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**Unit Trust of Pakistan**  
Quarterly Report for the period  
ended 31 March 2014



## CONTENTS

Vision and Mission Statement.....	02
Organization.....	03
Directors' Report to the Unit Holders.....	04
Condensed Interim Statement of Assets and Liabilities.....	05
Condensed Interim Income Statement.....	06
Condensed Interim Statement of Comprehensive Income.....	07
Condensed Interim Cash Flow Statement.....	08
Condensed Interim Statement of Movement in Unit Holders' Fund.....	09
Condensed Interim Distribution Statement.....	10
Notes to the Condensed Interim Financial Statements.....	11

### VISION

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

### MISSION

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

### BROAD POLICY OBJECTIVES

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



## ORGANIZATION

Management Company	JS Investments Limited 7th Floor, The Forum, G-20 Khayaban-e-Jami, Block-9, Clifton Karachi-75600 Tel: (92-21) 111-222-626 Fax: (92-21) 35361724 E-mail: info@jsil.com Website: www.jsil.com	
Board of Directors	Nazar Mohammad Shaikh Ali Akhtar Ali Suleman Lalani Asif Reza Sana Ahsen Ahmed Kamran Jafar Muhammad Khalil Ur Rehman Muhammad Raza Dyer	Chairman Chief Executive Officer
Audit Committee	Asif Reza Sana Muhammad Khalil Ur Rehman Suleman Lalani	Chairman Member Member
Chief Financial Officer & Company Secretary	Muhammad Khawar Iqbal	
Trustee	Central Depository Company of Pakistan Limited CDC House, 99-B, Block 'B', S.M.C.H.S., Main Sharah-e-Faisal, Karachi-74400 Pakistan. Tel: (92-21) 111-111-500 Fax: (92-21) 34326040	
Auditors	KPMG Taseer Hadi & Co Chartered Accountants	
Legal Adviser	Bawaney & Partners	
Transfer Agent	Technology Trade (Private) Limited 241-C, Block 2, P.E.C.H.S, Karachi Tel: (92-21) 34391316-7 Fax: (92-21) 34391318	

## Unit Trust of Pakistan

### DIRECTORS' REPORT TO THE UNIT HOLDERS

The Board of Directors of JS Investments Limited has pleasure in presenting to you the un-audited financial statements of Unit Trust of Pakistan for the nine months period ended 31 March 2014.

#### Market Review

The KSE-30 Index returned 16.1% during 9MFY14 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 a substantial 46% YoY to 81.8mn shares in 9MFY14 from 55.9mn in the same period last year on account of greater foreign and local participation in the bourse.

Performance during the third quarter of FY14 was marred by IPP's along with industrial companies reporting lower than consensus earnings and rumors of foreign selling in oil and banking sectors which put a dent on the sentiment. However, towards the end of March 2014 some consolidation was witnessed. The equity market rallied at the end of March 2014 due to improvement in foreign reserves along with PKR appreciation.

#### Money Market Performance

During 3QFY14, the SBP kept its discount rate unchanged at 10. Towards the end of 9MFY14 the Government of Pakistan (GoP) re-profiled its debt structure into longer dated Pakistan Investment Bonds (PIB). Financial institutions aggressively participated in PIB auctions where the government raised PKR 540billion significantly higher than the target amount of PKR 60billion. With benign outlook on inflation, banks participation towards longer tenure security was evident. In February the SBP borrowed funds worth PKR 353billion 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 19'14. Cut off yield for 12month T-bill during the first auction conducted on Feb 6'14 stood at 9.9868%.

The average 3M, 6M and 9M KIBOR declined by 37bps, 36bps and 33bps for the 9MFY14 averaging at 9.6%, 9.7% and 10.1% respectively, as against 10.0%, 10.1% and 10.4% during 9MFY13.

#### Fund Performance

The net assets value ("NAV") per unit of the fund as on 31 March 2014 was PKR. 146.26 per unit compared to beginning ex-distribution net assets value of PKR. 122.96 per unit showing an increase of 18.95%. The fund outperformed its benchmark return by 5.91% for the period ended 31 March 2014. The net assets of the Fund were PKR 1,450.3 million as on 31 March 2014 compared to PKR. 1,270.5 million as on 30 June 2013.

