui & Sons Limited		
Dividend paid	9,992,500	9,992,500
Mahvash & Jahangir Siddiqui Foundation		
Dividend paid	4,992,500	4,992,500
MCB Financial Services Limited		
Remuneration to the custodian	2,217,819	2,534,171
Silk Bank Limited		
Mark-up income	284	-
EFU General Insurance Company Limited		
Dividend income	2,276,800	-
Al-Abbas Sugar Mills Limited		
Dividend income	1,340,000	-
Jahangir Siddiqui & Company Limited		
Dividend income	50,000	-
Dividend paid	11,238,812	11,238,812
Principal redeemed	13,458,432	13,458,432
Interest received	524,320	1,115,704
JS Global Capital Limited		
Brokerage commission	17.1.1 291,953	670,036
Dividend income	922,590	254,500

	June 30, 2010 Rupees	June 30, 2009 Rupees
JS Fund of Funds		
Dividend paid	9,671,285	5,355,000
JS Bank Limited		
Dividend paid	8,745,668	8,745,668
Interest received	8,401,530	7,844,854
Eye Television Network Limited		
Dividend income	2,712,450	320,875
EFU Life Assurance Limited		
Dividend income	3,202,650	2,433,600
Pakistan International Container Terminal Limited		
Dividend income	880,124	1,304,847
Azgard Nine Limited		
Principal redeemed	5,000,400	1,666,800
Interest received	5,107,582	1,389,136

17.1.1 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.

17.2 Details of balances with related / connected parties as at June 30, 2010 are as follows:

	June 30, 2010 Rupees	June 30, 2009 Rupees
JS Investments Limited (Management Company)		
Remuneration payable	102,160	1,984,597
MCB Financial Services Limited (Custodian)		
Remuneration payable	159,281	177,967
JS Bank Limited		
Bank balance	63,405,805	22,697,277
Eye Television Net Work Limited		
Dividend receivable	695,500	-

18. 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, who has been given discretionary authority to manage the distribution of the assets to achieve the Fund's investment objective. Compliance with target assets allocation and the composition of the portfolio is monitored by the Investment Committee.

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

18.1 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 the 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 Company's investment policies are reported to the management company on regular basis.

As at June 30, 2010, fair value of equity securities exposed to price risk were as follow

	<u>2010</u>	<u>2009</u>
	<u>....Rupees .</u>	
Equity investments -Held-for-trading	<u>918,137,922</u>	<u>903,225,045</u>

In case of 10% increase / decrease in fair value of equity securities on June 30, 2010, income / (loss) for the period would be affected by Rs 91.8 million (2009: Rs. 90.3 million) as a result of gain / loss.

As at June 30, 2010, fair value of debt securities exposed to price risk were as follow

	<u>2010</u>	<u>2009</u>
	<u>....Rupees .</u>	
Quoted debt securities - Available-for-sale	<u>15,975,360</u>	<u>56,504,942</u>

In case of 10% increase / decrease in fair value on June 30, 2010, statement of comprehensive income for the year would be affected by Rs. 1.59 million (2009: Rs. 5.65 million) as a result of gains / losses.

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 Company'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:

	Floating interest rate	Fixed interest rate	Non-interest bearing	Total
	. . .Rupees			
At June 30, 2010				
Investments	15,975,360*	-	918,137,922	934,113,282
Bank balances	77,458,336	-	2,107,099	79,565,435
Dividend and other receivables	-	-	5,042,188	5,042,188
Accrued mark-up / return	-	-	-	-
Security Deposits	-	-	2,637,500	2,637,500
	93,433,696	-	927,924,709	1,021,358,405

* No interest is being accrued after May 19, 2010 as the investment is classified as non performing asset, refer note 3.3.1.

	Floating interest rate	Fixed interest rate	Non-interest bearing	Total
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 and other receivables	-	-	1,399,188	1,399,188
Accrued Mark-up / return	-	-	3,013,863	3,013,863
Security Deposits	-	-	2,637,500	2,637,500
	132,496,330	212,321,235	910,275,596	1,255,093,161

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 100 basis points and all the other variables remain constant, the Company's income would increase / decrease as follows:

	Change in rate	Total Effect on Income
June 30, 2010	+100 bps	9,343,370
	-100 bps	(9,343,370)
June 30, 2009		
	+100 bps	1,324,964
	-100 bps	(1,324,964)

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 be material impact on income.

