
JS Investments Limited
Quarterly Report for the period
ended March 31 2014



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JS Investments Limited

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



COMPANY INFORMATION

Board of Directors	Mr. Nazar Muhammad Shaikh Mr. Ali Akhtar Ali Mr. Muhammad Khalil Ur Rehman Mr. Suleman Lalani Mr. Muhammad Raza Dyer Mr. Kamran Jafar Mr. Ahsen Ahmed Mr. Asif Reza Sana	Chairman Chief Executive Officer Non-Executive Director Non-Executive Director Non-Executive Director Non-Executive Director Non-Executive Director Non-Executive Director
Audit Committee	Mr. Asif Reza Sana Mr. Muhammad Khalil Ur Rehman Mr. Suleman Lalani	Chairman Member Member
Chief Financial Officer & Company Secretary	Mr. Muhammad Khawar Iqbal	
Auditors	M. Yousuf Adil Saleem & Co. Chartered Accountants	
Legal Advisor	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

For the period ended March 31, 2014

The Directors of your Company feel pleasure in presenting the quarterly accounts of the Company for the period ended March 31, 2014 ("period under review").

Macro Economic Highlights

Pakistan's nascent economic recovery, which started off towards the end of CY13, remained largely on track in 1QCY14 in fact it gathered traction. The balance of payments (BoP) witnessed a remarkable recovery during the quarter following some multilateral inflows along with lower imports. State Bank of Pakistan's (SBP) foreign exchange reserves picked up from USD 3.2 billion in January 2014 to USD 4.8 billion towards the end of March 2014. Easing BoP pressures helped in improving Rupee Dollar parity and the PKR gained around 6.5% against the USD in Mar-14 while from the end of Dec-13 the PKR was up by 10%.

The country posted a surplus in both capital and current account in February 2014 which also helped in boosting foreign exchange reserves. While current account surplus was on the back of Coalition Support Fund (CSF) disbursement of USD 352 million from the US, capital account recorded an inflow of USD 750 million as a "gift" from Saudi Arabia. Another tranche of USD 750 million under "Pakistan Development Fund" head also arrived in March 2014.

Consumer Price Index (CPI) inflation came down to 7.9% in Feb-14 after having peaked at 10.9% in Nov-13. For the month of Mar-14 CPI inflation came in at 8.53% (Year on Year) YoY to take 9 month FY14 CPI to 8.6%. The prices of perishable food items which led to surge in CPI inflation in Nov-13 were brought back under control due to better supply although there was some volatility. We believe the recent appreciation of the PKR against the USD is likely to put a dent in imported inflation and would help keep the CPI close to 8.5% for FY14.

In 8 month FY14 (Jul-Feb14) period, the Current Account posted some weakness and was recorded at a deficit of USD 2.02 billion against a deficit of USD 831 million in the same period last year. The deterioration was primarily due to non materialization of CSF inflows this year at the same level as last year. Trade deficit clocked in at USD 10.9 billion in 8MFY14 against a deficit of USD 10.4 billion in the same period last year.

IMF board has recently completed second review under the Extended Fund Facility (EFF) program and approved USD 556 million third tranche disbursement. The approval has been granted despite non-compliance on two performance benchmarks. Pakistan requested for waivers of non-observance of the end of December 2013 performance criteria on net swap/forward position and government borrowing from the State Bank of Pakistan (SBP). While the third IMF tranche of USD 556 million has helped boost country's reserves to USD 10 billion mark, materialization of anticipated foreign inflows is imperative to keep reserves rebuild on track. In April 2014 Pakistan closed a successful USD 2 Billion Euro bond issue which would help in raising foreign exchange reserves further.

Equity Market Performance

The KSE-30 Index returned 1.9% during 1QCY14 although it exhibited volatility with bouts of euphoria followed by selling in key index stocks by foreigners. Average daily volumes for KSE-30 Index increased by 27% YoY to 84.4 million shares in 1QCY14 from 66.5 million in the same period last year. Higher interest from locals along with foreign funds helped generate greater volumes at the local exchange besides an improvement in overall macros was also a reason for the above.

Performance during first quarter was marred by Independent Power Producer (IPP's) along with industrial companies reporting lower than consensus earnings and rumours of foreign selling in oil and banking sectors which put a dent on the sentiment. However towards the end of 1QCY14 some consolidation was witnessed. The equity market rallied at the end of Mar-14 due to some improvement in foreign reserves along with PKR appreciation.



Money Market Performance

During 1QCY14, the SBP kept its discount rate unchanged at 10%. Towards the end of 1QCY14 the Government of Pakistan (GoP) reprofiled its debt structure into longer dated Pakistan Investment Bonds (PIB). Financial institutions aggressively participated in PIB auctions where the government raised PKR 540 billion in the last PIB auction significantly higher than the target amount of PKR 60 billion. With benign outlook on inflation, banks participation towards longer tenure security was evident. In February the SBP borrowed funds worth PKR 353 billion through two T-bill auctions. Cut off yield for 3 month and 6 month T-bill averaged at 9.9541% and 9.9775% respectively while SBP rejected bids for 12 month T-bill for the second auction conducted on Feb 19, 2014. Cut off yield for 12month T-bill during the first auction conducted on Feb 6, 2014 stood at 9.9868%.

The average 3M, 6M and 9M KIBOR advance by 73bps, 70bps and 65bps for the 1QCY14 averaging at 10.1%, 10.1% and 10.4% respectively, as against 9.4%, 9.4% and 9.8% during 1QCY13.

AMC Industry Overview

The local mutual fund industry recorded growth for 1QCY14 as total assets under management (AUM) increased to PKR. 404.7 billion as on 28 February 2014, higher by 4.3% from Dec 2013. Open ended funds continued to govern the lion's share of the local mutual fund industry at 93.5% with an AUM of PKR. 378.6billion. Market share for closed ended funds was 4.9% with a total AUM of PKR. 19.9billion. One new fund was launched during 1QCY14.

The conventional and Islamic Fund of Funds categories witnessed the strongest YoY growth at 190.2% & 0.6% reaching PKR. 4.5 billion and 3.7 billion respectively. One new fund was launched under these fund categories in 1QCY14. AUM size for the equity fund category reached PKR. 80.7 billion, a mere 2.0% YoY growth. The money market fund category recorded a YoY growth of 3.2%, with total AUM's reaching PKR. 147.6 billion.

Performance Review

The Company earned an after tax profit of Rs. 61.214 million during the quarter ended March 31, 2014 showing an earning per share of Re. 0.61. The assets under management were Rs. 13.813 billion as on March 31, 2014 compared to Rs. 12.853 billion as on December 31, 2013 depicting an increase of 7.5% on YTD basis. The Company earned management remuneration from funds under management of Rs. 55.662 million compared to Rs. 54.556 million during the corresponding period last year witnessing an increase of 2%. Administration and marketing expenses were increased by 1.8% to Rs. 51.368 million during the period under review compared to Rs. 50.481 million during the corresponding period of last year. The entire amount of short term borrowing and running finance of the company was paid off, resulting in significant reduction of the finance cost in the period under review. The finance cost in the corresponding period in the previous financial year was Rs.17.05 million. The shareholders equity increased to Rs. 1,925 million as on March 31, 2014 from Rs. 1,798 million as on December 31, 2013

Asset Manager and Entity Rating

JCR-VIS Credit Rating Co. Limited has assigned Management Quality Rating of "AM2-" (AM Two Minus) to JS Investments Limited. The rating denotes high management quality of the Company.