#### Fund and Asset Manager Rating

The Pakistan Credit Rating Agency (PACRA) assigned the star ranking of 5 Star (Short Term) and 3 Star (Long Term) to the fund through a press release dated November 18th, 2013.

JCR-VIS Credit Rating Company Limited has reaffirmed Management Quality Rating of "AM2-(AM-Two Minus) to JS Investments Limited through a press release dated June 26th, 2013. The rating denotes high management quality of the Management Company.

#### Acknowledgment

We wish to express our gratitude to the employees of the Management Company and the trustee for the dedication and hard work and the unit holders for their confidence in the Management.

On behalf of the Board

Ali Akhtar Ali  
Chief Executive Officer

Karachi: April 22, 2014



## Unit Trust of Pakistan

### CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES

AS AT 31 MARCH 2014

	Note	31 March 2014 .....Rupees.....	30 June 2013
<b>Assets</b>			
Bank balances		312,121,382	190,898,328
Investments	4	1,158,735,368	1,124,041,080
Dividend receivables		7,562,000	183,750
Accrued markup / interest		6,407,101	2,431,202
Deposits, prepayments and other receivables		3,430,217	3,420,243
<b>Total assets</b>		<b>1,488,256,068</b>	<b>1,320,974,603</b>
<b>Liabilities</b>			
Remuneration payable to the management company		2,449,919	2,108,349
Sales tax payable on management company's remuneration		808,124	369,761
FED payable on management company's remuneration		2,600,856	202,644
Remuneration payable to the trustee		207,433	187,614
Payable against purchase of securities		814,243	21,521,096
Accrued and other liabilities	7	31,001,943	26,124,780
<b>Total liabilities</b>		<b>37,882,518</b>	<b>50,514,244</b>
Contingencies	8	-	-
<b>Net assets</b>		<b>1,450,373,550</b>	<b>1,270,460,359</b>
<b>Unit holders' fund</b>		<b>1,450,373,550</b>	<b>1,270,460,359</b>
<b>Number of units in issue</b>		<b>9,916,486</b>	<b>8,733,938</b>
<b>Net asset value per unit</b>		<b>146.26</b>	<b>145.46</b>

The annexed notes from 1 to 11 form an integral part of these condensed interim financial statements.

For JS Investments Limited  
(Management Company)

Ali Akhtar Ali  
Chief Executive Officer

Nazar Mohammad Shaikh  
Chairman

## Unit Trust of Pakistan

### CONDENSED INTERIM INCOME STATEMENT (UN-AUDITED) FOR THE NINE MONTHS & THREE MONTHS PERIOD ENDED 31 MARCH 2014

	Note	Nine months period ended		Three months period ended	
		31 March 2014	31 March 2013	31 March 2014	31 March 2013
		-----Rupees-----		-----Rupees-----	
<b>Income</b>					
Markup / interest income on bank balances and investments	5	38,770,556	41,332,976	13,844,630	13,526,385
Dividend income		35,935,433	58,096,823	7,562,033	26,300,087
Net gain on investments at fair value through income statement -(held for trading)	6	205,872,767	259,724,554	70,195,758	98,145,937
Net (loss)/gain on available for sale investments		(1,000,082)	9,527,035	-	3,048,152
Gain on partial settlement		-	9,012,193	-	-
Element of Income/(loss) and capital gain/(loss) included in prices of units issued less those of units redeemed-net		21,805,629	(3,320,959)	(13,159,604)	5,280,135
		<u>301,384,303</u>	<u>374,372,622</u>	<u>78,442,817</u>	<u>146,300,696</u>
<b>Expenses</b>					
Remuneration to the Management Company		20,996,919	21,251,825	7,028,172	7,291,396
Sales tax on Management Company's Remuneration		3,897,028	3,400,292	1,304,428	1,166,624
FED on Management Company's Remuneration		3,359,508	-	1,124,507	-
Remuneration to the trustee		1,800,577	1,813,373	597,999	611,161
Securities transaction cost		5,861,065	5,057,639	2,226,802	2,023,756
Annual fee to Securities & Exchange Commission of Pakistan		891,613	902,480	298,444	309,622
Fee to National Clearing Company of Pakistan Limited		262,915	268,177	87,115	85,205
Listing fee		30,025	29,894	9,862	9,855
Bank and Settlement Charges		206,716	155,160	68,149	69,044
Auditors' remuneration		451,627	432,773	99,567	93,570
Printing and stationery		58,158	59,091	15,390	14,213
Workers' Welfare Fund		5,269,979	-	1,311,785	-
Amortization of Premium		67,917	-	(8,160)	-
		<u>43,154,047</u>	<u>33,370,704</u>	<u>14,164,060</u>	<u>11,674,446</u>
<b>Net income for the period</b>		<u>258,230,256</u>	<u>341,001,918</u>	<u>64,278,757</u>	<u>134,626,250</u>