Management is of the view that the above sensitivity analysis 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.

18.2 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, 2010 is as follows;

	June 30, 2010		June 30, 2009	
	Statement of asset and liabilities ..Rupees	Maximum Exposure	Statement of asset and liabilities ..Rupees	Maximum Exposure
Investments	934,113,282	15,975,360	959,729,987	56,504,942
Bank balances	79,565,435	79,565,435	288,312,623	288,312,623
Dividend and other receivables	5,042,188	4,043,000	1,399,188	400,000
Accrued mark-up / return	-	-	3,013,863	3,013,863
Security Deposits	2,637,500	2,637,500	2,637,500	2,637,500
	1,021,358,405	102,221,295	1,255,093,161	350,868,928

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 credit worthiness 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.

18.3 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. 16,885,042 (2009: Rs. 17,763,017) as at June 30, 2010. 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 monthRupees	Between 1 and 12 months ..	More than 1 year	Total
As at June 30, 2010				
Remuneration payable to the - management company	102,160	-	-	102,160
Remuneration payable to the custodian	159,281	-	-	159,281
Annual fee payable to Securities and Exchange Commission of Pakistan	-	1,178,049	-	1,178,049
Accrued and other liabilities	1,307,776	-	-	1,307,776
Unclaimed dividend	14,137,776	-	-	14,137,776
	15,706,993	1,178,049	-	16,885,042

	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
Unclaimed dividend	13,328,441	-	-	13,328,441
	16,284,579	1,478,438	-	17,763,017

19. 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.

Fair value hierarchy

The following table provides an analysis of financial instruments that are measured subsequent to initial recognition at fair value, grouped into Levels 1 to 3 based on the degree to which the fair value is observable.

Level 1 fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3 fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

	Level 1	Level 2	Level 3
	.. Rupees		
Financial assets at fair value through profit or loss - held-for-trading			
Quoted ordinary shares	918,137,922	-	-
Available-for-sale			
Quoted debt securities	-	15,975,360	-
Total	<u>918,137,922</u>	<u>15,975,360</u>	<u>-</u>

There were no transfers between Level 1 and 2 in the period.

20. 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 unrealised capital gains as reduced by such expenses as are chargeable to the Company.

21. 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 and the Fund & Assets Manager Rating of the Company has been disclosed in Annexure I to the financial statements.

22. DATE OF AUTHORISATION FOR ISSUE

These financial statements were authorised for issue by Board of Directors of the Company on August 17, 2010

23. GENERAL

23.1 Figures have been rounded off to the nearest Rupees.

Rashid Mansur

Chief Executive Officer

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	2010			2009		
	No. of share holders	Share-holding / investment amount	% of Total	No. of share holders	Share-holding / investment amount	% of Total
	Rupees			Rupees		
Individuals	6,036	309,616,360	26.11	6,811	355,971,030	30.02
Associated Companies/Directors	15	714,358,450	60.25	5	576,044,720	48.58
Insurance Companies	3	5,305,790	0.45	3	51,054,160	4.31
Banks/DFIs	10	42,844,840	3.61	7	44,963,350	3.79
NBFCs	6	16,041,230	1.35	4	35,990	0.00
Retirement Funds	13	5,847,730	0.49	12	3,512,330	0.30
Public Limited Companies	12	13,706,550	1.16	14	1,987,230	0.17
Others	78	78,029,050	6.58	89	152,181,190	12.83
	6,173	1,185,750,000	100.00	6,945	1,185,750,000	100.00

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

Name of Brokers	2010 % of commission paid
Investment & Finance Securities Limited	21.65
Crosby Securities Pakistan (Pvt.) Limited	15.49
JS Global Capital Ltd.	10.11
Growth Securities Limited	9.50
IGI Finance & Securities Limited	8.39
Invest Capital. Investments Bank Limited	5.33
Aziz Fida Hussein & Co. (Pvt.) Ltd.	5.20
Next Capital Limited	3.87
Multiline Securities (Pvt.) Limited	3.17
Investment Managers Securities (Pvt) Ltd.	3.11
	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

(III) DETAILS OF MEMBERS OF INVESTMENT COMMITTEE

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

Mr. Rashid Mansur
Mr. Suleman Lalani
Mr. Waseem Jalbani - Fund Manager

MR. RASHID MANSUR

Mr. Rashid Mansur joined JS Investments Limited on April 1, 2010 as Chief Executive Officer. Prior to joining JSIL he was President and CEO of Escorts Investment Bank Limited and also served as the Chairman of the Investment Banks Association of Pakistan. He is a qualified Associate of the Chartered Institute of Bankers London with specialization in International Banking Operations, Practice & Law of International Banking and International Finance & Investment.

