
JS Investments Limited

Quarterly Report for the period
ended March 31, 2010





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Vision

To be Industry Leaders in Financial Services

Mission

Pursuit of Professional Excellence

Core Values

●Shareholder Value ●Integrity ●Commitment



COMPANY INFORMATION

Board of Directors	Mr. Munawar Alam Siddiqui Mr. Rashid Mansur Mr. Suleman Lalani Mr. Nazar Mohammad Shaikh Mr. Fayaz Anwar Lt. General (R) Masood Parwaiz Mr. Sadeq Sayeed	Chairman Chief Executive Officer Executive Director Non-Executive Director Non-Executive Director Non-Executive Director Non-Executive Director
Audit Committee	Mr. Nazar Mohammad Shaikh Mr. Munawar Alam Siddiqui Lt. General (R) Masood Parwaiz	Chairman Member Member
Chief Financial Officer & Company Secretary	Mr. Suleman Lalani	
Auditors	Anjum Asim Shahid Rahman	
Legal Adviser	Bawaney & Partners	
Share Registrar	Technology Trade (Private) Limited 241-C, Block-2, P.E.C.H.S., Karachi	
Registered Office	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	

JS Investments Limited

DIRECTORS' REPORT TO THE SHAREHOLDERS

The Board of directors of JS Investments Limited has pleasure in presenting to you the un-audited financial statements of the Company for the nine months period ended March 31, 2010.

Market Review

The equity market continued to post healthy gains during the quarter under review. The KSE - 30 index appreciated by 5.84% during the quarter from 9,850 points in December 31, 2009 to 10,425 points at the close of the quarter. This shows an aggregate increase of 37.70% during the nine months period ended March 31, 2010. The recent surge in the index can be attributed to restoration of investors' confidence, easing political concerns, improving macroeconomic indicators and attractive yields offering a 42% discount in comparison with regional peers.

The gradual elimination of power subsidies and the recent hike in oil prices have, however, further contributed to the soaring inflation. Therefore, the State Bank of Pakistan (SBP) took a cautious stance and maintained the discount rate at 12.5%. In addition, unexpected delays in the foreign aids, postponement of the IMF tranche, coupled with the costs of war on terror, have adversely affected the government's fiscal deficit target which has been revised to 5.0% - 5.5% from the initial target of 4.9%.

The Moody's reaffirmation of the sovereign rating of B3 with a stable outlook reiterates the considerable improvements on the macroeconomic fronts, with the fiscal deficit as the only prime concern. Moreover, the yields on a EuroBond issued by the government also declined to a level below 8% due to improved sovereign credit risk, a smooth implementation of IMF program and positive macroeconomic developments.

Evidently, an improved economic scenario resulted in the Foreign Portfolio Investment of USD 140.74mn which has been a major triggering factor in pushing up the equity markets in the 3QFY10.

Results of Operations

The Company earned profit after tax of Rs. 63.097 million during the nine months period ended March 31, 2010 - an EPS of Re. 0.63. This includes profit of Rs. 20.610 million for the period from discontinued operations classified as held for sale. The Company earned management remuneration from funds under management of Rs. 281.699 million compared to Rs. 346.610 million in the corresponding period last year. The assets under management as on March 31, 2010 were Rs. 20.359 compared to Rs. 21.247 billion as on June 30, 2009. Administrative expenses for the period were Rs. 211.190 million compared to Rs. 271.966 million in the same period last year - a reduction of 22.3%. Financial charges during the period were Rs. 93.892 million compared to Rs. 157.576 million during the corresponding period last year.

The Company has launched two new funds namely JS Principal Secure Fund II and JS Cash Fund during the period under review.



JS Investments Limited

Entity and Asset Manager Rating

Pakistan Credit Rating Agency (PACRA) has assigned the long-term and short term rating to the Company of "A+" (Single A plus) and "A1" (A one) respectively. These ratings denote low expectation of credit risk emanating from a strong capacity for timely payment of financial commitments.

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 subsequent to JS Investments' decision to discontinue its rating relationship with PACRA with immediate effect.

Acknowledgment

The directors express their gratitude to the employees of the Management Company and the Trustee for their dedication and hard work and the shareholders for their confidence in the Management.

On behalf of the Board

Karachi: April 24, 2010

Rashid Mansur
Chief Executive Officer



JS Investments Limited

CONDENSED INTERIM BALANCE SHEET AS AT MARCH 31, 2010

		(Un-audited) March 31, 2010	(Audited) June 30, 2009
-----Rupees-----			
ASSETS			
Non-current assets			
Fixed assets			
Tangible property and equipment	5	347,039,162	380,721,825
Intangible assets		111,406,463	114,926,195
Long-term receivable from related parties - unsecured, considered good		1,398,267	3,863,798
Long-term loans and advances - considered good		1,416,239	16,942,570
Investment in subsidiary - at cost		37,500,000	37,500,000
		<u>498,760,131</u>	<u>553,954,388</u>
Current assets			
Investments - available for sale	6	1,096,959,169	956,684,403
Loans and advances - considered good		1,736,581	2,005,902
Deposits, prepayments and other receivables		39,729,212	21,362,685
Balances due from funds under management		3,228,024	29,687,592
Taxation recoverable		97,258,473	91,238,444
Cash and bank balances	7	4,747,656	3,072,326
		<u>1,243,659,115</u>	<u>1,104,051,352</u>
Non-current assets and current assets classified as held for sale	12.1	181,600,125	356,801,576
		<u>1,425,259,240</u>	<u>1,460,852,928</u>
Total assets		<u>1,924,019,371</u>	<u>2,014,807,316</u>
EQUITY AND LIABILITIES			
Share capital	8	1,000,000,000	1,000,000,000
Unrealised gain / (loss) on remeasurement of available for sale investments to fair value - net	6	145,695,912	(8,770,960)
Statutory reserve		109,873,728	109,873,728
Accumulated loss		(730,895,557)	(800,127,824)
		<u>524,674,083</u>	<u>300,974,944</u>
Surplus on revaluation of fixed assets - net of tax		144,022,062	150,157,687
LIABILITIES			
Non current liabilities			
Securitisation of management fee receivables - debt		421,823,481	511,522,640
Deferred tax liability-net		46,595,646	50,261,567
		<u>468,419,127</u>	<u>561,784,207</u>
Current liabilities			
Current maturity of securitisation of management fee receivables - debt		67,092,869	64,539,121
Short term borrowing		387,876,385	317,691,909
Accrued and other liabilities		41,223,748	53,740,150
Accrued mark-up		13,090,960	14,004,949
		<u>509,283,962</u>	<u>449,976,129</u>
Liabilities associated with non-current and current assets classified as held for sale	12.2	277,620,137	551,914,349
		<u>786,904,099</u>	<u>1,001,890,478</u>
Total liabilities		<u>1,255,323,226</u>	<u>1,563,674,685</u>
Total equity and liabilities		<u>1,924,019,371</u>	<u>2,014,807,316</u>
Contingency and commitments	9		
Breakup value		<u>5.25</u>	<u>3.01</u>
Breakup value (including surplus on revaluation of fixed assets)		<u>6.69</u>	<u>4.51</u>

The annexed notes 1 to 17 form an integral part of these condensed interim financial information.

Chief Executive Officer

Director

JS Investments Limited

CONDENSED INTERIM PROFIT AND LOSS ACCOUNT (Un-audited) FOR THE PERIOD ENDED MARCH 31, 2010

	Period ended		Quarter ended	
Note	March 31, 2010	March 31, 2009	March 31, 2010	March 31, 2009
	-----Rupees-----			
CONTINUING OPERATIONS				
INCOME				
Remuneration from funds under management	281,698,695	346,610,057	89,490,183	86,869,794
Commission from open end funds under management	3,590,451	3,877,596	704,801	1,868,700
Dividend	39,542,398	21,498,992	18,043,406	-
Gain on sale of investments - net	7,367,239	(232,670,477)	627,677	(232,940,316)
Return on bank deposits	205,616	1,648,172	60,739	520,940
	332,404,399	140,964,340	108,926,806	(143,680,882)
Impairment on investments	-	(303,032,583)	-	(303,032,583)
	332,404,399	(162,068,243)	108,926,806	(446,713,465)
OPERATING EXPENSES				
Administrative and marketing	211,190,457	271,965,757	62,754,911	86,690,104
OPERATING PROFIT	121,213,942	(434,034,000)	46,171,895	(533,403,569)
Other operating expenses	3,034,416	852,269	843,730	231,800
Financial charges	93,891,646	157,576,067	33,858,592	40,215,950
	24,287,880	(592,462,336)	11,469,573	(573,851,319)
Other operating income	19,629,001	13,028,562	13,475,586	5,903,157
Profit/(loss) before tax for the period from continuing operations	43,916,881	(579,433,774)	24,945,159	(567,948,162)
Income tax expense				
- Current	5,096,383	3,103,917	3,112,091	436,681
- Deferred	(3,665,921)	(4,640,786)	1,351,281	(1,660,933)
	1,430,462	(1,536,869)	4,463,372	(1,224,252)
Profit/(loss) after tax for the period from continuing operations	42,486,419	(577,896,905)	20,481,787	(566,723,910)
OPERATIONS RELATING TO THE DISCONTINUED OPERATIONS CLASSIFIED AS HELD FOR SALE - INVESTMENT FINANCE SERVICES				
Profit/(loss) after tax for the period from the discontinued operations	12.3 20,610,223	(181,566,461)	(20,219,286)	(167,256,713)
Profit/(loss) for the period	63,096,642	(759,463,366)	262,501	(733,980,623)
Earnings/(loss) per share	13 0.63	(7.59)	0.00	(7.34)

The annexed notes 1 to 17 form an integral part of these condensed interim financial information.