Pakistan Credit Rating Agency (PACRA) has assigned the long-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.

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 Company for their dedication and hard work and the shareholders for their confidence in the Management.

On behalf of the Board

Ali Akhtar Ali
Chief Executive Officer

Karachi: April 22, 2014

JS Investments Limited

CONDENSED INTERIM BALANCE SHEET

AS AT MARCH 31, 2014

	Note	(Un-audited) March 31, 2014	(Audited) December 31, 2013
-----Rupees-----			
ASSETS			
Non-current assets			
Fixed assets			
Tangible property and equipment	5	261,836,607	266,235,017
Intangible assets		345,963	380,037
Investment in subsidiary		37,500,000	37,500,000
Long-term loans - considered good		1,066,988	1,149,731
		300,749,558	305,264,785
Current assets			
Balances due from funds under management - related parties		45,230,110	16,072,734
Loans and advances - considered good		1,559,309	1,731,699
Trade deposits, short term prepayments and other receivables		17,325,351	15,626,472
Other financial assets - investments, available-for-sale	6	1,496,231,368	1,583,447,392
Taxation recoverable		115,380,802	113,706,136
Cash and bank balances	7	230,187,371	38,227,840
		1,905,914,311	1,768,812,273
Total assets		2,206,663,869	2,074,077,058
EQUITY AND LIABILITIES			
Share capital and reserves			
Share capital			
Authorized capital		2,500,000,000	2,500,000,000
Share capital		1,000,000,000	1,000,000,000
Accumulated profit		72,607,933	9,731,642
Unrealised gain on remeasurement of available for sale investments to fair value - net	6	852,241,130	787,931,408
		1,924,849,064	1,797,663,050
Surplus on revaluation of fixed assets - net of tax		118,811,614	120,461,406
LIABILITIES			
Non current liabilities			
Deferred tax liability - net		35,793,074	35,772,863
		35,793,074	35,772,863
Current liabilities			
Accrued and other liabilities		127,210,118	120,179,739
Total current liabilities		127,210,118	120,179,739
Total liabilities		163,003,192	155,952,602
Contingencies and commitments	8		
Total equity and liabilities		2,206,663,869	2,074,077,058

The annexed notes 1 to 13 form an integral part of this condensed interim financial information.

Chief Executive Officer

Chairman



JS Investments Limited

CONDENSED INTERIM PROFIT AND LOSS ACCOUNT (UN-AUDITED) FOR THE QUARTER ENDED MARCH 31, 2014

	Note	Quarter ended	
		March 31, 2014	March 31, 2013
		-----Rupees-----	
INCOME			
Remuneration from funds under management - gross		74,898,443	63,285,301
Less: Sales tax		10,330,819	8,729,007
Less: Federal excise duty		8,905,878	-
Remuneration from funds under management - net		55,661,745	54,556,294
Commission from open end funds under management		173,732	101,070
Dividend		-	58,142,464
Gain on sale of investments - net		43,475,844	2,359,107
Return on bank deposits		4,402,063	2,893
Return on Government Securities		211,667	-
Commission income and share of profit from management of discretionary client portfolios	9	856,861	271,523
		104,781,912	115,433,351
Administrative and marketing expenses		51,367,556	50,480,870
OPERATING PROFIT		53,414,356	64,952,481
Other expenses		1,282,562	4,943,036
Financial charges		456,577	17,046,615
		51,675,217	42,962,830
Other income		11,170,305	3,618,463
Profit before taxation		62,845,522	46,581,293
Income tax expense			
- Current		1,610,973	284,246
- Deferred		20,212	704,308
		1,631,185	988,554
Profit for the quarter		61,214,337	45,592,739
Earnings per share for the quarter - basic and diluted	10	0.61	0.46

The annexed notes 1 to 13 form an integral part of this condensed interim financial information.

Chief Executive Officer

Chairman

JS Investments Limited

CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED) FOR THE QUARTER ENDED MARCH 31, 2014

	Quarter ended	
	March 31, 2014	March 31, 2013
	-----Rupees-----	
Profit for the quarter	61,214,337	45,592,739
Other comprehensive income:		
Items that will not be reclassified to profit or loss		
Items that may be reclassified subsequently to profit or loss		
Available-for-sale investments:		
Unrealised gain on remeasurement of available for sale investments to fair value - net	102,708,358	70,429,692
Reclassification adjustment relating to sale of investments	(38,398,635)	(3,317,167)
Taxation relating to components that may be reclassified subsequently to profit and loss account	-	-
Total items that may be reclassified subsequently to profit or loss	64,309,723	67,112,525
Total comprehensive income for the quarter	<u>125,524,060</u>	<u>112,705,264</u>

Surplus arising on revaluation of property and equipment has been reported in accordance with the requirements of the Companies Ordinance, 1984, in a separate account below equity.

The annexed notes 1 to 13 form an integral part of this condensed interim financial information.

Chief Executive Officer

Chairman

JS Investments Limited

CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED) FOR THE QUARTER ENDED MARCH 31, 2014

	Note	March 31, 2014	March 31, 2013
		-----Rupees-----	
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit for the quarter before taxation		62,845,522	46,581,293
Adjustment for non-cash and other items:			
Remuneration from funds under management		(55,661,745)	(54,556,294)
Commission from open end funds under management		(173,732)	(101,070)
Dividend		-	(58,142,464)
Depreciation		5,449,244	5,137,899
Amortisation of intangible assets		34,074	96,204
Financial charges		456,577	17,046,615
Interest / mark-up income		(4,402,063)	(2,893)
Gain on sale of investments - net		(43,475,844)	(2,359,107)
Gain on disposal of fixed assets		-	(20,000)
		<u>(34,927,967)</u>	<u>(46,319,817)</u>
Increase / decrease in assets and liabilities			
Loans and advances		255,133	830,213
Trade deposits, short term prepayments and other receivables		65,570,910	20,518,494
Accrued and other liabilities		10,124,030	4,296,008
		<u>75,950,073</u>	<u>25,644,715</u>
		<u>41,022,107</u>	<u>(20,675,102)</u>
Taxes paid		(3,285,639)	(9,986,698)
Remuneration and commission received from funds under management		<u>26,678,101</u>	<u>52,862,028</u>
Net cash generated from operating activities		<u>64,414,569</u>	<u>22,200,228</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Investments - net		195,001,588	16,706,105
Payments for purchase of fixed assets		(1,050,837)	(473,000)
Dividend received		-	58,142,464
Return on bank deposits		4,146,211	2,893
Proceeds from disposal of fixed assets		-	20,000
Net cash generated from investing activities		<u>198,096,962</u>	<u>74,398,462</u>
CASH FLOWS FROM FINANCING ACTIVITIES			
Repayment of principal amount relating to the securitised management fee		(67,042,500)	(64,542,500)
Financial charges paid		(428,011)	(13,043,395)
Dividend paid		(3,081,489)	-
Net cash used in financing activities		<u>(70,552,000)</u>	<u>(77,585,895)</u>
Net increase / (decrease) in cash and cash equivalents		191,959,531	19,012,795
Cash and cash equivalents at beginning of the quarter		38,227,840	(404,569,587)
Cash and cash equivalents at end of the quarter	11	<u>230,187,371</u>	<u>(385,556,792)</u>

The annexed notes 1 to 13 form an integral part of this condensed interim financial information.