He is a Fellow of the Institute of Bankers in Pakistan with over 26 years of Domestic and International Banking experience. He started his career with Habib Bank Limited in 1974 and served for 18 years on various management positions including 10 years in Turkey. In Pakistan, he has held various Board-level positions in both Private and Public Sector, such as President and CEO, Fidelity Investment Bank Limited, CEO Fidelity Leasing Modaraba, Director Security General Insurance Company Limited and Chairman and CEO Board of Investment and Trade Punjab.

During his tenure as Chairman and CEO of The Board of Investment and Trade, Government of Punjab and as Secretary General of Turkey Pakistan Business Council (Lahore Chapter), he is credited with hosting and organizing various investment conferences abroad and rendered valuable services for the promotion of economic relations between Turkey and Pakistan.

Besides English and Urdu, he speaks French and Turkish fluently.

MR. SULEMAN LALANI

Mr. Lalani joined JSIL as CFO and Company Secretary in January 2005. He is a fellow member of the Institute of Chartered Accountants of Pakistan and has 18 years of experience in the financial services sector. Prior to joining JSIL, Mr. Lalani has also served as CFO and Company Secretary of a regulated microfinance institution for three years. Earlier he worked as Chief Operating Officer for Jahangir Siddiqui Investment Bank Limited and as Vice President - Finance & Legal with JSCL.

Mr. Lalani has also passed the Board Development Certificate Program conducted by Pakistan Institute of Corporate Governance. He is serving as a member of the Board of Directors of Al Abbas Sugar Mills Limited.

MR. WASEEM JALBANI - FUND MANAGER

Mr. Waseem Jalbani has been associated with the capital markets in Pakistan for more than 15 years. Mr. Jalbani's experience includes portfolio management for the largest private sector Asset Management Company in Pakistan, Equity Brokerage, Primary & Secondary Market Trading of Government Securities (Long & Short Term). Mr. Jalbani is Bachelor of Commerce and has been associated with JS Group in various capacities for almost 15 years. Currently, he is looking after the JS Value Fund Limited and JS Islamic Fund (formerly UTP Islamic Fund).

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

Name of Directors	Meeting attended	Dates			
		21-Aug-09	23-Oct-09	18-Feb-10	26-Apr-10
Mr. Nazar Mohammad Shaikh	4	1	1	1	1
Mr. Rashid Mansur (incoming CEO & Director)	1	-	-	-	1
Mr. Muhammad Najam Ali (outgoing CEO & Director)	3	1	1	1	-
Mr. Munawar Alam Siddiqui	4	1	1	1	1
Mr. Suleman Lalani (outgoing Director)	3	1	1	1	-
Mr. Muhammad Yousuf Amanullah	4	1	1	1	1
Mr. Muhammad Khalil Mian	1	-	-	-	1
Mr. Ali Hassan Hamdani	-	-	-	-	-
Mr. Muhammad Amir Maskatiya (incoming Director)	1	-	-	-	1
		5	5	5	6