Chief Executive Officer

Director



JS Investments Limited

CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (Un-audited) FOR THE PERIOD ENDED MARCH 31, 2010

	March 31, 2010	March 31, 2009
	-----Rupees-----	
Profit/(loss) for the period - Continuing operations	42,486,419	(577,896,905)
Profit/(loss) for the period - Discontinued operations	<u>20,610,223</u>	<u>(181,566,461)</u>
Profit/(loss) for the period	63,096,642	(759,463,366)
Other comprehensive income:		
Unrealised gain/(loss) on remeasurement of available for sale investments to fair value - net	159,407,646	(1,320,305,556)
Impairment on investment taken to profit & loss account	-	303,032,583
(Gain) / loss realised on disposal of investments	<u>(4,940,774)</u>	<u>273,553,207</u>
Transferred from surplus on revaluation of fixed assets to accumulated profit	154,466,872	(743,719,766)
	<u>9,439,423</u>	<u>3,036,674</u>
	163,906,295	(740,683,092)
Taxation relating to components of other comprehensive income	<u>(3,303,798)</u>	<u>(1,062,836)</u>
Other comprehensive income/(loss) after income tax	<u>160,602,497</u>	<u>(741,745,928)</u>
Total comprehensive income/(loss)	<u>223,699,139</u>	<u>(1,501,209,294)</u>

The annexed notes 1 to 17 form an integral part of these condensed interim financial information.

Chief Executive Officer

Director

JS Investments Limited

CONDENSED INTERIM CASH FLOW STATEMENT (Un-audited) FOR THE PERIOD ENDED MARCH 31, 2010

	March 31, 2010	March 31, 2009
Note	-----Rupees-----	
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit / (loss) for the period before taxation	64,527,248	(759,765,590)
Adjustment for non-cash and other items:		
Remuneration from funds under management	(281,698,695)	(346,610,057)
Commission from open end funds under management	(3,590,451)	(3,877,596)
Dividend	(40,955,848)	(33,759,392)
Depreciation	27,633,156	25,806,819
Amortisation of intangible assets	3,969,733	5,999,246
Financial charges	147,774,663	234,325,129
Interest / mark-up income	(211,463)	(1,754,274)
Liabilities no longer required written back	(8,200,000)	(2,172,740)
Loss on disposal of fixed assets	2,920,349	2,682,897
	<u>(87,831,308)</u>	<u>(879,125,558)</u>
Increase / decrease in assets / liabilities		
Loans and advances	15,795,652	(288,744)
Long-term receivable from related parties	1,890,955	(2,002,400)
Deposits, prepayments and other receivables	(27,308,521)	24,075,235
Accrued and other liabilities	(4,349,510)	(4,476,698)
	<u>(13,971,424)</u>	<u>17,307,393</u>
	<u>(101,802,732)</u>	<u>(861,818,165)</u>
Taxes paid	(11,116,412)	(28,003,573)
Bonus paid	-	(35,527,260)
Financial charges paid	(147,058,437)	(235,260,444)
Remuneration and commission received from funds under management	311,748,715	379,865,847
Net cash inflow / (outflow) on operating activities	<u>51,771,134</u>	<u>(780,743,595)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Investments - net	226,966,510	1,558,633,863
Fixed capital expenditure incurred	(869,780)	(3,746,577)
Dividend received	22,924,372	33,784,888
Return on bank deposits	211,463	1,911,957
Proceeds from disposal of property and equipment	3,998,938	998,768
Net cash inflow from investing activities	<u>253,231,503</u>	<u>1,591,582,899</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Repayment of principal amount relating to the securitised management fee	(91,690,000)	(91,690,000)
Dividend paid	(10,446)	(108,012,962)
Short term borrowing	(281,938,948)	48,000,000
Net cash (outflow) on financing activities	<u>(373,639,394)</u>	<u>(151,702,962)</u>
Net increase / (decrease) in cash and cash equivalents	<u>(68,636,757)</u>	<u>659,136,342</u>
Cash and cash equivalents at beginning of the period	(313,603,047)	(931,277,404)
Cash and cash equivalents at end of the period	14 <u>(382,239,804)</u>	<u>(272,141,062)</u>

The annexed notes 1 to 17 form an integral part of these condensed interim financial information.

Chief Executive Officer

Director

**SELECTED NOTES TO THE CONDENSED INTERIM
FINANCIAL INFORMATION (Un-audited)
FOR THE PERIOD ENDED MARCH 31, 2010**

1 STATUS AND NATURE OF BUSINESS

1.1 JS Investments Limited (the Company) is a public listed company incorporated in Pakistan on February 22, 1995 under the Companies Ordinance, 1984. The shares of the Company are quoted on the Karachi Stock Exchange since April 24, 2007. The registered office of the Company is situated at 7th floor, The Forum, Khayaban-e-Jami, Clifton, Karachi. The Company is a subsidiary of Jahangir Siddiqui and Company Limited (which has 52.02 percent direct holding in the Company).

The Company has obtained the license of an "Investment Adviser" and "Asset Management Company" (AMC) under the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (the NBFC Rules) and the Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the NBFC Regulations). In addition, the Company has also obtained registration to act as Pension Fund Manager under the Voluntary Pension System Rules, 2005.

As per the NBFC Regulations, all Asset Management Companies were required to separate their Investment Finance Services (IFS) operations by November 30, 2008. In the light of this requirement, the Board of Directors of the Company in its meeting held on July 9, 2008 decided to transfer the existing operations of investment finance services to a subsidiary company proposed to be incorporated for undertaking the business of investment finance services.

However, the Board of Directors of the Company in its meeting held on February 26, 2009 decided to defer the incorporation of a subsidiary for investment finance services till such time the market conditions became conducive.

Subsequently, on June 23, 2009, the Company had informed SECP of its decision to wind down the existing investments, however in light of the depressed market conditions, prevailing at that date, the disposal of investments would not be in the best interest of shareholders of the Company. The Company had therefore requested the SECP to grant an extension of six months to dispose off the investments held under the investment finance services license.

SECP vide its letters dated September 2, 2009 and September 18, 2009 had confirmed the cancellation of license w.e.f. June 30, 2009 and has instructed the Company to wind down the existing investments held under IFS license upto February 28, 2010.

On further request by the company, SECP has granted extension to dispose of investments by June 30, 2010.

The company is an asset management company and pension fund manager for the following:

1.2 Asset management company of the following funds:

- Closed-End
 - JS Large Cap Fund (formerly UTP Large Cap Fund)
 - JS Growth Fund
 - JS Value Fund Limited
- Open-End
 - Unit Trust of Pakistan
 - JS Income Fund
 - JS Islamic Fund (formerly UTP - Islamic Fund)
 - JS Aggressive Asset Allocation Fund
 - JS Fund of Funds
 - JS KSE-30 Index Fund (formerly UTP - A30+ Fund)
 - JS Capital Protected Fund
 - JS Capital Protected Fund IV
 - JS Aggressive Income Fund
 - JS Principal Secure Fund I
 - JS Principal Secure Fund II
 - JS Cash Fund

During the period, the company has floated two open end fund. The units of these funds were offered to the public on the following dates:

Name of open-end fund	From	To
JS Principal Secure Fund II	December 14 ,2009	December 15 ,2009
JS Cash Fund	March 29, 2010	March 31, 2010

Pension fund manager of the following funds:

- JS Pension Savings Fund
- JS Islamic Pension Savings Fund



JS Investments Limited

2 STATEMENT OF COMPLIANCE

These condensed interim 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, the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (the NBFC Rules), the Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the NBFC Regulations) and directives issued by the Securities and Exchange Commission of Pakistan (SECP). Wherever the requirements of the NBFC Rules, the NBFC Regulations or directives issued by the SECP differ with the requirements of IFRS, the requirements of the NBFC Rules, the NBFC Regulations or the directives issued by the SECP shall prevail.