Chief Executive Officer

Chairman

JS Investments Limited

CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED) FOR THE QUARTER ENDED MARCH 31, 2014

	Revenue Reserve		Capital Reserve	Total
	Issued, subscribed and paid up share capital	Accumulated (loss) / unappropriated profit	Unrealised gain on re-measurement of available for sale investments	
----- Rupees -----				
Balance as at December 31, 2012	1,000,000,000	(395,046,161)	625,253,855	1,230,207,694
Total Comprehensive income for the quarter				
Profit for the quarter ended March 31, 2013	-	45,592,739	-	45,592,739
Other comprehensive income	-	-	67,112,525	67,112,525
	-	45,592,739	67,112,525	112,705,264
Surplus on revaluation of fixed assets realized during the quarter on account of incremental depreciation charged thereon - net of tax	-	1,649,793	-	1,649,793
Transactions with owners recognised directly in equity	-	-	-	-
Final cash dividend for the eighteen months period ended December 31, 2012 @ Rs 1/- per share	-	(100,000,000)	-	(100,000,000)
Balance as at March 31, 2013	<u>1,000,000,000</u>	<u>(447,803,629)</u>	<u>692,366,380</u>	<u>1,244,562,751</u>
Balance as at December 31, 2013	1,000,000,000	9,731,642	787,931,408	1,797,663,050
Total Comprehensive income for the quarter				
Profit for the quarter ended March 31, 2014	-	61,214,337	-	61,214,337
Other comprehensive income	-	-	64,309,723	64,309,723
	-	61,214,337	64,309,723	125,524,060
Surplus on revaluation of fixed assets realized during the quarter on account of incremental depreciation charged thereon - net of tax	-	1,661,954	-	1,661,954
Transactions with owners recognised directly in equity	-	-	-	-
Balance as at March 31, 2014	<u>1,000,000,000</u>	<u>72,607,933</u>	<u>852,241,131</u>	<u>1,924,849,064</u>

The annexed notes 1 to 13 form an integral part of this condensed interim financial information.

Chief Executive Officer

Chairman

**NOTES TO THE CONDENSED INTERIM FINANCIAL
INFORMATION (UN-AUDITED)**
FOR THE QUARTER ENDED MARCH 31, 2014

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 JS Bank Limited (which has 52.24 percent direct holding in the Company) which is a subsidiary of JSCL (Jahangir Siddiqui & Company Limited), ultimate parent.

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.

- 1.2 The Company is an asset management company and pension fund manager for the following at quarter end:

1.2.1 Asset management company of the following funds:

Open-End

- JS Value Fund
- JS Growth Fund
- Unit Trust of Pakistan
- JS Income Fund
- JS Islamic Fund
- JS Aggressive Asset Allocation Fund
- JS Fund of Funds
- JS KSE-30 Index Fund
- JS Islamic Government Securities Fund
- JS Cash Fund
- JS Large Cap. Fund

1.2.2 Pension fund manager of the following funds:

- JS Pension Savings Fund
- JS Islamic Pension Savings Fund

2 STATEMENT OF COMPLIANCE

This condensed interim financial information has been prepared in accordance with the requirements of International Accounting Standard 34 - Interim Financial Reporting (IAS 34), provisions of 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, the requirements of the NBFC Rules, the NBFC Regulations or the directives issued by the SECP shall prevail.

JS Investments Limited

3 BASIS OF PREPARATION

- 3.1 The condensed interim financial information is unaudited and is being circulated to the shareholders, as required by section 245 of the Companies Ordinance, 1984 and the listing regulations of the Karachi Stock Exchange.
- 3.2 The condensed interim financial information is being presented in condensed form in accordance with the requirements of International Accounting Standard (IAS) 34 "Interim Financial Reporting" as applicable in Pakistan. This condensed interim financial information does not include all the information required for annual financial statements and therefore, should be read in conjunction with annual audited financial statements of the company for the year ended December 31, 2013, which have been prepared in accordance with IFRSs.
- 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 December 31, 2013.

	(Un-audited) March 31, 2014	(Audited) December 31, 2013
Note	-----Rupees-----	
5 TANGIBLE PROPERTY AND EQUIPMENT		
Opening WDV	266,235,017	281,596,115
Addition during the quarter	5.1 1,050,837	5,718,133
Disposal during the quarter	5.2 -	(5,949)
Depreciation for the quarter	(5,449,247)	(21,073,282)
	<u>261,836,607</u>	<u>266,235,017</u>
Capital work-in-progress - at cost	-	-
	<u>261,836,607</u>	<u>266,235,017</u>
Tangible Property and equipment		
5.1 The following additions were made to tangible property and equipment during the quarter/year:		
Office equipment	1,050,837	5,421,033
Vehicles	-	51,000
Furniture and fixtures	-	246,100
	<u>1,050,837</u>	<u>5,718,133</u>
5.2 The following disposals (net book value) of tangible property and equipment were made during the quarter/year:		
Office equipment	-	-
Vehicles	-	-
Furniture and fixtures	-	5,949
	<u>-</u>	<u>5,949</u>

JS Investments Limited

6 OTHER FINANCIAL ASSETS-INVESTMENTS, AVAILABLE-FOR-SALE

		(Un-audited) March 31, 2014	(Audited) December 31, 2013
	Note	-----Rupees-----	
Unit of mutual funds - related parties	6.1	1,496,231,368	1,423,806,752
Market Treasury Bills	6.2	-	159,640,640
		<u>1,496,231,368</u>	<u>1,583,447,392</u>

6.1 Units of mutual funds - related parties

	(Un-audited) March 31, 2014			(Audited) December 31, 2013		
	Number of units	Average cost	Fair value	Number of units	Average cost	Fair value
JS Value Fund	2,263,399	106,732,920	345,304,182	2,263,399	106,732,920	320,157,817
JS Growth Fund	5,814,246	341,956,212	792,772,497	5,814,246	341,956,212	733,990,466
JS Large Cap Fund	-	-	-	-	-	-
JS Pension Savings Fund - Equity	240,000	14,776,800	68,558,400	300,000	18,471,000	76,383,000
JS Pension Savings Fund - Debt	177,761	17,776,120	32,800,496	177,761	17,776,119	31,911,690
JS Pension Savings Fund - Money Market	177,463	17,746,342	27,788,996	177,463	17,746,342	27,324,042
JS Fund of Funds	1,059,453	53,216,337	53,565,956	1,072,363	36,844,070	51,087,374
JS Islamic Pension Savings Fund - Equity	200,000	18,170,000	73,322,000	250,000	22,712,500	82,985,000
JS Islamic Pension Savings Fund - Debt	213,852	21,385,170	36,754,691	213,852	21,385,170	35,997,656
JS Islamic Pension Savings Fund - Money Market	222,303	22,230,337	33,136,540	222,303	22,230,337	32,547,436
JS Islamic Government Securities Fund	317,045	30,000,000	32,227,610	311,915	30,000,000	31,422,271
		643,990,238	1,496,231,368		635,854,670	1,423,806,752
Unrealized gain on remeasurement at fair value		852,241,130	-		787,952,082	-
		<u>1,496,231,368</u>	<u>1,496,231,368</u>		<u>1,423,806,752</u>	<u>1,423,806,752</u>