(V) FUND AND ASSET MANAGER RATING

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

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

**STATEMENT OF INCOME & EXPENDITURE
OF MANAGEMENT COMPANY IN RELATION TO THE FUND**

	2010 (Rupees)	2009 (Rupees)
JS Investments Limited - Management Company		
Income		
Remuneration from JS Value Fund Fund	24,801,034	31,125,007
Dividend	21,498,992	21,498,992
	<u>46,300,026</u>	<u>52,623,999</u>
Expenses		
Salaries and benefits	6,334,807	7,150,174
Staff retirement benefits	249,230	383,496
Advertisement	123,475	790,869
Depreciation / amortisation	2,534,839	2,401,189
Printing and Stationery	192,988	193,541
Rent, rates, taxes, and maintenance	1,161,778	1,392,408
Travelling, conveyance and vehicle maintenance	577,139	866,171
Postage & telephone	265,872	410,911
Legal and professional	686,325	742,931
Fees and subscription	166,918	200,733
Computer expenses	723,490	774,500
Utilities	418,084	389,603
Office supplies	40,314	57,163
Office security	415,682	459,761
Entertainment	14,774	54,781
Insurance	357,283	284,590
Auditors' remuneration	131,234	66,242
Newspaper	3,861	11,045
Directors meeting fee	231,512	222,223
Fees and commision	1,196,689	2,757,076
Royalty and advisory fee	610,045	585,567
Staff training and development	362,885	-
Miscellaneous expenses	97,949	3,050
Financial charges	11,462,039	11,356,394
	<u>28,359,212</u>	<u>31,554,418</u>
Profit for the year	<u>17,940,814</u>	<u>21,069,581</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.

PATTERN OF SHARE HOLDING
As at June 30, 2010

No. of Shareholders	Share Holding		Total Shares Held
	From	To	
708	1	100	31,990
1242	101	500	388,067
1872	501	1000	1,264,676
1424	1001	5000	3,803,496
390	5001	10000	3,069,045
153	10001	15000	1,919,024
103	15001	20000	1,858,211
58	20001	25000	1,356,574
36	25001	30000	1,016,706
23	30001	35000	765,655
18	35001	40000	692,798
11	40001	45000	474,206
19	45001	50000	938,605
6	50001	55000	315,962
11	55001	60000	631,259
3	60001	65000	193,417
9	65001	70000	619,026
4	70001	75000	294,639
6	75001	80000	469,498
7	80001	85000	575,659
1	85001	90000	86,777
5	90001	95000	461,750
8	95001	100000	795,500
6	100001	105000	620,150
2	105001	110000	214,950
3	110001	115000	340,500
1	120001	125000	123,915
1	135001	140000	136,000
2	145001	150000	296,250
1	150001	155000	153,540
1	155001	160000	155,125
2	160001	165000	321,507
1	165001	170000	168,750
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	245001	250000	245,752
2	255001	260000	515,750
1	265001	270000	270,000
2	295001	300000	600,000
1	320001	325000	324,500
1	345001	350000	346,204
1	435001	440000	437,000
1	665001	670000	669,682
1	670001	675000	672,000
1	690001	695000	694,592
1	695001	700000	700,000
1	700001	705000	704,999
1	710001	715000	714,300
1	755001	760000	756,000
1	870001	875000	872,500
1	1190001	1195000	1,190,610
1	1240001	1245000	1,243,694
1	1245001	1250000	1,247,500
1	1575001	1580000	1,580,000
1	2410001	2415000	2,413,700
1	2455001	2460000	2,455,345
1	3020001	3025000	3,022,000
1	4670001	4675000	4,674,837
1	4920001	4925000	4,922,500
1	8745001	8750000	8,745,668
1	9990001	9995000	9,992,500
1	10250001	10255000	10,254,836
1	11235001	11240000	11,238,812
1	21495001	21500000	21,498,992
6173			118,575,000

<u>Categories of Share Holders</u>	<u>No. of Share Holders</u>	<u>Total Shares Held</u>	<u>Percentage</u>
Individuals	6036	30,963,636	26.11
Investment Companies	67	33,371,767	28.14
Insurance Companies	4	5,205,416	4.39
Joint Stock Companies	13	11,363,155	9.58
Financial Institutions	11	13,030,152	10.99
Modarabas & Mutual Funds	8	11,859,330	10.00
Foreign Investors	13	6,927,696	5.84
Others	21	5,853,848	4.95
TOTAL	6173	118,575,000	100.00