The following amendments to standards are mandatory for the first time for the financial year beginning July 01, 2009:

During the current period, International Accounting Standard 1 (Revised), 'Presentation of Financial Statements' (Revised IAS 1) became effective from the annual period beginning on or after January 1, 2009. The application of this standard has resulted in certain increased disclosures.

The Revised IAS 1 prohibits the presentation of items of income and expenses in the Statement of changes in equity and requires non owners changes in equity to be shown in performance statement.

The Company has a choice of presenting one statement (The Statement of Comprehensive Income) or two separate statements (Profit and Loss account and Statement of Comprehensive Income). The company has preferred to present two statements through Profit and Loss account and a Statement of Comprehensive Income.

In addition, IFRS 8 "Operating Segments" has been effective from the annual period beginning on or after January 01, 2009. The standard requires a 'management approach' under which segment information is presented on the same basis as that used for internal reporting purpose.

Other new standards, amendments and interpretations that were mandatory for the accounting periods beginning on or after July 1, 2009 and are not considered to be relevant or have any significant effect on the company's operations.

3 BASIS OF PREPARATION

3.1 The condensed interim financial information are unaudited and is being circulated to the shareholders, as required by section 245 of the Companies Ordinance, 1984 and the listing regulations to the Karachi stock exchange.

3.2 The condensed interim financial statements are being presented in condensed form in accordance with the requirements of International Accounting Standard (IAS) 34 "Interim Financial Reporting " as applicable in Pakistan and should be read in conjunction with annual audited financial statements of the company for the year ended June 30, 2009.

3.3 The condensed interim financial information have been prepared under the accrual basis of accounting except for cash flow information.

4 ACCOUNTING POLICIES

The accounting policies and methods of computation adopted for the preparation of the condensed interim financial information are the same as those applied in the preparation of the preceding annual financial statements of the company for the year ended June 30, 2009.

	Note	(Un-audited) March 31, 2010	(Audited) June 30, 2009
-----Rupees-----			
5 TANGIBLE PROPERTY AND EQUIPMENT			
Opening WDV		380,021,825	417,149,426
Addition during the period	5.1	1,569,780	4,816,090
Disposal during the period	5.1	(6,919,287)	(6,944,593)
Depreciation for the period		(27,633,156)	(34,999,098)
Closing WDV		347,039,162	380,021,825
Capital work in progress		-	700,000
		<u>347,039,162</u>	<u>380,721,825</u>

JS Investments Limited

	(Un-audited) March 31, 2010	(Audited) June 30, 2009
5.1 Tangible Property and equipment		
The following additions were made to tangible property and equipment during the period / year:	-----Rupees-----	
Office set-up	748,400	-
Furniture and fixtures	13,000	325,900
Office equipment	<u>808,380</u>	<u>4,490,190</u>
	<u>1,569,780</u>	<u>4,816,090</u>
The following disposals / write offs (net book value) of tangible property and equipment were made during the period / year:		
Office set-up	3,347,662	5,031,435
Furniture and fixtures	706,317	1,466,007
Office equipment	56,210	447,151
Vehicle	<u>2,809,098</u>	-
	<u>6,919,287</u>	<u>6,944,593</u>
5.2 Intangible assets		
The following additions were made to intangible assets during the period / year:		
Computer software	-	<u>77,000</u>
5.3 Capital work-in-progress - at cost		
Advance to suppliers against		
Acquisition of furniture & fixtures	-	<u>700,000</u>
6 INVESTMENTS - available for sale	(Un-audited) March 31, 2010	(Audited) June 30, 2009
Investments in certificates/units/shares-at fair value		
	Number of certificates / units / shares	Number of certificates / units / shares
	Rupees	Rupees
In funds under management:		
JS Value Fund Limited	21,498,992	21,498,992
JS Large Cap Fund (formerly UTP Large Cap Fund)	65,810,000	65,810,000
JS Growth Fund	36,086,812	36,086,812
JS Pension Savings Fund - Equity	300,000	300,000
JS Pension Savings Fund - Debt	300,000	300,000
JS Pension Savings Fund - Money Market	300,000	300,000
JS Fund of Funds	1,278,295	1,885,257
JS Capital Protected Fund	144,992	130,000
JS Capital Protected Fund II	-	266,000
JS Capital Protected Fund IV	1,022,447	1,017,422
JS Islamic Pension Savings Fund - Equity	300,000	300,000
JS Islamic Pension Savings Fund - Debt	300,000	300,000
JS Islamic Pension Savings Fund - Money Market	300,000	300,000
JS Aggressive Income Fund	501,736	501,736
JS Cash Fund	703,421	-
	<u>1,096,959,169</u>	<u>956,684,403</u>
Less: Cost of investments	(951,263,257)	(2,168,935,800)
Impairment on investments	-	<u>1,203,480,437</u>
	<u>(951,263,257)</u>	<u>(965,455,363)</u>
Unrealised gain / (loss) on re-measurement of investments	<u>145,695,912</u>	<u>(8,770,960)</u>



JS Investments Limited

		(Un-audited) March 31, 2010	(Audited) June 30, 2009
7 CASH AND BANK BALANCES	Note	-----Rupees-----	
Cash in hand		69,843	75,191
Balance with banks:			
In current account		629,978	954,310
In savings accounts		4,047,835	2,042,825
	7.1	4,677,813	2,997,135
		<u>4,747,656</u>	<u>3,072,326</u>

7.1 This includes Rs 0.954 million (June 30, 2009: Rs 0.055 million) held with JS Bank Limited - related party.

8 SHARE CAPITAL

	(Un-audited) March 31, 2010	(Audited) June 30, 2009		
Number of shares			Authorised	
	200,000,000	200,000,000	Ordinary shares of Rs. 10 each	2,000,000,000
	<u>50,000,000</u>	<u>50,000,000</u>	Convertible preference shares of Rs. 10 each	500,000,000
	<u>250,000,000</u>	<u>250,000,000</u>		<u>2,500,000,000</u>
			Issued, subscribed and paid-up	
	21,250,000	21,250,000	Ordinary shares of Rs. 10 each issued as fully paid in cash	212,500,000
	700,000	700,000	Fully paid ordinary shares of Rs. 10 each issued on amalgamation with Crosby Financial Services Limited	7,000,000
	78,050,000	78,050,000	Ordinary shares of Rs. 10 each issued as fully paid bonus shares	780,500,000
	<u>100,000,000</u>	<u>100,000,000</u>		<u>1,000,000,000</u>

At March 31, 2010 Jahangir Siddiqui & Company Limited, the holding company, held 52.024 million (June 30 2009: 52.024 million) ordinary shares of Rs. 10 each of the company.

9 CONTINGENCY AND COMMITMENTS

Contingency

During the year 2009 an amended assessment order was passed against the Company for the tax year 2006, raising a further tax demand of Rs. 134 million on account of taxability of a portion of capital gain in dividend received from mutual funds, allocation of expenses and disallowance of certain expenses. However the said amended assessment order passed was annulled by the Commissioner Appeals during the period ended December 31, 2009. The department has preferred an appeal before the Appellate Tribunal against the order passed by the Commissioner of Appeals.

No provision has been made against this tax demand in the condensed interim financial information as the company is confident about a favourable outcome of the case.

Commitments in respect of:

Capital expenditure contracted but not incurred	-	350,000
Royalty and advisory payments	<u>10,000,000</u>	<u>10,000,000</u>
Asset acquired under operating lease	-	<u>1,920,000</u>

JS Investments Limited

10 SEGMENT INFORMATION

The Company determines the operating segments based on the services provided by it, further their segment analysis are used internally by the management to make strategic decision.

The operating segment comprises of:

- (i) Asset management & investment advisory services
- (ii) Investment finance services

As mention in note 1.1 and 12 to the condensed interim financial information, the segment "Investment Finance Service" will be wound up upto June 30, 2010.