The annexed notes from 1 to 11 form an integral part of these condensed interim financial statements.

For JS Investments Limited  
(Management Company)

Ali Akhtar Ali  
Chief Executive Officer

Nazar Mohammad Shaikh  
Chairman



## Unit Trust of Pakistan

### CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)

FOR THE NINE MONTHS & THREE MONTHS PERIOD ENDED 31 MARCH 2014

	Nine months period ended		Three months period ended	
	31 March 2014	31 March 2013	31 March 2014	31 March 2013
	-----Rupees-----		-----Rupees-----	
Net income for the period	258,230,256	341,001,914	64,278,757	134,626,246
<b>Other comprehensive income</b>				
Net unrealised (loss)/ gain on revaluation of available for sale investments	(1,058,302)	(1,089,901)	(949,871)	5,388,991
Transferred to income statement upon disposal of available for sale investments	1,000,082 (58,220)	913,104 (176,797)	- (949,871)	(6,646,800) (1,257,809)
<b>Total comprehensive income for the period</b>	<b>258,172,036</b>	<b>340,825,117</b>	<b>63,328,886</b>	<b>133,368,437</b>

The annexed notes from 1 to 11 form an integral part of these condensed interim financial statements.

For JS Investments Limited  
(Management Company)

Ali Akhtar Ali  
Chief Executive Officer

Nazar Mohammad Shaikh  
Chairman



## Unit Trust of Pakistan

### CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED) FOR THE NINE MONTHS PERIOD ENDED 31 MARCH 2014

	Nine months period ended	
	31 March 2014	31 March 2013
	.....Rupees.....	
<b>Cash Flow from Operating activities</b>		
Net income for the period	258,230,256	341,001,914
<b>Adjustments for:</b>		
Markup / interest income on bank balances and investments	(38,770,556)	(41,332,976)
Dividend income	(35,935,433)	(58,096,823)
Gain on partial settlement of investment	-	(9,012,189)
Net (loss)/gain on available-for-sale investments	1,000,082	(9,527,035)
Net gain on sale of Investments at fair value through income statement	(137,493,578)	(145,184,705)
Net unrealised gain on revaluation of investments	(68,379,189)	(114,539,849)
Element of (loss) / income and capital (loss) / gain in prices of units issued less those of units redeemed - net	(21,805,629)	3,320,959
	<u>(301,384,303)</u>	<u>(374,372,618)</u>
<b>(Increase)/Decrease in current assets</b>		
Receivable against sale of securities	-	(3,514,688)
Deposits, prepayments and other receivables	(9,974)	(10,107)
	<u>(9,974)</u>	<u>(3,524,795)</u>
<b>Increase / (Decrease) in current liabilities</b>		
Remuneration payable to the management company	341,570	506,357
Remuneration payable to the trustee	19,819	28,283
Sales tax Payable to the management company	438,363	81,017
FED payable on management company's remuneration	2,398,212	-
Payable against Purchase of securities	(20,706,853)	6,480
Creditors, accrued and other liabilities	4,877,163	(626,968)
	<u>(12,631,726)</u>	<u>(4,831)</u>
	<u>(55,795,747)</u>	<u>(36,900,330)</u>
Sale of investments	4,741,737,388	7,469,843,805
Purchase of investments	(4,571,617,211)	(7,371,256,438)
Markup / interest income on bank balances and investments	34,794,657	40,802,004
Dividend received	28,557,183	40,227,133
	<u>233,472,017</u>	<u>179,616,504</u>
<b>Net Cash flow from operating activities</b>	<u>177,676,270</u>	<u>142,716,174</u>
<b>Cash flow from financing activities</b>		
Proceed from issue of units	159,469,601	210,573,036
Amount paid on redemption of units	(215,922,817)	(288,442,919)
Net cash used in financing activities	(56,453,216)	(77,869,883)
<b>Net decrease in cash and cash equivalents during the period</b>	<u>121,223,054</u>	<u>64,846,291</u>
Cash and cash equivalent at the beginning of the period	190,898,328	54,063,138
<b>Cash and cash equivalents at end of the period</b>	<u><u>312,121,382</u></u>	<u><u>118,909,429</u></u>

The annexed notes from 1 to 11 form an integral part of these condensed interim financial statements.