6.2 Market Treasury Bills

	(Un-audited) March 31, 2014		(Audited) December 31, 2013	
	Average cost	Fair value	Average cost	Fair value
	-----Rupees-----			
Market Treasury Bills	-	-	159,661,314	159,640,640
Un realized loss on remeasurement at fair value on T-Bills	-	-	(20,674)	-
	<u>-</u>	<u>-</u>	<u>159,640,640</u>	<u>159,640,640</u>

	(Un-audited) March 31, 2014		(Audited) December 31, 2013	
	-----Rupees-----			
7 CASH AND BANK BALANCES				
Cash in hand			68,361	59,786
Cash at bank in:				
Current accounts			545,091	1,093,128
Savings accounts	7.1	<u>229,573,919</u>	<u>37,074,926</u>	
		<u>230,119,010</u>	<u>38,168,054</u>	
		<u>230,187,371</u>	<u>38,227,840</u>	

7.1 It includes Rs. 187.643 million (December 31, 2013: Rs. 34.485 million) held with JS Bank Limited (parent company) and Rs. 0.716 Million (December 31, 2013: Rs. 0.466 million) held with Bank Islami Pakistan Limited (related party).

JS Investments Limited

8 CONTINGENCIES AND COMMITMENTS

8.1 Contingencies

In respect of the appeals filed by the company against orders passed for tax years 2006 and 2009 against demand of Rs.162 Million and 66 Million respectively, the Commissioner Inland Revenue Appeal previously had not accepted the basis of addition and set aside both the orders in respect of allocation of expenses between various sources of income for fresh proceedings with the directions to apportion the common expenditure according to actual incurrence of expenditure to the various sources of income.

The company has filed second appeal in Appellate Tribunal Inland Revenue in respect of disallowances. Appeal effect of the CIR (Appeals) order in both the years received as a result the demand were reduced at Rs77.33 and Rs 59.93 Million respectively however, the direction of apportionment of expenditure according to actual incurrence of expenditure to the various sources of income was not followed. The company again filed appeals before the CIR (Appeals) against the above orders.

The CIR (Appeals) also rectified the order passed by his predecessor for the Tax Year 2006, whereby the addition regarding the portion of capital gain included in dividend received from mutual funds was held deleted. Resulted appeal effect order reflects refund of Rs. 29 Million. The CIR, Zone-IV has filed appeal in Appellate Tribunal Inland Revenue in respect of deletion of addition regarding the portion of capital gain included in dividend.

The Company has also filed an appeal before Honorable Commissioner Appeals, Sindh Revenue Board against the Order of DCIR against the levy of Sindh Sales Tax amounting to Rs. 1.342 million on certain disallowances of input taxes for the tax periods from July 2011 to June 2012.

Management and tax advisors are confident that good grounds exist to contest these disallowances and other points at appellate forums and these additions cannot be maintainable and eventually outcome will come in favor of the Company. Hence no provisions have been made in the condensed interim financial information.

	(Un-audited) March 31, 2014	(Audited) December 31, 2013
	-----Rupees-----	
8.2 Commitments in respect of:		
Royalty and advisory payments	<u>10,000,000</u>	<u>10,000,000</u>
Motor Vehicle acquired under Ijarah from Bank Islami Limited		
- Due in One year	-	1,208,800
- Due in two to three years	-	-

9 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, the company is managing seven (December 31, 2013: five) discretionary client portfolios. The total cost and total market value of the unsettled client portfolios as at March 31, 2014 was Rs. 198.513 million (December 31, 2013: Rs. 103.55 million) and Rs. 208.198 million (December 31, 2013: Rs. 107.95 million) respectively.

10 EARNINGS PER SHARE

		Quarter ended	
		March 31, 2014	March 31, 2013
		-----Rupees-----	
Profit for the quarter	Rupees:	<u>61,214,337</u>	<u>45,592,739</u>
Weighted average number of ordinary shares outstanding during the quarter	Number:	<u>100,000,000</u>	<u>100,000,000</u>
Earnings per share	Rupees:	<u>0.61</u>	<u>0.46</u>

10.1 Diluted earnings per share has not been presented as the Company does not have any convertible instruments in issue as at March 31, 2014 and March 31, 2013 which would have any effect on the earnings per share if the option to convert is exercised.

JS Investments Limited

		-----Un-audited-----	
		March 31, 2014	March 31, 2013
		-----Rupees-----	
11	CASH AND CASH EQUIVALENTS		
	Cash and bank balances	230,187,371	2,194,838
	Short term running finance - secured	-	(387,751,630)
		<u>230,187,371</u>	<u>(385,556,792)</u>

12 TRANSACTIONS AND OUTSTANDING BALANCES WITH RELATED PARTIES

Related parties comprise of JS Bank Limited (parent company), Jahangir Siddiqui & Co. Ltd. (ultimate parent company), JS Abamco Commodities Limited (subsidiary company), funds under management and other companies with common directorship, staff provident fund and key management employees. Contributions to the accounts in respect of staff retirement benefits are made in accordance with terms of the contribution plans. Remuneration of the key management personnel are in accordance with the terms of their employment. Other transactions are carried out as per agreed terms. Transactions and balances with related parties can be summarised below:

		-----Un-audited-----	
		March 31, 2014	March 31, 2013
		-----Rupees-----	
12.1	Transaction with related parties		
12.1.1	Transactions with associates - funds under management		
	Remuneration income - net	55,661,745	54,556,294
	Commission income	173,732	101,070
	Other expenses incurred on behalf of the fund	-	1,154,829
	Reimbursement of other expenses incurred on behalf of the fund	534,420	1,559,906
	Dividend income	-	58,142,464
	Formation cost incurred on behalf of the fund	-	1,070,000
	Investments made in funds under management	53,216,337	-
	Investments disposed off	88,555,695	125,300,479
	 Bonus / additional units (in numbers)	 5,130	 -
12.1.2	Transactions with other related parties		
	Jahangir Siddiqui & Company Limited (JSCL) - parent of JSBL		
	Expenses incurred on behalf of JSCL	-	5,000
	Reimbursement of expenses incurred on behalf of JSCL	1,405	15,000
	JS Global Capital Limited (JSGCL) - subsidiary of JSBL		
	Rent expense	298,941	278,085
	Rental income	31,449	28,589
	Expenses incurred by the company on behalf of JSGCL	50,736	-
	Reimbursement of expenses incurred on behalf of JSGCL	-	2,462
	Mahvash and Jahangir Siddiqui Foundation (MJSF) - Common directorship		
	Rental income	248,640	248,640
	Expenses incurred by the company on behalf of MJSF	74,740	77,745
	Reimbursement of expenses incurred on behalf of MJSF	86,711	114,659
	Bank Islami Pakistan Limited (BIPL) - Associate		
	Ijarah rental expense	303,940	597,146
	Acquisition of Ijarah leased vehicle	1,437,736	-