		-----Un-audited-----					
		Continued operation		Discontinued operation		Total	
		Asset management & investment advisory services		Investment finance services		Total	
		March 31, 2010	March 31, 2009	March 31, 2010	March 31, 2009	March 31, 2010	March 31, 2009
		-----Rupees-----					
INCOME							
	Note						
Remuneration from the funds under management		281,698,695	346,610,057	-	-	281,698,695	346,610,057
Commission from open end funds under management		3,590,451	3,877,596	-	-	3,590,451	3,877,596
Dividend		39,542,398	21,498,992	1,413,450	12,260,400	40,955,848	33,759,392
Gain on sale of investments - net		7,367,239	(232,670,477)	41,744,883	(121,642,552)	49,112,122	(354,313,029)
Mark-up on term finance certificates		-	-	28,739,808	33,032,861	28,739,808	33,032,861
Mark up on letter of placement		-	-	-	742,482	-	742,482
Markup on commercial papers		-	-	-	4,633,801	-	4,633,801
Return on bank deposits		205,616	1,648,172	5,847	106,102	211,463	1,754,274
Amortisation of discount		-	-	3,501,281	-	3,501,281	-
Commission income and share of profit from management of discretionary client portfolios	11	-	-	1,632,027	129,794	1,632,027	129,794
		332,404,399	140,964,340	77,037,296	(70,737,112)	409,441,695	70,227,228
Impairment on investments		-	(303,032,583)	-	(29,210,640)	-	(332,243,223)
		332,404,399	(162,068,243)	77,037,296	(99,947,752)	409,441,695	(262,015,995)
OPERATING EXPENSES							
Administrative expenses		211,190,457	271,965,757	2,543,912	3,635,002	213,734,369	275,600,759
Other operating expenses		3,034,416	852,269	-	-	3,034,416	852,269
Financial charges		93,891,646	157,576,067	53,883,017	76,749,062	147,774,663	234,325,129
Other operating income		19,629,001	13,028,562	-	-	19,629,001	13,028,562
Segment results		43,916,881	(579,433,774)	20,610,367	(180,331,816)	64,527,248	(759,765,590)

		Continued operation		Discontinued operation		Total	
		Asset management & investment advisory services		Investment finance services		Total	
		(Un-audited) March 31, 2010	(Audited) June 30, 2009	(Un-audited) March 31, 2010	(Audited) June 30, 2009	(Un-audited) March 31, 2010	(Audited) June 30, 2009
		-----Rupees-----					

Segment assets	1,742,419,246	1,658,005,740	181,600,125	356,801,576	1,924,019,371	2,014,807,316
Segment liabilities	977,703,089	1,011,760,336	277,620,137	551,914,349	1,255,323,226	1,563,674,685

		-----Un-audited-----					
		March 31, 2010	March 31, 2009	March 31, 2010	March 31, 2009	March 31, 2010	March 31, 2009
Fixed capital expenditure		1,569,780	4,793,590	-	22,500	1,569,780	4,816,090
Depreciation / amortisation		31,152,889	31,356,065	450,000	450,000	31,602,889	31,806,065

11 COMMISSION INCOME AND SHARE OF PROFIT FROM MANAGEMENT OF DISCRETIONARY CLIENT PORTFOLIOS

This represents commission income and share of profit earned by the company from management of discretionary portfolios. Currently, JSIL is managing two (March 31, 2009: three) discretionary client portfolios. The total cost and total market value of the unsettled client portfolios as at March 31, 2010 was Rs. 31.316 million (March 31, 2009: 177.795 million) and Rs. 36.964 million (March 31, 2009: 110.657 million) respectively.



JS Investments Limited

12 DISCONTINUED OPERATIONS CLASSIFIED AS HELD FOR SALE - INVESTMENT FINANCE SERVICES

As mentioned in note 1.1 to these interim financial information, SECP has instructed the Company to wind down the existing investments held under IFS license upto June 30, 2010.

Consequent to the above, the existing operations, assets, liabilities and other balances of the Investment Finance Services have been separately classified as "discontinued operations as held for sale" in accordance with the requirements of International Financial Reporting Standard (IFRS)-5 "Non-current assets held for sale and Discontinued Operations"

The analysis of the results of the discontinued operations are as follows:

		(Un-audited) March 31, 2010	(Audited) June 30, 2009
	Note	-----Rupees-----	
12.1 Non-current assets and current assets classified as held for sale			
Intangible assets		1,650,000	2,100,000
Investments - available for sale	12.4	131,363,088	336,088,574
Deposits, prepayments and other receivables		47,697,682	17,595,892
Deferred tax asset		430	574
Cash and bank balances	12.1.1	888,925	1,016,536
		<u>181,600,125</u>	<u>356,801,576</u>
12.1.1 This includes Rs 0.036 million (June 30, 2009: Rs 0.059) held with JS Bank Limited (a related party).			
12.2 Liabilities associated with non-current assets and current asset classified as available for sale			
Short term borrowing		282,061,052	564,000,000
Accrued markup		2,159,257	2,519,883
Other liabilities		-	43,556
		<u>284,220,309</u>	<u>566,563,439</u>
Unrealised (loss) on investments classified as available for sale - net	12.4	(6,600,172)	(14,649,090)
		<u>277,620,137</u>	<u>551,914,349</u>
----- (Un-audited) -----			
		March 31, 2010	March 31, 2009
		-----Rupees-----	
12.3 Analysis of the profit / (loss) after tax			
Income		77,037,296	(99,947,752)
Expenses		56,426,929	80,384,064
Profit / (loss) before tax		<u>20,610,367</u>	<u>(180,331,816)</u>
Taxation			
Current		-	1,234,501
Deferred		144	144
		<u>144</u>	<u>1,234,645</u>
Profit / (loss) after taxation from discontinued operations		<u>20,610,223</u>	<u>(181,566,461)</u>

JS Investments Limited

12.4 Investments - available for sale

	(Un-audited) March 31, 2010		(Audited) June 30, 2009	
	Number of certificates / shares	Rupees	Number of certificates / shares	Rupees
EFU General Insurance Limited	-	-	3,900	343,551
Pakistan International Container Terminal Limited	-	-	942,300	50,347,089
Escorts Investment Bank Limited	3,274,000	11,131,600	3,274,000	13,063,260
Nishat Mills Limited	-	-	25,000	945,500
		11,131,600		64,699,400
Term finance certificates				
Optimus Limited - unlisted	25,000	120,231,488	25,000	119,346,975
Agritech Limited (formerly Pak American Fertilizer Limited)-unlisted	-	-	10,000	43,426,373
United Bank Limited - listed	-	-	23,625	108,615,826
		120,231,488		271,389,174
Investments at market value		131,363,088		336,088,574
Less: cost of investments		(137,963,260)		(461,351,203)
Impairment on investments		-		110,613,539
		(137,963,260)		(350,737,664)
Unrealised (loss) on re-measurement of investments		(6,600,172)		(14,649,090)

13 EARNING / (LOSS) PER SHARE

	-----Un-audited-----					
	Period ended March 31, 2010			Period ended March 31, 2009		
	Continuing Operations	Discontinued Operations	Total	Continuing Operations	Discontinued Operations	Total
	-----Rupees-----					
Profit/(loss) for the period	42,486,419	20,610,223	63,096,642	(577,896,905)	(181,566,461)	(759,463,366)
Weighted average number of ordinary shares outstanding during the period	100,000,000	100,000,000	100,000,000	100,000,000	100,000,000	100,000,000
Earning / (loss) per share	0.42	0.21	0.63	(5.78)	(1.82)	(7.59)

13.1 Diluted earnings per share has not been presented as the Company does not have any convertible instruments in issue as at March 31, 2010 which would have any effect on the earnings per share if the option to convert is exercised.

14 CASH AND CASH EQUIVALENTS

	----- Un-audited -----	
	March 31, 2010	March 31, 2009
	-----Rupees-----	
Cash and bank balances	4,747,656	7,224,376
Cash and bank balances - discontinued operation	888,925	970,789
Short term borrowing	(387,876,385)	(280,336,227)
	(382,239,804)	(272,141,062)



JS Investments Limited

15 TRANSACTIONS AND BALANCES WITH RELATED PARTIES

15.1 The details of significant transactions with related parties during the period are as follows:

	-----Un-audited-----	
	March 31, 2010	March 31, 2009
	-----Rupees-----	
Remuneration from funds under management	281,698,695	346,610,057
Commission from funds under management	3,590,451	3,877,596
Rental income	5,430,555	6,729,047
Rent expense	3,370,875	4,628,038
Investments disposed off in funds under management - at cost	84,192,106	234,266,811
Investments made in funds under management	70,000,000	-
Contribution to staff provident fund	3,050,372	4,979,705
Dividend income	40,955,848	24,325,892
Markup expense on borrowing	33,233,024	32,587,188
Markup income on term finance certificates	5,280,262	5,825,483
 Bonus / additional shares / units (in numbers)	 261,423	 1,031,342
 Transactions with key management personnel		
Remuneration to key management personnel	46,009,417	96,923,601
Consultancy fee to Chairman	2,610,000	2,610,000
Chief Executive Officer - markup income on long term loan	-	1,642,519
Chief Executive Officer - long term loan plus markup recovered	17,106,690	3,521,112
	(Un-audited) March 31, 2010	(Audited) June 30, 2009
	-----Rupees-----	

15.2 Balances:

Investments in funds under management and other related parties	1,096,959,169	1,050,801,416
Investments in subsidiary	37,500,000	37,500,000
Balances due from funds under management	3,228,024	29,687,592
Long-term receivable from funds under management	1,398,267	3,863,798
Loan to Chief executive officer	-	15,000,000
Short term borrowing	340,000,000	428,000,000
Interest payable on short term borrowing	3,508,103	2,016,870

16 CORRESPONDING FIGURES

Corresponding figures relating to the investment finance services business of the Company which were merged with the assets, liabilities, income and expenses of the asset management company at year ended June 30, 2009 have been reclassified as discontinued operations for better presentation in view of the reasons explained in note 1.1 and 12.