DISCLOSURE TO PATTERN OF SHARE HOLDING

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

1	Associated Companies, Undertakings and Related Parties:	Shares Held
	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	8.65% 10,254,836
	Mahvash & Jahangir Siddiqui Foundation	- 4,922,500
	JSIL- Staff Provident Fund	105,000
	Jahangir Siddiqui & Sons Limited	8.43% 9,992,500
	EFU Life Assurance Limited	4,674,837
		<u>71,433,145</u>
2	NIT and ICP	
	IDBP (ICP unit)	2,346
	National Bank of Pakistan (Trustee Department)	1,190,610
		<u>1,192,956</u>
3	Banks, DFIs, NBFCs, Insurance Companies, Modarabas, Mutual Funds & Leasing	15.73% <u>18,647,106</u>
4	Director, CEO and their Spouse and Minor children	<u>2700</u>
5	Executives	<u>NIL</u>

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the 16th Annual General Meeting of JS Value Fund Limited will be held at 10:00 a.m. on Wednesday, October 20, 2010 at Carlton Hotel Karachi, DC-5, Opp. Zulfiqar Street No.1, D.H.A Phase VIII, Karachi, to transact the following business:

Ordinary Business

1. To confirm the Minutes of the Annual General Meeting held on October 2, 2009.
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, 2010.
3. To approve interim cash dividend @ Re. 1.00 per share as final dividend already paid to the shareholders during the year.
4. To appoint Auditors of the Company and fix their remuneration for the year ending June 30, 2011. The Audit Committee of the Board has recommended the reappointment of M. Yousuf Adil Saleem & Co., Chartered Accountants, as the auditors for the ensuing year ending June 30, 2011.
5. To elect seven directors, as fixed by the Board of Directors, pursuant to section 178(1) of the Companies Ordinance, 1984, for the period of three years.

The Following retiring directors shall be eligible to offer themselves for re-election:

- i. Mr. Nazar Mohammad Shaikh
- ii. Mr. Rashid Mansur
- iii. Mr. Munawar Alam Siddiqui
- iv. Mr. Muhammad Khalil Mian
- v. Mr. Yousuf Amanullah
- vi. Mr. Ali Hasan Hamdani
- vii. Mr. Muhammad Amir Maskatiya

6. To transact any other business with the permission of the Chair.

By Order of the Board

Karachi: September 21, 2010

Suleman Lalani
Company Secretary

Notes:

1. Any person who seeks to contest the election of director shall file with company not later than fourteen days before the date of the meeting his/ her intention to offer himself/ herself for the election of directors in terms of section 178(3) of the Companies Ordinance, 1984 together with:
 - a Consent to act as director on Form 28.
 - b A declaration with consent to act as director in the prescribed form under Clause (ii) of the Code of Corporate Governance to the effect that he/she is aware of duties and powers of directors under the Companies Ordinance, 1984, the Memorandum and Articles of Association of the Company and the listing regulations of the Karachi Stock Exchange and has read the provision contained therein.
 - c A declaration in terms of clause (iii) and (iv) of the Code of Corporate Governance to the effect that:
 - i. He/ She is not serving as a director of more than ten listed companies.
 - ii. His/ Her name is borne in the register of national tax payers (except where he/she is a non-resident).
 - iii. He/ She has not been convicted by a court of competent jurisdiction as defaulter in payment of any loan to a banking company, a development financial institution or a non-banking financial institution.
 - iv. He/ She and his / her spouse are not engaged in the business of stock brokerage.
2. The share transfer book of the Company will remain closed from Wednesday, October 13, 2010 to Wednesday, October



JS Value Fund Limited

20, 2010 (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 Tuesday, October 12, 2010 will be considered in time to attend and vote at the meeting.

3. 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. An instrument of proxy applicable for the meeting (in which the member can direct the proxy how he/she wished him/her to vote) is attached herewith. Further copies of the instruments of proxy may be obtained from the Share Registrar of the Company during normal office hours.
4. 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 schedule time of the meeting.
5. 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.
6. 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.
7. In case of corporate entity, the board of director s 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.
8. Shareholders are requested to immediately notify the Registrar of change in their addresses, if any.



FORM OF PROXY

SIXTEENTH 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 16th Annual General Meeting of the Company
to be held at 10:00 a.m. on Wednesday, October 20, 2010 at Carlton Hotel Karachi, DC-5, Opp. Zulfiqar Street No.1,
DHA Phase VIII, Karachi.

Witness:

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 the Company situated at 7th Floor, The Forum, G-20, Khayaban-e-Jami, Clifton, Karachi not later 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

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E-mail: info@jsil.com
Website: www.jsil.com