For JS Investments Limited  
(Management Company)

Ali Akhtar Ali  
Chief Executive Officer

Nazar Mohammad Shaikh  
Chairman



**CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNIT  
HOLDERS' FUNDS) (UN-AUDITED)**  
FOR THE NINE MONTHS PERIOD ENDED 31 MARCH 2014

	Nine months period ended	
	31 March 2014	31 March 2013
	-----Rupees-----	
Net assets at the beginning of the period	1,270,460,359	1,295,655,029
Issue of 2,795,563 units. (2013: 3,183,739 units )	159,469,601	210,573,036
Redemption of 1,613,016 units. ( 2013: 2,510,033 units )	(213,872,496)	(285,992,802)
Payment of cash dividend	(2,050,321)	(2,450,117)
Element of (income)/Loss and capital gain/(loss) in prices of units issued less those of units redeemed - net	(21,805,629)	3,320,959
Total comprehensive income for the period	258,172,036	340,825,117
Net assets as at the end of the period	<u>1,450,373,550</u>	<u>1,561,931,222</u>
Net Assets value per unit at the beginning of the period	<u>145.46</u>	<u>115.03</u>
Ex-Net Assets Value per unit at the beginning of the period	<u>122.96</u>	<u>102.43</u>
Net assets value per unit at the end of the period	<u>146.26</u>	<u>130.85</u>

The annexed notes from 1 to 11 form an integral part of these condensed interim financial statements.

For JS Investments Limited  
(Management Company)

Ali Akhtar Ali  
Chief Executive Officer

Nazar Mohammad Shaikh  
Chairman

## Unit Trust of Pakistan

### CONDENSED INTERIM DISTRIBUTION STATEMENT (UN-AUDITED) FOR THE NINE MONTHS PERIOD ENDED 31 MARCH 2014

	Nine months period ended	
	31 March 2014	31 March 2013
	-----Rupees-----	
Accumulated loss brought forward	(17,947,003)	(244,910,661)
Distribution @ Rs.22.50 per unit declared on July 08 2013 (2012: 12.6 per Unit )	<u>(196,513,611)</u> (214,460,614)	<u>(141,919,576)</u> (386,830,237)
Net income for the period	258,230,256	341,001,914
Accumulated Profit /(loss) carried forward	<u>43,769,642</u>	<u>(45,828,323)</u>

The annexed notes from 1 to 11 form an integral part of these condensed interim financial statements.

For JS Investments Limited  
(Management Company)

Ali Akhtar Ali  
Chief Executive Officer

Nazar Mohammad Shaikh  
Chairman



## NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)

FOR THE NINE MONTHS PERIOD ENDED 31 MARCH 2014

### 1. LEGAL STATUS AND NATURE OF BUSINESS

- 1.1 Unit Trust of Pakistan (the Fund) was established under the Trust Deed executed on 26 April 1997 between JS Investments Limited as its management company and MCB Financial Services Limited as its trustee. The Fund was approved as an investment scheme by the Securities and Exchange Commission of Pakistan (SECP) on 09 June 1997 in accordance with the Asset Management Companies Rules, 1995 [subsequently repealed and replaced by the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003]. Central Depository Company of Pakistan Limited was appointed as trustee of the Fund on 11 June 2005 after voluntary resignation of MCB Financial Services Limited.

The management company of the fund has obtained license to act as an Asset Management Company under the Rules from SECP. The registered office of the management company is located at 7th Floor, The Forum , Clifton , Karachi, Pakistan.