17 GENERAL

These condensed interim financial statements were authorised for issue on April 24, 2010 by the Board of Directors of the Company.

Chief Executive Officer

Director

**CONDENSED INTERIM CONSOLIDATED
FINANCIAL STATEMENTS**



JS Investments Limited

CONDENSED INTERIM CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2010

	Note	(Un-audited) March 31, 2010	(Audited) June 30, 2009
-----Rupees-----			
ASSETS			
Non-current assets			
Fixed assets			
Tangible property and equipment	5	349,539,162	383,221,825
Intangible assets		112,406,463	115,926,195
Long-term receivable from related parties - unsecured, considered good		1,398,267	3,863,798
Long-term loans and advances - considered good		1,416,239	16,942,570
		464,760,131	519,954,388
Current assets			
Investments	6	1,135,354,782	993,688,006
Loans and advances - considered good		1,736,581	2,005,902
Deposits, prepayments and other receivables		39,747,962	21,373,185
Balances due from funds under management		3,228,024	29,687,592
Taxation recoverable		97,278,102	91,257,345
Cash and bank balances	7	4,922,913	3,159,542
Non-current assets and current assets classified as held for sale	12.1	1,282,268,364	1,141,171,572
		181,600,125	356,801,576
		1,463,868,489	1,497,973,148
Total assets		1,928,628,620	2,017,927,536
EQUITY AND LIABILITIES			
Share capital	8	1,000,000,000	1,000,000,000
Unrealised gain / (loss) on remeasurement of available for sale investments to fair value - net	6.1	145,695,912	(8,770,960)
Statutory reserve		109,873,728	109,873,728
Accumulated loss		(726,393,307)	(797,082,904)
		529,176,333	304,019,864
Surplus on revaluation of fixed assets - net of tax		144,022,062	150,157,687
LIABILITIES			
Non current liabilities			
Securitisation of management fee receivables - debt		421,823,481	511,522,640
Deferred tax liability-net		46,595,646	50,261,567
		468,419,127	561,784,207
Current liabilities			
Current maturity of securitisation of management fee receivables - debt		67,092,869	64,539,121
Short term borrowing		387,876,385	317,691,909
Accrued and other liabilities		41,330,747	53,815,450
Accrued mark-up		13,090,960	14,004,949
		509,390,961	450,051,429
Liabilities associated with non-current and current assets classified as held for sale	12.2	277,620,137	551,914,349
		787,011,098	1,001,965,778
Total liabilities		1,255,430,225	1,563,749,985
Total equity and liabilities		1,928,628,620	2,017,927,536
Contingency and commitments	9		
Breakup value		5.29	3.04
Breakup value (including surplus on revaluation of fixed assets)		6.73	4.54

The annexed notes 1 to 17 form an integral part of these condensed interim consolidated financial information.

Chief Executive Officer

Director

JS Investments Limited

CONDENSED INTERIM CONSOLIDATED PROFIT AND LOSS ACCOUNT (Un-audited) FOR THE PERIOD ENDED MARCH 31, 2010

	Period ended		Quarter ended	
	March 31, 2010	March 31, 2009	March 31, 2010	March 31, 2009
Note	-----Rupees-----			
CONTINUING OPERATIONS				
INCOME				
Remuneration from funds under management	281,698,695	346,610,057	89,490,183	86,869,794
Commission from open end funds under management	3,590,451	3,877,596	704,801	1,868,700
Dividend	39,542,398	21,498,992	18,043,406	-
Gain on sale of investments - net	7,383,968	(232,670,477)	636,274	(232,940,316)
Return on bank deposits	212,896	1,690,187	63,450	536,302
Unrealised gain on remeasurement of investments at through fair value profit or loss	1,675,281	2,660,908	(396,084)	1,394,994
	<u>334,103,689</u>	<u>143,667,263</u>	<u>108,542,030</u>	<u>(142,270,526)</u>
Impairment on investments	-	(303,032,583)	-	(303,032,583)
	<u>334,103,689</u>	<u>(159,365,320)</u>	<u>108,542,030</u>	<u>(445,303,109)</u>
OPERATING EXPENSES				
Administrative and marketing	211,331,445	272,014,362	62,793,580	86,713,714
OPERATING PROFIT	<u>122,772,244</u>	<u>(431,379,682)</u>	<u>45,748,450</u>	<u>(532,016,823)</u>
Other operating expenses	3,135,388	852,269	944,702	231,800
Financial charges	93,891,646	157,576,067	33,858,592	40,215,950
	<u>25,745,210</u>	<u>(589,808,018)</u>	<u>10,945,156</u>	<u>(572,464,573)</u>
Other operating income	19,629,001	13,028,562	13,475,586	5,903,157
Profit/(loss) before tax for the period from continuing operations	<u>45,374,211</u>	<u>(576,779,456)</u>	<u>24,420,742</u>	<u>(566,561,416)</u>
Income Tax Expense				
- Current	5,096,383	3,103,917	3,112,091	436,681
- Deferred	(3,665,921)	(4,640,786)	1,351,281	(1,660,933)
	<u>1,430,462</u>	<u>(1,536,869)</u>	<u>4,463,372</u>	<u>(1,224,252)</u>
Profit/(loss) after tax for the period from continuing operations	<u>43,943,749</u>	<u>(575,242,587)</u>	<u>19,957,370</u>	<u>(565,337,164)</u>
OPERATIONS RELATING TO THE DISCONTINUED OPERATIONS CLASSIFIED AS HELD FOR SALE - INVESTMENT FINANCE SERVICES				
Profit/(loss) after tax for the period from the discontinued operations	12.3 20,610,223	(181,566,461)	(20,219,286)	(167,256,713)
Profit/(loss) for the period	<u>64,553,972</u>	<u>(756,809,048)</u>	<u>(261,916)</u>	<u>(732,593,877)</u>
Earning/(loss) per share	13 <u>0.65</u>	<u>(7.57)</u>	<u>(0.00)</u>	<u>(7.33)</u>

The annexed notes 1 to 17 form an integral part of these condensed interim consolidated financial information.

Chief Executive Officer

Director



JS Investments Limited

CONDENSED INTERIM CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (Un-audited) FOR THE PERIOD ENDED MARCH 31, 2010

	March 31, 2010	March 31, 2009
	-----Rupees-----	
Profit/(loss) for the period - Continuing operations	43,943,749	(575,242,587)
Profit/(loss) for the period - Discontinued operations	20,610,223	(181,566,461)
Profit/(loss) for the period	<u>64,553,972</u>	<u>(756,809,048)</u>
Other comprehensive income:		
Unrealised gain/(loss) on remeasurement of available for sale investments to fair value - net	159,407,646	(1,320,305,556)
Impairment on investment taken to profit & loss account (Gain) / loss realised on disposal of investments	<u>(4,940,774)</u>	<u>303,032,583</u>
	154,466,872	(743,719,766)
Transferred from surplus on revaluation of fixed assets to accumulated profit	<u>9,439,423</u>	<u>3,036,674</u>
	163,906,295	(740,683,092)
Taxation relating to components of other comprehensive income	<u>(3,303,798)</u>	<u>(1,062,836)</u>
Other comprehensive income/(loss) after income tax	<u>160,602,497</u>	<u>(741,745,928)</u>
Total comprehensive income/(loss)	<u>225,156,469</u>	<u>(1,498,554,976)</u>

The annexed notes 1 to 17 form an integral part of these condensed interim consolidated financial information.