JS Investments Limited

	-----Un-audited-----	
	March 31, 2014	March 31, 2013
	-----Rupees-----	
EFU General Insurance Limited - Associate Insurance premium paid	2,208,094	2,184,480
EFU Life Assurance Limited - Associate Insurance premium paid	43,010	71,530
Fakhr-e-Imdad Foundation (FIF) - Common directorship Expenses incurred by the company on behalf of FIF	33,171	41,394
Reimbursement of expenses incurred on behalf of FIF	-	61,367
Staff Provident Fund Contributions during the period	1,014,642	1,077,847
12.1.3 Transactions with parent company		
JS Bank Limited (JSBL) - Parent company Mark up expense on short term running finance	-	5,489,825
Rent expense	304,071	281,547
Rental income	322,644	293,311
Expenses incurred by the company on behalf of JSBL	107,332	85,022
Reimbursement of expenses incurred on behalf of JSBL	24,413	223,604
12.1.4 Transactions with subsidiary company		
JS ABAMCO Commodities Limited (JSACL) - Subsidiary of JSIL Expenses incurred by the company on behalf of JSACL	30,000	91,040
Reimbursement of expenses incurred by the company on behalf of JSACL	159,000	104,222
12.1.5 Transactions with key management personnel		
Remuneration of key management personnel	11,535,959	12,611,188
Sale of vehicle	7,000,000	-
Director fee	250,000	990,000
	Un-audited March 31, 2014	Audited December 31, 2013
	-----Rupees-----	
12.2 Balances outstanding at the quarter end		
12.2.1 Balances outstanding with associates		
Receivable from various funds and outstanding balance of expenses incurred on behalf of different funds under management	45,509,485	16,072,734
12.2.2 Balances outstanding with other related parties		
Payable to JS Global Capital Limited - net	2,878,245	2,644,305
Payable to Bank Islami Pakistan Limited	-	302,200
Receivable from Jahangir Siddiqui & Co. Limited	15,500	16,905
Receivable from JS ABAMCO Commodities Limited	30,000	159,000
Payable to JS ABAMCO Commodities Limited	71,323	-
Receivable from Mahvash and Jahangir Siddiqui Foundation	464,753	725,364
Donation payable to Mahvash and Jahangir Siddiqui Foundation	13,821,435	12,545,988
Receivable from Fakhr-e-Imdad Foundation	88,627	55,456

JS Investments Limited

	Un-audited March 31, 2014	Audited December 31, 2013	Rupees
12.2.3 Balances outstanding with parent company			
Receivable from JS Bank Limited - net	588,069	366,057	

12.3 Other balances outstanding with related parties as at the quarter end have been disclosed in the relevant balance sheet notes.

12.4 Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the company. The management considered all members of their management team, including the Chief Executive Officer and Directors to be key management personnel.

12.5 There are no transactions with key management personnel other than under their terms of employment.

13 GENERAL

13.1 Comparative figures have been re-arranged and re-classified wherever necessary, for the purpose of better presentation. No major reclassifications were made in these financial statements except for the following:

Statement	Components	Re-classification from	Re-classification to	Rupees
Profit & Loss	Provision for Worker's Welfare Fund	Income tax expense	Other expenses	4,943,036
Profit & Loss	Auditor's Remuneration	Other expenses	Admin and marketing expenses	200,000

13.2 This condensed interim financial information was authorised for issue on 22nd of April, 2014 by the Board of Directors of the Company.

Chief Executive Officer

Chairman

JS Investments Limited



**CONDENSED INTERIM CONSOLIDATED
FINANCIAL STATEMENTS**

JS Investments Limited

CONDENSED INTERIM CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2014

	Note	(Un-audited) March 31, 2014	(Audited) December 31, 2013
-----Rupees-----			
ASSETS			
Non-current assets			
Fixed assets			
Tangible property and equipment	5	264,336,607	268,735,017
Intangible assets		1,345,963	1,380,037
Long-term loans - considered good		1,066,988	1,149,731
		266,749,558	271,264,785
Current assets			
Balances due from funds under management - related parties		45,230,110	16,072,734
Loans and advances - considered good		1,559,309	1,731,699
Trade deposits, short term prepayments and other receivables		17,442,924	15,484,972
Other financial assets - investments, available-for-sale	6	1,539,238,156	1,626,341,660
Taxation recoverable		115,383,177	113,708,292
Cash and bank balances	7	230,274,124	38,430,090
		1,949,127,799	1,811,769,447
Total assets		2,215,877,357	2,083,034,232
EQUITY AND LIABILITIES			
Share capital and reserves			
Share capital			
Authorized capital		2,500,000,000	2,500,000,000
Share capital		1,000,000,000	1,000,000,000
Accumulated profit		81,591,455	18,510,915
Unrealised gain on remeasurement of available for sale investments to fair value - net	6	852,241,130	787,931,408
		1,933,832,586	1,806,442,323
Surplus on revaluation of fixed assets - net of tax		118,811,614	120,461,406
LIABILITIES			
Non current liabilities			
Deferred tax liability - net		35,793,074	35,772,863
		35,793,074	35,772,863
Current liabilities			
Accrued and other liabilities		127,440,083	120,357,640
Total current liabilities		127,440,083	120,357,640
Total liabilities		163,233,157	156,130,503
Contingencies and commitments	8		
Total equity and liabilities		2,215,877,357	2,083,034,232

The annexed notes 1 to 13 form an integral part of this condensed interim consolidated financial information.

Chief Executive Officer

Chairman



JS Investments Limited

CONDENSED INTERIM CONSOLIDATED PROFIT AND LOSS ACCOUNT (UN-AUDITED) FOR THE QUARTER ENDED MARCH 31, 2014

	Note	Quarter ended	
		March 31, 2014	March 31, 2013
		-----Rupees-----	
INCOME			
Remuneration from funds under management - gross		74,898,443	63,285,301
Less: Sales tax		10,330,819	8,729,007
Less: Federal excise duty		8,905,878	-
Remuneration from funds under management - net		<u>55,661,745</u>	<u>54,556,294</u>
Commission from open end funds under management		173,732	101,070
Dividend		-	58,142,464
Gain on sale of investments - net		43,476,579	2,360,129
Return on bank deposits		4,404,248	4,205
Return on Government Securities		211,667	-
Commission income and share of profit from management of discretionary client portfolios	9	856,861	271,523
Un-realized gain on remeasurement of investment classified as held for trading		<u>311,785</u>	<u>422,583</u>
		105,096,617	115,858,269
Administrative and marketing expenses		51,170,270	50,403,468
OPERATING PROFIT		<u>53,926,347</u>	<u>65,454,801</u>
Other expenses		1,595,627	5,143,036
Financial charges		<u>456,577</u>	<u>17,046,615</u>
		51,874,144	43,265,150
Other income		11,175,628	3,763,184
Profit before taxation		<u>63,049,771</u>	<u>47,028,334</u>
Income tax expense			
- Current		1,610,973	284,246
- Deferred		<u>20,212</u>	<u>704,308</u>
		1,631,185	988,554
Profit for the quarter		<u>61,418,586</u>	<u>46,039,780</u>
Earnings per share for the quarter - basic and diluted	10	<u>0.61</u>	<u>0.46</u>

The annexed notes 1 to 13 form an integral part of this condensed interim consolidated financial information.