- 1.2 The Fund is an open ended mutual fund categorized as Balanced Fund and offers units for public subscription on a continuous basis. The units are transferable and can also be redeemed by surrendering them to the Fund. The units are listed on the Lahore Stock Exchange. As per offering document, the Fund shall invest in equity securities as well as debt securities including government securities, commercial papers and various other money market instruments

Title to the assets of the Fund is held in the name of Central Depository Company of Pakistan Limited as a Trustee of the fund

### 2. BASIS OF PREPARATION

These condensed interim financial statements for the period ended March 31, 2014 have been prepared in accordance with the requirements of the International Accounting Standard (IAS) 34 : "Interim Financial Reporting", the Rules, the Non-Banking Finance Companies and Notified Entities Regulations, 2008 and in compliance with the Listing Regulations of the Lahore Stock Exchange. In case where requirements differ, the provisions of or directives issued under the Rules and the Regulations have been followed.

### 3. ACCOUNTING POLICIES

The accounting policies adopted for the preparation of these condensed interim financial statements are consistent with those followed in the preparation of Fund's annual financial statements for the year ended June 30, 2013.

		31 March 2014	30 June 2013
		.....Rupees.....	
		(Unaudited)	(Audited)
<b>4 INVESTMENT</b>			
At fair value through income statement			
Held-for-trading			
Listed shares	4.1	1,009,203,420	818,359,487
Government securities	4.3.1	140,697,374	-
Available-for-Sale			
Listed shares	4.1 (a)	8,834,574	8,942,690
Un-listed term finance certificates	4.2	-	-
Government securities	4.3.2	-	296,738,903
		<u>8,834,574</u>	<u>305,681,593</u>
Carrying value of investments		<u>1,158,735,368</u>	<u>1,124,041,080</u>
Cost of investments		<u>1,259,547,550</u>	<u>1,138,965,066</u>



## Unit Trust of Pakistan

### 4.1 Listed shares

(Ordinary shares have a face value of Rs. 10/- each unless stated otherwise.)

Sectors / Companies	Number of shares					Market/ Carrying Value (Rupees)	% of net assets	% of investee capital
	At the beginning of the period	Acquired during the period	Bonus shares received during the period	Disposed during the period	Holding at end of the			
<b>Chemicals</b>								
Fauji Fertilizer Company Ltd.	375,700	25,000	-	400,700	-	-	-	-
I.C.I. Pakistan Ltd.	-	158,000	-	158,000	-	-	-	-
<b>Industrial Metals &amp; Mining</b>								
Crescent steel	-	1,200,000	-	-	1,200,000	58,200,000	4.01	1.93
<b>Oil &amp; Gas</b>								
Oil & Gas Development Co. Ltd.	155,400	527,000	-	398,900	283,500	68,360,355	4.71	0.01
Pakistan State Oil Co. Ltd.	180,000	252,000	-	182,000	250,000	06,677,500	7.36	0.10
Attock Petroleum Ltd.	14,200	83,600	-	97,800	-	-	-	-
Attock Refinery Ltd.	20,000	195,000	-	215,000	-	-	-	-
Pakistan Oilfields Ltd.	109,600	41,500	-	151,100	-	-	-	-
Pakistan Petroleum Ltd.	215,000	610,000	62,000	887,000	-	-	-	-
						175,037,855	12.07	
<b>Construction &amp; Materials(Cement)</b>								
D.G. Khan Cement Company Ltd.	800,000	3,182,500	-	2,932,500	1,050,000	96,621,000	6.66	0.02
Lucky Cement Company Ltd.	25,000	95,300	-	120,300	-	-	-	-
<b>GENERAL INDUSTRIALS</b>								
Packages Limited	83,000	112,100	-	195,100	-	-	-	-
Cherat Paper & Packaging Ltd	-	416,500	-	-	416,500	27,484,835	1.90	2.42
<b>BEVERAGES</b>								
Murree Brewery Company Ltd	-	168,700	168,700	-	-	-	-	-
<b>Pharma &amp; Bio Technology</b>								
Abbot Laboratories (Pakistan) Ltd	-	177,500	-	-	177,500	74,384,925	5.13	0.18
<b>Forestry &amp; Paper</b>								
Century Paper & Board Mills	-	100,000	-	100,000	-	-	-	-
<b>AUTOMOBILE AND PARTS</b>								
Pak Suzuki Motor Company	198,000	125,800	-	106,800	217,000	44,335,270	3.06	0.18
Honda Atlas Cars(Pakistan) Ltd	-	981,500	-	-	981,500	54,139,540	3.73	0.69
						98,474,810	6.79	
<b>Personal Goods(Textile)</b>								
Nishat Mills Ltd.	559,000	1,136,200	-	1,166,700	528,500	61,596,675	4.25	0.20
Nishat Chunian Ltd.	1,200,000	519,000	112,800	1,831,800	-	-	-	-
<b>Fixed Line Telecommunication</b>								
Pakistan Telecommunication Company Ltd.	-	7,100,000	-	3,200,000	3,900,000	119,223,000	8.22	0.07
<b>Electricity</b>								
Hub Power Company Ltd.	1,000,000	50,000	-	1,050,000	-	-	-	-
Nishat Chunian Power Ltd.	1,900,000	-	-	1,900,000	-	-	-	-
Nishat Power Ltd.	1,950,000	822,000	-	2,772,000	-	-	-	-
Pakgen Power	1,533,000	50,000	-	1,583,000	-	-	-	-
<b>Non-Life Insurance</b>								
ICI Insurance	99,000	-	-	99,000	-	-	-	-
Adamjee Insurance Company Limited	311,000	2,460,000	623,798	537,098	2,857,700	134,140,438	9.25	0.41