Chief Executive Officer

Director

JS Investments Limited

CONDENSED INTERIM CONSOLIDATED CASH FLOW STATEMENT (Un-audited) FOR THE PERIOD ENDED MARCH 31, 2010

	March 31, 2010	March 31, 2009
Note	-----Rupees-----	
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit / (loss) for the period before taxation	65,984,578	(757,111,272)
Adjustment for non-cash and other items:		
Remuneration from funds under management	(281,698,695)	(346,610,057)
Commission from open end funds under management	(3,590,451)	(3,877,596)
Dividend	(40,955,848)	(33,759,392)
Depreciation	27,633,156	25,806,819
Amortisation of intangible assets	3,969,733	5,999,246
Financial charges	147,774,663	234,325,129
Interest / mark-up income	(211,463)	(1,754,274)
Liabilities no longer required written back	(8,200,000)	(2,172,740)
Loss on disposal of fixed assets	2,920,349	2,682,897
Gain on redemption of securities	(16,729)	-
Unrealised gain on remeasurement of investment at fair value through profit / loss	(1,675,281)	(2,660,908)
	<u>(88,065,988)</u>	<u>(879,132,148)</u>
Increase / decrease in assets / liabilities		
Loans and advances	15,795,652	(288,744)
Long-term receivable from related parties	1,890,955	(2,002,400)
Deposits, prepayments and other receivables	(27,311,771)	24,070,993
Accrued and other liabilities	(4,322,811)	(4,516,698)
	<u>(13,947,975)</u>	<u>17,263,151</u>
Taxes paid	(102,013,963)	(861,868,997)
Bonus paid	(11,117,140)	(28,007,975)
Financial charges paid	-	(35,527,260)
Remuneration and commission received from funds under management	(147,058,437)	(235,260,444)
Net cash inflow / (outflow) on operating activities	<u>311,748,715</u>	<u>379,865,847</u>
	51,559,175	(780,798,829)
CASH FLOWS FROM INVESTING ACTIVITIES		
Investments - net	227,266,510	1,558,333,863
Fixed capital expenditure incurred	(869,780)	(3,746,577)
Dividend received	22,924,372	33,784,888
Return on bank deposits	211,463	1,911,957
Proceeds from disposal of property and equipment	3,998,938	998,768
Net cash inflow from investing activities	<u>253,531,503</u>	<u>1,591,282,899</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Repayment of principal amount relating to the securitised management fee	(91,690,000)	(91,690,000)
Dividend paid	(10,446)	(108,012,962)
Short term borrowing	(281,938,948)	48,000,000
Net cash (outflow) on financing activities	<u>(373,639,394)</u>	<u>(151,702,962)</u>
Net increase / (decrease) in cash and cash equivalents	<u>(68,548,716)</u>	<u>658,781,108</u>
Cash and cash equivalents at beginning of the period	(313,515,831)	(930,789,736)
Cash and cash equivalents at end of the period	14 <u>(382,064,547)</u>	<u>(272,008,628)</u>

The annexed notes 1 to 17 form an integral part of these condensed interim consolidated financial information.

Chief Executive Officer

Director

JS Investments Limited

SELECTED NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL INFORMATION (Un-audited) FOR THE PERIOD ENDED MARCH 31, 2010

1 THE GROUP AND ITS OPERATIONS

The group consists of:	
Holding company	"Percentage holding of JS Investments Limited"
- JS Investments Limited	
	*99.99%
Subsidiary company	
- JS ABAMCO Commodities limited	

* The remaining shares of the subsidiary company are held by the directors of the subsidiary company.

1.1 JS Investments Limited (the Company) is a public listed company incorporated in Pakistan on February 22, 1995 under the Companies Ordinance, 1984. The shares of the Company are quoted on the Karachi Stock Exchange since April 24, 2007. The registered office of the Company is situated at 7th floor, 'The Forum', Khayaban-e-Jami, Clifton, Karachi. The Company is a subsidiary of Jahangir Siddiqui and Company Limited (which has 52.02 percent direct holding in the Company).

JS ABAMCO Commodities Limited (JSACL) was incorporated in Pakistan as a public limited company on September 25, 2007 under the Companies Ordinance, 1984. The registered office of the company is situated at 7th floor, 'The Forum', Khayaban-e-Jami, Clifton, Karachi. The company would be engaged in commodity market brokerage, advisory and consultancy services. The company has not commenced its commercial operations as at the balance sheet date. JS Investments Limited holds 99.99% share capital of JSACL.

The Company has obtained the license of an "Investment Adviser" and "Asset Management Company" (AMC) under the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (the NBFC Rules) and the Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the NBFC Regulations). In addition, the Company has also obtained registration to act as Pension Fund Manager under the Voluntary Pension System Rules, 2005.

As per the NBFC Regulations, all Asset Management Companies were required to separate their Investment Finance Services (IFS) operations by November 30, 2008. In the light of this requirement, the Board of Directors of the Company in its meeting held on July 9, 2008 decided to transfer the existing operations of investment finance services to a subsidiary company proposed to be incorporated for undertaking the business of investment finance services.

However, the Board of Directors of the Company in its meeting held on February 26, 2009 decided to defer the incorporation of a subsidiary for investment finance services till such time the market conditions became conducive.

Subsequently, on June 23, 2009, the Company had informed SECP explaining that the company had decided to wind down the existing investments, however in light of the depressed market conditions, prevailing at that date, the disposal of investments would not be in the best interest of shareholders of the Company. The Company had therefore requested the SECP to grant an extension of six months to dispose off the investments held under the investment finance services license.

SECP vide its letters dated September 2, 2009 and September 18, 2009 had confirmed the cancellation of license w.e.f. June 30, 2009 and has instructed the Company to wind down the existing investments held under IFS license upto February 28, 2010.

On further request by the company, SECP has granted extension to dispose of investments by June 30, 2010.

1.2 The company is an asset management company and pension fund manager for the following:

Asset management company of the following funds:

Closed-End

- JS Large Cap Fund (formerly UTP Large Cap Fund)
- JS Growth Fund
- JS Value Fund Limited

Open-End

- Unit Trust of Pakistan
- JS Income Fund
- JS Islamic Fund (formerly UTP - Islamic Fund)
- JS Aggressive Asset Allocation Fund
- JS Fund of Funds
- JS KSE-30 Index Fund (formerly UTP - A30+ Fund)
- JS Capital Protected Fund
- JS Capital Protected Fund IV
- JS Aggressive Income Fund
- JS Principal Secure Fund I
- JS Principal Secure Fund II
- JS Cash Fund

During the period, the company has floated two open end fund. The units of these funds were offered to the public on the following dates:

Name of open-end fund	From	To
JS Principal Secure Fund II	December 14, 2009	December 15 2009
JS Cash Fund	March 29, 2010	March 31, 2010



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Pension fund manager of the following funds:

- JS Pension Savings Fund
- JS Islamic Pension Savings Fund

2 STATEMENT OF COMPLIANCE

These condensed interim consolidated 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, the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (the NBFC Rules), the Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the NBFC Regulations) and directives issued by the Securities and Exchange Commission of Pakistan (SECP). Wherever the requirements of the NBFC Rules, the NBFC Regulations or directives issued by the SECP differ with the requirements of IFRS, the requirements of the NBFC Rules, the NBFC Regulations or the directives issued by the SECP shall prevail.

The following amendments to standards are mandatory for the first time for the financial year beginning July 01, 2009.

During the current period, International Accounting Standard 1 (Revised), 'Presentation of Financial Statements' (Revised IAS 1) became effective from the annual period beginning on or after January 1, 2009. The application of this standard has resulted in certain increased disclosures.

The Revised IAS 1 prohibits the presentation of items of income and expenses in the Statement of changes in equity and requires non owners changes in equity to be shown in performance statement.

The Company has a choice of presenting one statement (The Statement of Comprehensive Income) or two separate statements (Profit and Loss account and Statement of Comprehensive Income). The company has preferred to present two statements through Profit and Loss account and a Statement of Comprehensive Income.

In addition, IFRS 8 'Operating Segments' has been effective from the annual period beginning on or after January 01, 2009. The standard requires a 'management approach' under which segment information is presented on the same basis as that used for internal reporting purpose.

Other new standards, amendments and interpretations that were mandatory for the accounting periods beginning on or after July 1, 2009 and are not considered to be relevant or have any significant effect on the company's operations.

3 BASIS OF PREPARATION

- 3.1 The condensed interim consolidated financial information are unaudited and is being circulated to the shareholders, as required by section 245 of the Companies Ordinance, 1984 and the listing regulations to the Karachi stock exchange.
- 3.2 The condensed interim consolidated financial statements are being presented in condensed form in accordance with the requirements of International Accounting Standard (IAS) 34 "Interim Financial Reporting" as applicable in Pakistan and should be read in conjunction with annual audited consolidated financial statements of the company for the year ended June 30, 2009.
- 3.3 The condensed interim consolidated financial information have been prepared under the accrual basis of accounting except for cash flow information.

4 ACCOUNTING POLICIES

The accounting policies and methods of computation adopted for the preparation of the condensed interim consolidated financial information are the same as those applied in the preparation of the preceding annual consolidated financial statements of the company for the year ended June 30, 2009.