Chief Executive Officer

Chairman

JS Investments Limited

CONDENSED INTERIM CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED) FOR THE QUARTER ENDED MARCH 31, 2014

	Quarter ended	
	March 31, 2014	March 31, 2013
	-----Rupees-----	
Profit for the quarter	61,418,586	46,039,780
Other comprehensive income:		
Items that will not be reclassified to profit or loss		
Items that may be reclassified subsequently to profit or loss		
Available-for-sale investments:		
Unrealised gain on remeasurement of available for sale investments to fair value - net	102,708,358	70,429,692
Reclassification adjustment relating to sale of investments	(38,398,635)	(3,317,167)
Taxation relating to components that may be reclassified subsequently to profit and loss account	-	-
Total items that may be reclassified subsequently to profit or loss	64,309,723	67,112,525
Total comprehensive income for the quarter	<u>125,728,309</u>	<u>113,152,305</u>

Surplus arising on revaluation of property and equipment has been reported in accordance with the requirements of the Companies Ordinance, 1984, in a separate account below equity.

The annexed notes 1 to 13 form an integral part of this condensed interim consolidated financial information.

Chief Executive Officer

Chairman



JS Investments Limited

CONDENSED INTERIM CONSOLIDATED CASH FLOW STATEMENT (UN-AUDITED) FOR THE QUARTER ENDED MARCH 31, 2014

	Note	Quarter ended	
		March 31, 2014	March 31, 2013
		-----Rupees-----	
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit for the quarter before taxation		63,049,771	47,028,334
Adjustment for non-cash and other items:			
Remuneration from funds under management		(55,661,745)	(54,556,294)
Commission from open end funds under management		(173,732)	(101,070)
Dividend		-	(58,142,464)
Depreciation		5,449,244	5,137,899
Amortisation of intangible assets		34,074	96,204
Financial charges		456,577	17,046,615
Interest / mark-up income		(4,404,248)	(4,205)
Gain on sale of investments - net		(43,476,579)	(2,360,129)
Unrealized gain on revaluation of investments		(311,785)	(422,583)
Gain on disposal of fixed assets		-	(20,000)
		<u>(35,038,423)</u>	<u>(46,297,694)</u>
Increase / decrease in assets and liabilities			
Loans and advances		255,133	830,213
Trade deposits, short term prepayments and other receivables		65,542,160	20,335,302
Accrued and other liabilities		10,052,708	4,226,004
		<u>75,850,001</u>	<u>25,391,519</u>
		40,811,577	(20,906,175)
Taxes paid		(3,285,639)	(9,986,829)
Remuneration and commission received from funds under management		26,678,101	52,862,028
Net cash generated from operating activities		<u>64,204,039</u>	<u>21,969,024</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Investments - net		195,001,588	17,006,108
Payments for purchase of fixed assets		(1,050,837)	(473,000)
Dividend received		-	58,142,464
Return on bank deposits		4,148,396	4,205
Proceeds from disposal of fixed assets		-	20,000
Net cash generated from investing activities		<u>198,099,147</u>	<u>74,699,777</u>
CASH FLOWS FROM FINANCING ACTIVITIES			
Repayment of principal amount relating to the securitised management fee		(67,042,500)	(64,542,500)
Financial charges paid		(428,011)	(13,043,395)
Dividend paid		(3,081,489)	-
Net cash used in financing activities		<u>(70,552,000)</u>	<u>(77,585,895)</u>
Net increase / (decrease) in cash and cash equivalents		191,751,187	19,082,906
Cash and cash equivalents at beginning of the quarter		38,112,343	(404,518,795)
Cash and cash equivalents at end of the quarter	11	<u>229,863,529</u>	<u>(385,435,889)</u>

The annexed notes 1 to 13 form an integral part of this condensed interim consolidated financial information.

Chief Executive Officer

Chairman

JS Investments Limited

CONDENSED INTERIM CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (UN-AUDITED) FOR THE QUARTER ENDED MARCH 31, 2014

	Revenue Reserve		Capital Reserve	Total
	Issued, subscribed and paid up share capital	Accumulated (loss) / unappropriated profit	Unrealised gain on re-measurement of available for sale investments	
-----Rupees-----				
Balance as at December 31, 2012	1,000,000,000	(388,160,655)	625,253,855	1,237,093,200
Total Comprehensive income for the quarter				
Profit for the quarter ended March 31, 2013	-	46,039,780	-	46,039,780
Other comprehensive income	-	-	67,112,525	67,112,525
	-	46,039,780	67,112,525	113,152,305
Surplus on revaluation of fixed assets realized during the quarter on account of incremental depreciation charged thereon - net of tax	-	1,649,793	-	1,649,793
Transactions with owners recognised directly in equity	-	-	-	-
Final cash dividend for the eighteen months period ended December 31, 2012 @ Rs 1/- per share	-	(100,000,000)	-	(100,000,000)
Balance as at March 31, 2013	<u>1,000,000,000</u>	<u>(440,471,083)</u>	<u>692,366,380</u>	<u>1,251,895,297</u>
Balance as at December 31, 2013	1,000,000,000	18,510,915	787,931,408	1,806,442,323
Total Comprehensive income for the quarter				
Profit for the quarter ended March 31, 2014	-	61,418,586	-	61,418,586
Other comprehensive income	-	-	64,309,723	64,309,723
	-	61,360,465	64,309,723	125,728,309
Surplus on revaluation of fixed assets realized during the quarter on account of incremental depreciation charged thereon - net of tax	-	1,661,954	-	1,661,954
Transactions with owners recognised directly in equity	-	-	-	-
Balance as at March 31, 2014	<u>1,000,000,000</u>	<u>81,591,455</u>	<u>852,241,131</u>	<u>1,933,832,586</u>

The annexed notes 1 to 13 form an integral part of this condensed interim consolidated financial information.

Chief Executive Officer

Chairman



**NOTES TO THE CONDENSED INTERIM
CONSOLIDATED FINANCIAL INFORMATION (UN-AUDITED)**
FOR THE QUARTER ENDED MARCH 31, 2014

1 THE GROUP AND ITS OPERATIONS

The group consists of:

- JS Investments Limited (JSIL) - holding company
- JS ABAMCO Commodities Limited (JSACL) - wholly owned subsidiary company

1.1 Holding company

JS Investments Limited (the Holding Company) is a public listed company incorporated in Pakistan on February 22, 1995 under the Companies Ordinance, 1984. The shares of the Holding Company are quoted on the Karachi Stock Exchange since April 24, 2007. The registered office of the Holding Company is situated at 7th floor, 'The Forum', Khayaban-e-Jami, Clifton, Karachi. The Holding Company is a subsidiary of JS Bank Limited (which has 52.24 percent direct holding in the Company) which is a subsidiary of JSCL (Jahangir Siddiqui & Company Limited).

The Holding 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.

The Holding Company is an asset management company and pension fund manager for the following at quarter end:

1.1.1 Asset management company of the following funds:

Open end:

- JS Value Fund
- JS Growth Fund
- Unit Trust of Pakistan
- JS Income Fund
- JS Islamic Fund
- JS Aggressive Asset Allocation Fund
- JS Fund of Funds
- JS KSE-30 Index Fund
- JS Islamic Government Securities Fund
- JS Cash Fund
- JS Large Cap. Fund

1.1.2 Pension fund manager of the following funds:

- JS Pension Savings Fund
- JS Islamic Pension Savings Fund

1.2 Subsidiary company

JS ABAMCO Commodities Limited (JSACL, the Subsidiary) was incorporated in Pakistan as a public limited company on September 25, 2007 under the Companies Ordinance, 1984 and is wholly owned subsidiary of JS Investments Limited (the holding company). The principal object of the Company is to carry out business in commodity market and related brokerage, advisory and consultancy services. The registered office of the company is situated at 7th floor, 'The Forum', Khayaban-e-Jami, Clifton, Karachi. The JSACL has not commenced its core operations of commodity, brokerage and related advisory services upto the balance sheet date.

2 STATEMENT OF COMPLIANCE

This condensed interim consolidated financial information has been prepared in accordance with the requirements of International Accounting Standard 34 - Interim Financial Reporting (IAS 34), provisions of 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, the requirements of the NBFC Rules, the NBFC Regulations or the directives issued by the SECP shall prevail.

JS Investments Limited

3 BASIS OF PREPARATION

- 3.1 The condensed interim consolidated financial information is unaudited and is being circulated to the shareholders, as required by section 245 of the Companies Ordinance, 1984 and the listing regulations of the Karachi Stock Exchange.
- 3.2 The condensed interim consolidated financial information is being presented in condensed form in accordance with the requirements of International Accounting Standard (IAS) 34 "Interim Financial Reporting" as applicable in Pakistan. This condensed interim financial information does not include all the information required for annual financial statements and therefore, should be read in conjunction with annual audited financial statements of the company for the year ended December 31, 2013, which have been prepared in accordance with IFRSs.
- 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 December 31, 2013.

		(Un-audited) March 31, 2014	(Audited) December 31, 2013
	Note	-----Rupees-----	
5 TANGIBLE PROPERTY AND EQUIPMENT			
Opening WDV		266,235,017	281,596,115
Addition during the quarter	5.1	1,050,837	5,718,133
Disposal during the quarter	5.2	-	(5,949)
Depreciation for the quarter		(5,449,247)	(21,073,282)
		<u>261,836,607</u>	<u>266,235,017</u>
Capital work-in-progress - at cost		<u>2,500,000</u>	<u>2,500,000</u>
		<u>264,336,607</u>	<u>268,735,017</u>
Tangible Property and equipment			
5.1 The following additions were made to tangible property and equipment during the quarter/year:			
Office equipment		1,050,837	5,421,033
Vehicles		-	51,000
Furniture and fixtures		-	246,100
		<u>1,050,837</u>	<u>5,718,133</u>
5.2 The following disposals (net book value) of tangible property and equipment were made during the quarter/year:			
Office equipment		-	-
Vehicles		-	-
Furniture and fixtures		-	5,949
		<u>-</u>	<u>5,949</u>



JS Investments Limited

6 OTHER FINANCIAL ASSETS-INVESTMENTS

		(Un-audited) March 31, 2014	(Audited) December 31, 2013
		-----Rupees-----	
Available-for-sale			
Unit of mutual funds - related parties	6.1	1,496,231,368	1,423,806,752
Market Treasury Bills	6.2	-	159,640,640
		<u>1,496,231,368</u>	<u>1,583,447,392</u>
Held for trading			
Units of mutual fund - related party	6.3	<u>43,006,788</u>	<u>42,894,268</u>
		<u>1,539,238,156</u>	<u>1,626,341,660</u>

6.1 Units of mutual funds - related parties

	(Un-audited) March 31, 2014			(Audited) December 31, 2013		
	Number of units	Average cost	Fair value	Number of units	Average cost	Fair value
JS Value Fund	2,263,399	106,732,920	345,304,182	2,263,399	106,732,920	320,157,817
JS Growth Fund	5,814,246	341,956,212	792,772,497	5,814,246	341,956,212	733,990,466
JS Large Cap Fund	-	-	-	-	-	-
JS Pension Savings Fund - Equity	240,000	14,776,800	68,558,400	300,000	18,471,000	76,383,000
JS Pension Savings Fund - Debt	177,761	17,776,120	32,800,496	177,761	17,776,119	31,911,690
JS Pension Savings Fund - Money Market	177,463	17,746,342	27,788,996	177,463	17,746,342	27,324,042
JS Fund of Funds	1,059,453	53,216,337	53,565,956	1,072,363	36,844,070	51,087,374
JS Islamic Pension Savings Fund - Equity	200,000	18,170,000	73,322,000	250,000	22,712,500	82,985,000
JS Islamic Pension Savings Fund - Debt	213,852	21,385,170	36,754,691	213,852	21,385,170	35,997,656
JS Islamic Pension Savings Fund - Money Market	222,303	22,230,337	33,136,540	222,303	22,230,337	32,547,436
JS Islamic Government Securities Fund	317,045	30,000,000	32,227,610	311,915	30,000,000	31,422,271
JS KSE 30 Index Fund	-	-	-	-	-	-
		643,990,238	1,496,231,368		635,854,670	1,423,806,752
Unrealized gain on remeasurement at fair value		852,241,130	-		787,952,082	-
		<u>1,496,231,368</u>	<u>1,496,231,368</u>		<u>1,423,806,752</u>	<u>1,423,806,752</u>

6.2 Market Treasury Bills

	(Un-audited) March 31, 2014		(Audited) December 31, 2013	
	Average cost	Fair value	Average cost	Fair value
	-----Rupees-----			
Market Treasury Bills	-	-	159,661,314	159,640,640
Un realized loss on remeasurement at fair value on T-Bills	-	-	(20,674)	-
	<u>-</u>	<u>-</u>	<u>159,640,640</u>	<u>159,640,640</u>

6.3 This represents investment in 487,163 (December 31, 2013: 489,437) units of JS Income Fund having carrying cost of Rs. 42.695 million.

JS Investments Limited

		(Un-audited) March 31, 2014	(Audited) December 31, 2013
	Note	-----Rupees-----	
7 CASH AND BANK BALANCES			
Cash in hand		68,361	59,786
Cash at bank in:			
Current accounts		565,091	1,093,128
Savings accounts	7.1	229,640,672	37,277,176
		<u>230,205,763</u>	<u>38,370,304</u>
		<u>230,274,124</u>	<u>38,430,090</u>

7.1 It includes Rs. 187.643 million (December 31, 2013: Rs. 34.485 million) held with JS Bank Limited (parent company) and Rs. 0.716 Million (December 31, 2013: Rs. 0.466 million) held with Bank Islami Pakistan Limited (related party).

8 CONTINGENCIES AND COMMITMENTS

8.1 Contingencies

In respect of the appeals filed by the holding company against orders passed for tax years 2006 and 2009 against demand of Rs.162 Million and 66 Million respectively, the Commissioner Inland Revenue Appeal previously had not accepted the basis of addition and set aside both the orders in respect of allocation of expenses between various sources of income for fresh proceedings with the directions to apportion the common expenditure according to actual incurrence of expenditure to the various sources of income.

The holding company has filed second appeal in Appellate Tribunal Inland Revenue in respect of disallowances. Appeal effect of the CIR (Appeals) order in both the years received as a result the demand were reduced at Rs77.33 and Rs 59.93 Million respectively however, the direction of apportionment of expenditure according to actual incurrence of expenditure to the various sources of income was not followed. The holding company again filed appeals before the CIR (Appeals) against the above orders.

The CIR (Appeals) also rectified the order passed by his predecessor for the Tax Year 2006, whereby the addition regarding the portion of capital gain included in dividend received from mutual funds was held deleted. Resulted appeal effect order reflects refund of Rs. 29 Million. The CIR, Zone-IV has filed appeal in Appellate Tribunal Inland Revenue in respect of deletion of addition regarding the portion of capital gain included in dividend.