		(Un-audited)	(Audited)
		March 31,	June 30,
		2010	2009
	Note	-----Rupees-----	
5	TANGIBLE PROPERTY AND EQUIPMENT		
	Opening WDV	380,021,825	417,149,426
	Addition during the period	1,569,780	4,816,090
	Disposal during the period	(6,919,287)	(6,944,593)
	Depreciation for the period	(27,633,156)	(34,999,098)
	Closing WDV	<u>347,039,162</u>	<u>380,021,825</u>
	Capital work in progress	<u>2,500,000</u>	<u>3,200,000</u>
		<u>349,539,162</u>	<u>383,221,825</u>
5.1	Tangible Property and equipment		
	The following additions were made to tangible property & equipment during the period / year:		
	Office set-up	748,400	-
	Furniture and fixtures	13,000	325,900
	Office equipment	808,380	4,490,190
		<u>1,569,780</u>	<u>4,816,090</u>

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	Note	(Un-audited) March 31, 2010	(Audited) June 30, 2009
-----Rupees-----			
The following disposals / write offs (net book value) of tangible property & equipment were made during the period / year:			
Office set-up		3,347,662	5,031,435
Furniture and fixtures		706,317	1,466,007
Office equipment		56,210	447,151
Vehicle		2,809,098	-
		<u>6,919,287</u>	<u>6,944,593</u>
5.2 Intangible assets			
The following additions were made to intangible assets during the period / year:			
Computer software		-	77,000
5.3 Capital work-in-progress - at cost			
Advance to suppliers against			
Acquisition of furniture & fixtures		-	700,000
Advance for Office Premises		2,500,000	2,500,000
		<u>2,500,000</u>	<u>3,200,000</u>
6 INVESTMENTS			
Available for sale	6.1	1,096,959,169	956,684,403
At fair value through profit or loss account	6.2	38,395,613	37,003,603
		<u>1,135,354,782</u>	<u>993,688,006</u>
6.1 INVESTMENTS - available for sale			
		(Un-audited) March 31, 2010	(Audited) June 30, 2009
Investments in certificates / units / shares - at fair value			
		Number of certificates / units / shares	Number of certificates / units / shares
		Rupees	Rupees
In funds under management:			
JS Value Fund Limited		21,498,992	91,370,716
JS Large Cap Fund (formerly UTP Large Cap Fund)		65,810,000	279,692,500
JS Growth Fund		36,086,812	153,368,951
JS Pension Savings Fund - Equity		300,000	24,342,000
JS Pension Savings Fund - Debt		300,000	39,471,000
JS Pension Savings Fund - Money Market		300,000	38,109,000
JS Fund of Funds		1,278,295	123,649,439
JS Capital Protected Fund		144,992	14,507,925
JS Capital Protected Fund II		-	-
JS Capital Protected Fund IV		1,022,447	108,778,178
JS Islamic Pension Savings Fund - Equity		300,000	36,315,000
JS Islamic Pension Savings Fund - Debt		300,000	35,814,000
JS Islamic Pension Savings Fund - Money Market		300,000	33,438,000
JS Aggressive Income Fund		501,736	47,725,140
JS Cash Fund		703,421	70,377,320
		1,096,959,169	956,684,403
Less: Cost of investments		(951,263,257)	(2,168,935,800)
Impairment on investments		-	1,203,480,437
		(951,263,257)	(965,455,363)
Unrealised gain / (loss) on re-measurement of investments		<u>145,695,912</u>	<u>(8,770,960)</u>



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6.2 At fair value through profit or loss account	(Un-audited)		(Audited)	
	March 31, 2010		June 30, 2009	
	Number of units	Rupees	Number of units	Rupees
JS Income Fund - fund under management				
Investment at market value	383,266	38,395,613	352,886	37,003,603
Less: Carrying value of investments		(36,720,332)		(33,653,102)
Unrealised gain on re-measurement of investments		<u>1,675,281</u>		<u>3,350,501</u>
			(Un-audited)	(Audited)
			March 31, 2010	June 30, 2009
7 CASH AND BANK BALANCES		Rupees.....	
Cash in hand			69,843	75,191
Balance with banks:				
In current account			649,978	974,310
In savings accounts			4,203,092	2,110,041
	7.1		<u>4,853,070</u>	<u>3,084,351</u>
			<u>4,922,913</u>	<u>3,159,542</u>

7.1 This includes Rs 0.954 million (June 30, 2009: Rs 0.055 million) held with JS Bank Limited - related party.

8 SHARE CAPITAL

(Un-audited)	(Audited)			
March 31, 2010	June 30, 2009	Number of shares	Authorised	
200,000,000	200,000,000		Ordinary shares of Rs. 10 each	2,000,000,000
			Convertible preference shares of Rs. 10 each	2,000,000,000
<u>50,000,000</u>	<u>50,000,000</u>			<u>500,000,000</u>
<u>250,000,000</u>	<u>250,000,000</u>			<u>2,500,000,000</u>
			Issued, subscribed and paid-up	
21,250,000	21,250,000		Ordinary shares of Rs. 10 each issued as fully paid in cash	212,500,000
700,000	700,000		Fully paid ordinary shares of Rs. 10 each issued on amalgamation with Crosby Financial Services Limited	7,000,000
78,050,000	78,050,000		Ordinary shares of Rs. 10 each issued as fully paid bonus shares	780,500,000
<u>100,000,000</u>	<u>100,000,000</u>			<u>1,000,000,000</u>
				<u>1,000,000,000</u>

At March 31, 2010 Jahangir Siddiqui & Company Limited, the holding company, held 52.024 million (June 30, 2009: 52.024 million) ordinary shares of Rs. 10 each of the company.

9. CONTINGENCY AND COMMITMENTS

Contingency

During the year 2009 an amended assessment order was passed against the Company for the tax year 2006, raising a further tax demand of Rs. 134 million on account of taxability of a portion of capital gain in dividend received from mutual funds, allocation of expenses and disallowance of certain expenses. However the said amended assessment order passed was annulled by the Commissioner Appeals during the period ended December 31, 2009. The department has preferred an appeal before the Appellate Tribunal against the order passed by the Commissioner of Appeals.

No provision has been made against this tax demand in the condensed interim consolidated financial information as the company is confident about a favourable outcome of the case.

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	(Un-audited) March 31, 2010	(Audited) June 30, 2009
-----Rupees-----		
Commitments in respect of:		
Capital expenditure contracted but not incurred	-	350,000
Royalty and advisory payments	<u>10,000,000</u>	<u>10,000,000</u>
Asset acquired under operating lease	<u>-</u>	<u>1,920,000</u>

10 SEGMENT INFORMATION

The Company determines the operating segments based on the services provided by it, further their segment analysis are used internally by the management to make strategic decision.

The operating segment comprises of:

- (i) Asset management & investment advisory services
- (ii) Investment finance services
- (iii) Commodity operations

As mention in note 1.1 and 12 to the condensed interim consolidated financial information, the segment "Investment Finance Service" will be wound up upto June 30, 2010.

	----- Un-audited -----							
	Asset management & investment advisory services		Investment finance services		Commodity operations		Total	
	March 31, 2010	March 31, 2009	March 31, 2010	March 31, 2009	March 31, 2010	March 31, 2009	March 31, 2010	March 31, 2009
----- Rupees -----								
INCOME								
Remuneration from the funds under management	281,698,695	346,610,057	-	-	-	-	281,698,695	346,610,057
Commission from open end funds under management	3,590,451	3,877,596	-	-	-	-	3,590,451	3,877,596
Dividend	39,542,398	21,498,992	1,413,450	12,260,400	-	-	40,955,848	33,759,392
Gain on sale of investments - net	7,367,239	(232,670,477)	41,744,883	(121,642,552)	16,729	-	49,128,851	(354,313,029)
Mark-up on term finance certificates	-	-	28,739,808	33,032,861	-	-	28,739,808	33,032,861
Mark up on letter of placement	-	-	-	742,482	-	-	-	742,482
Markup on commercial papers	-	-	-	4,633,801	-	-	-	4,633,801
Return on bank deposits	205,616	1,648,172	5,847	106,102	7,280	42,015	218,743	1,796,289
Amortisation of discount	-	-	3,501,281	-	-	-	3,501,281	-
Commission income and share of profit from management of discretionary client portfolios	-	-	1,632,027	129,794	-	-	1,632,027	129,794
Unrealized gain on remeasurement of investments	-	-	-	-	1,675,281	2,660,908	1,675,281	2,660,908
	<u>332,404,399</u>	<u>140,984,340</u>	<u>77,037,296</u>	<u>(70,737,112)</u>	<u>1,699,290</u>	<u>2,702,923</u>	<u>411,140,985</u>	<u>72,930,151</u>
Impairment on investments	-	(303,032,583)	-	(29,210,640)	-	-	-	(332,243,223)
	<u>332,404,399</u>	<u>(162,068,243)</u>	<u>77,037,296</u>	<u>(99,947,752)</u>	<u>1,699,290</u>	<u>2,702,923</u>	<u>411,140,985</u>	<u>(259,313,072)</u>
OPERATING EXPENSES								
Administrative expenses	211,190,457	272,014,362	2,543,912	3,635,002	140,988	48,605	213,875,357	275,649,364
Other operating expenses	3,034,416	852,269	-	-	100,972	-	3,135,388	852,269
Financial charges	93,891,646	157,576,067	53,883,017	76,749,062	-	-	147,774,663	234,325,129
Other operating income	19,629,001	13,028,562	-	-	-	-	19,629,001	13,028,562
Segment results	<u>43,916,881</u>	<u>(579,482,379)</u>	<u>20,610,367</u>	<u>(180,331,816)</u>	<u>1,457,330</u>	<u>2,654,318</u>	<u>65,984,578</u>	<u>(757,111,272)</u>
	(Un-audited)	(Audited)	(Un-audited)	(Audited)	(Un-audited)	(Audited)	(Un-audited)	(Audited)
	March 31, 2010	June 30, 2009	March 31, 2010	June 30, 2009	March 31, 2010	June 30, 2009	March 31, 2010	June 30, 2009
----- Rupees -----								
Segment assets	1,704,919,245	1,620,500,740	181,600,125	356,801,576	42,109,250	40,625,220	1,928,628,620	2,017,927,536
Segment liabilities	977,703,388	1,011,835,636	277,620,137	551,914,349	106,700	80,000	1,255,430,225	1,563,829,985
	(Un-audited)	(Un-audited)	(Un-audited)	(Un-audited)	(Un-audited)	(Un-audited)	(Un-audited)	(Un-audited)
	March 31, 2010	March 31, 2009	March 31, 2010	March 31, 2009	March 31, 2010	March 31, 2009	March 31, 2010	March 31, 2009
Fixed capital expenditure	1,569,780	4,793,590	-	22,500	-	-	1,569,780	4,816,090
Depreciation / amortisation	31,152,889	31,356,065	450,000	450,000	-	-	31,602,889	31,806,065