The holding company has also filed an appeal before Honorable Commissioner Appeals, Sindh Revenue Board against the Order of DCIR against the levy of Sindh Sales Tax amounting to Rs. 1.342 million on certain disallowances of input taxes for the tax periods from July 2011 to June 2012.

Management and tax advisors are confident that good grounds exist to contest these disallowances and other points at appellate forums and these additions cannot be maintainable and eventually outcome will come in favor of the holding company. Hence no provisions have been made in the condensed interim consolidated financial information.

		(Un-audited) March 31, 2014	(Audited) December 31, 2013
		-----Rupees-----	
8.2 Commitments in respect of:			
Royalty and advisory payments		<u>10,000,000</u>	<u>10,000,000</u>
Motor Vehicle acquired under Ijarah from Bank Islami Limited			
- Due in One year		<u>-</u>	<u>1,208,800</u>
- Due in two to three years		<u>-</u>	<u>-</u>

9 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, the company is managing seven (December 31, 2013: five) discretionary client portfolios. The total cost and total market value of the unsettled client portfolios as at March 31, 2014 was Rs. 198.513 million (December 31, 2013: Rs. 103.55 million) and Rs. 208.198 million (December 31, 2013: Rs. 107.95 million) respectively.



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10 EARNINGS PER SHARE

		Quarter ended	
		March 31, 2014	March 31, 2013
		-----Rupees-----	
Profit for the quarter	Rupees:	<u>61,418,586</u>	<u>46,039,780</u>
Weighted average number of ordinary shares outstanding during the quarter	Number:	<u>100,000,000</u>	<u>100,000,000</u>
Earnings per share	Rupees:	<u>0.61</u>	<u>0.46</u>

10.1 Diluted earnings per share has not been presented as the Company does not have any convertible instruments in issue as at March 31, 2014 and March 31, 2013 which would have any effect on the earnings per share if the option to convert is exercised.

		Quarter ended	
		March 31, 2014	March 31, 2013
		-----Rupees-----	
11 CASH AND CASH EQUIVALENTS			
Cash and bank balances		230,274,124	2,315,741
Short term running finance - secured		-	(387,751,630)
		<u>230,274,124</u>	<u>(385,435,889)</u>

12 TRANSACTIONS AND OUTSTANDING BALANCES WITH RELATED PARTIES

Related parties comprise of JS Bank Limited (parent company), Jahangir Siddiqui & Co. Ltd. (ultimate parent company), funds under management and other companies with common directorship, staff provident fund and key management employees. Contributions to the accounts in respect of staff retirement benefits are made in accordance with terms of the contribution plans. Remuneration of the key management personnel are in accordance with the terms of their employment. Other transactions are carried out as per agreed terms. Transactions and balances with related parties can be summarised below:

		Quarter ended	
		March 31, 2014	March 31, 2013
		-----Rupees-----	
12.1 Transaction with related parties			
12.1.1 Transactions with associates - funds under management			
Remuneration income - net		55,661,745	54,556,294
Commission income		173,732	101,070
Other expenses incurred on behalf of the fund		-	1,154,829
Reimbursement of other expenses incurred on behalf of the fund		534,420	1,559,906
Dividend income		-	58,142,464
Formation cost incurred on behalf of the fund		-	1,070,000
Investments made in funds under management		53,216,337	-
Investments disposed off		88,755,695	125,600,479
Bonus / additional units (in numbers)		14,364	989
12.1.2 Transactions with other related parties			
Jahangir Siddiqui & Company Limited (JSCL) - parent of JSBL			
Expenses incurred on behalf of JSCL		-	5,000
Reimbursement of expenses incurred on behalf of JSCL		1,405	15,000
JS Global Capital Limited (JSGCL) - subsidiary of JSBL			
Rent expense		298,941	278,085
Rental income		31,449	28,589
Expenses incurred by the company on behalf of JSGCL		50,736	-
Reimbursement of expenses incurred on behalf of JSGCL		-	2,462
Mahvash and Jahangir Siddiqui Foundation (MJSF) - Common directorship			
Rental income		248,640	248,640
Expenses incurred by the company on behalf of MJSF		74,740	77,745
Reimbursement of expenses incurred on behalf of MJSF		86,711	114,659
Bank Islami Pakistan Limited (BIPL) - Associate			
Ijarah rental expense		303,940	597,146
Acquisition of Ijarah leased vehicle		1,437,736	-

JS Investments Limited

	-----(Un-audited)----	
	March 31, 2014	March 31, 2013
	-----Rupees-----	
EFU General Insurance Limited - Associate Insurance premium paid	2,208,094	2,184,480
EFU Life Assurance Limited - Associate Insurance premium paid	43,010	71,530
Fakhr-e-Imdad Foundation (FIF) - Common directorship Expenses incurred by the company on behalf of FIF Reimbursement of expenses incurred on behalf of FIF	33,171 - -	41,394 61,36
Staff Provident Fund Contributions during the period	1,014,642	1,077,847
12.1.3 Transactions with parent company		
JS Bank Limited (JSBL) - Parent company Mark up expense on short term running finance Rent expense Rental income Expenses incurred by the company on behalf of JSBL Reimbursement of expenses incurred on behalf of JSBL	- 304,071 322,644 107,332 24,413	5,489,825 281,547 293,311 85,022 223,604
12.1.4 Transactions with key management personnel		
Remuneration of key management personnel Sale of vehicle Director fee	11,535,959 7,000,000 250,000	12,611,188 - 990,000
	(Un-audited) March 31, 2014	(Audited) December 31, 2013
	-----Rupees-----	
12.2 Balances outstanding at the quarter end		
12.2.1 Balances outstanding with associates Receivable from various funds and outstanding balance of expenses incurred on behalf of different funds under management	45,509,485	16,072,734
12.2.2 Balances outstanding with other related parties Payable to JS Global Capital Limited - net Payable to Bank Islami Pakistan Limited Receivable from Jahangir Siddiqui & Co. Limited Receivable from Mahvash and Jahangir Siddiqui Foundation Donation payable to Mahvash and Jahangir Siddiqui Foundation Receivable from Fakhr-e-Imdad Foundation	2,878,245 - 15,500 30,000 13,821,435 464,753	2,644,305 302,200 16,905 725,364 12,545,988 55,456
12.2.3 Balances outstanding with parent company Receivable from JS Bank Limited - net	588,069	366,057
12.3 Other balances outstanding with related parties as at the quarter end have been disclosed in the relevant balance sheet notes.		
12.4 Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the company. The management considered all members of their management team, including the Chief Executive Officer and Directors to be key management personnel.		
12.5 There are no transactions with key management personnel other than under their terms of employment.		
13 GENERAL		
13.1 Comparative figures have been re-arranged and re-classified wherever necessary, for the purpose of better presentation. No major reclassifications were made in these consolidated financial statements except for the following:		



JS Investments Limited

Statement	Components	Reclassifi-cation from	Reclassifi-cation to	Rupees
Profit & Loss	Provision for Worker's Welfare Fund	Income tax expense	Other expenses	4,943,036
Profit & Loss	Auditor's Remuneration	Other expenses	Admin and marketing expenses	200,000

13.2 This condensed interim consolidated financial information was authorised for issue on 22nd of April, 2014 by the Board of Directors of the Company.

Chief Executive Officer

Chairman

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