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11 COMMISSION INCOME AND SHARE OF PROFIT FROM MANAGEMENT OF DISCRETIONARY CLIENT PORTFOLIOS

This represents commission income and share of profit earned by the company from management of discretionary portfolios. Currently, JSIL is managing two (March 31, 2009: three) discretionary client portfolios. The total cost and total market value of the unsettled client portfolios as at March 31, 2010 was Rs. 31.316 million (March 31, 2009: 177.795 million) and Rs. 36.964 million (March 31, 2009: 110.657 million) respectively.

12 DISCONTINUED OPERATIONS CLASSIFIED AS HELD FOR SALE - INVESTMENT FINANCE SERVICES

As mentioned in note 1.1 to these interim consolidated financial information, SECP has instructed the Company to wind down the existing investments held under IFS license upto June 30, 2010.

Consequent to the above, the existing operations, assets, liabilities and other balances of the Investment Finance Services have been separately classified as "discontinued operations as held for sale" in accordance with the requirements of International Financial Reporting Standard (IFRS) 5 "Non-current assets held for sale and Discontinued Operations".

The analysis of the results of the discontinued operations are as follows:

	Note	(Un-audited) March 31, 2010	(Audited) June 30, 2009
12.1 Non-current assets and current assets classified as held for sale		-----Rupees-----	
Intangible assets		1,650,000	2,100,000
Investments - available for sale	12.4	131,363,088	336,088,574
Deposits, prepayments and other receivables		47,697,682	17,595,892
Deferred tax asset		430	574
Cash and bank balances	12.1.1	888,925	1,016,536
		<u>181,600,125</u>	<u>356,801,576</u>
12.1.1 This includes Rs 0.036 million (June 30, 2009: Rs 0.059) held with JS Bank Limited - related party.			
12.2 Liabilities associated with non-current assets and current asset classified as available for sale			
Short term borrowing		282,061,052	564,000,000
Accrued markup		2,159,257	2,519,883
Other liabilities		-	43,556
		<u>284,220,309</u>	<u>566,563,439</u>
Unrealised loss on investments classified as available for sale - net	12.4	(6,600,172)	(14,649,090)
		<u>277,620,137</u>	<u>551,914,349</u>
		------(Un-audited)-----	
		March 31, 2010	March 31, 2009
12.3 Analysis of the profit / (loss) after tax		-----Rupees-----	
Income		77,037,296	(99,947,752)
Expenses		56,426,929	80,384,064
Profit / (loss) before tax		<u>20,610,367</u>	<u>(180,331,816)</u>
Taxation			
Current		-	1,234,501
Deferred		144	144
		<u>144</u>	<u>1,234,645</u>
Profit / (loss) after taxation from discontinued operations		<u>20,610,223</u>	<u>(181,566,461)</u>

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12.4 Investments - available for sale

	(Un-audited) March 31, 2010		(Audited) June 30, 2009	
	Number of certificates / shares	Rupees	Number of certificates / shares	Rupees
EFU General Insurance Limited	-	-	3,900	343,551
Pakistan International Container Terminal Limited	-	-	942,300	50,347,089
Escorts Investment Bank Limited	3,274,000	11,131,600	3,274,000	13,063,260
Nishat Mills Limited	-	-	25,000	945,500
		11,131,600		64,699,400
Term finance certificates				
Optimus Limited - unlisted	25,000	120,231,488	25,000	119,346,975
AgriTech Limited (formerly Pak American Fertilizer Limited)-unlisted	-	-	10,000	43,426,373
United Bank Limited - listed	-	-	23,625	108,615,826
		120,231,488		271,389,174
Investments at market value		131,363,088		336,088,574
Less: cost of investments		(137,963,260)		(461,351,203)
Impairment on investments		-		110,613,539
		(137,963,260)		(350,737,664)
Unrealised loss on re-measurement of investments		(6,600,172)		(14,649,090)

13 EARNING / (LOSS) PER SHARE

	-----Un-audited-----					
	Period ended March 31, 2010			Period ended March 31, 2009		
	Continuing Operations	Discontinued Operations	Total	Continuing Operations	Discontinued Operations	Total
	-----Rupees-----					
Profit / (loss) for the period	43,943,749	20,610,223	64,553,972	(575,242,587)	(181,566,461)	(756,809,048)
Weighted average number of ordinary shares outstanding during the period	100,000,000	100,000,000	100,000,000	100,000,000	100,000,000	100,000,000
Earning / (loss) per share	0.44	0.21	0.65	(5.75)	(1.82)	(7.57)

13.1 Diluted earning per share has not been presented as the Company does not have any convertible instruments in issue as at March 31, 2010 which would have any effect on the earnings per share if the option to convert is exercised.

14 CASH AND CASH EQUIVALENTS

	-----Un-audited-----	
	March 31, 2010	March 31, 2009
	-----Rupees-----	
Cash and bank balances	4,922,913	7,224,376
Cash and bank balances - discontinued operation	888,925	970,789
Short term borrowing	(387,876,385)	(280,336,227)
	<u>(382,064,547)</u>	<u>(272,141,062)</u>



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15 TRANSACTIONS AND BALANCES WITH RELATED PARTIES

15.1 The details of significant transactions with related parties during the period are as follows:

	-----Un-audited-----	
	March 31, 2010	March 31, 2009
	-----Rupees-----	
Remuneration from funds under management	281,698,695	346,610,057
Commission from funds under management	3,590,451	3,877,596
Rental income	5,430,555	6,729,047
Rent expense	3,370,875	4,628,038
Investments disposed off in funds under management - at cost	84,192,106	234,266,811
Investments made in funds under management	70,000,000	-
Contribution to staff provident fund	3,050,372	4,979,705
Dividend income	40,955,848	24,325,892
Markup expense on borrowing	33,233,024	32,587,188
Markup income on term finance certificates	5,280,262	5,825,483
Bonus / additional shares / units (in numbers)	261,423	1,031,342
Transactions with key management personnel		
Remuneration to key management personnel	46,009,417	96,923,601
Consultancy fee to Chairman	2,610,000	2,610,000
Chief Executive Officer - markup income on long term loan	1,705,594	1,642,519
Chief Executive Officer - long term loan plus markup recovered	17,106,690	3,521,112

	(Un-audited) March 31, 2010	(Audited) June 30, 2009
	-----Rupees-----	
15.2 Balances:		
Investments in funds under management and other related parties	1,096,959,169	1,050,801,416
Balances due from funds under management	3,228,024	29,687,592
Long-term receivable from funds under management	1,398,267	3,863,798
Loan to Chief Executive Officer	-	15,000,000
Short term borrowing	340,000,000	428,000,000
Interest payable on short term borrowing	3,508,103	2,016,870

16 CORRESPONDING FIGURES

Corresponding figures relating to the investment finance services business of the Company which were merged with the assets, liabilities, income and expenses of the asset management company at year ended June 30, 2009 have been reclassified as discontinued operations for better presentation in view of the reasons explained in note 1.1 and 12.

17 GENERAL

These condensed interim consolidated financial statements were authorised for issue on April 24, 2010 by the Board of Directors of the Company.

Chief Executive Officer

Director