## Unit Trust of Pakistan

Sectors / Companies	Number of shares					Market/ Carrying Value (Rupees)	% of net assets	% of investee capital
	At the beginning of the period	Acquired during the period	Bonus shares received during the period	Disposed during the period	Holding at end of the			
<b>Banks</b>								
MCB Bank Ltd.	100,000	513,400	-	613,400	-	-	-	-
National Bank of Pakistan	600,000	602,000	-	1,202,000	-	-	-	-
Bank AL-Falah Ltd.	800,000	3,870,000	-	2,040,500	2,629,500	70,260,240	4.84	0.21
Faysal bank Ltd	-	3,331,500	-	-	3,331,500	46,774,260	3.22	0.32
Bank AL-Habib Ltd.	-	1,151,500	115,150	-	1,266,650	47,005,382	3.24	0.13
United Bank Ltd.	-	581,700	-	581,700	-	-	-	-
						<u>164,039,882</u>	<u>11.31</u>	
						<u>1,009,203,420</u>	<u>69.58</u>	

### 4.1(a) Available for sale

Sectors / Companies	Note	At the beginning of the period	Acquired during the period	Disposed/ Matured during the period	At the end of the period	Market Value (Rupees)	% of net assets
Chemicals							
Agritech Ltd	Note (4.5.5)	772,253	-	-	772,253	8,834,574	0.61

Sectors / Companies	Note	At the beginning of the period	Acquired during the period	Disposed/ Matured during the period	At the end of the period	Market Value (Rupees)	% of net assets
<b>4.2 Un-listed term finance certificates</b> (Face value Rs. 5,000/- each)							
Azgard Nine Limited 4th issue (related Party)	4.5.2	10,000	-	10,000	-	-	-
Agritech Ltd	4.5.3	-	3,733	-	3,733	-	-
Azgard Nine Limited 5th issue (related party)	4.5.4	-	3,853	-	3,853	-	-
<b>4.3 Governments securities(AFS &amp; HFT)</b> (Face value of Rs. 100,000/- each)							
4.3.1 Market Treasury Bills (HFT)		-	18,793	18,793	-	-	-
Pakistan Investment Bonds(HFT)		-	5,650	4,250	1,400	140,697,374	9.70
4.3.2 Market Treasury Bills(AFS)		3,107	1,000	4,107	-	-	-
<b>4.4 Unlisted Sukuks</b> (Face value of Rs. 5,000/- each)							
Agritech Ltd	4.5.1	25,700	-	-	25,700	-	-

### 4.5 Detail of non-compliant investments

The Securities & Exchange Commission of Pakistan (SECP), vide its circular No. 16 dated July 07, 2010, prescribed certain disclosures for the schemes holding investments that are non-compliant either with the minimum investment criteria specified for the category assigned to such schemes or with the investment requirement of their constitutive documents.

Following are the details of non-compliant investments having rating lower than A-

Name of non-compliant investments	Note	Type of investment	Value of investment before provision	provision held if any	Value of investment after provisioning	% of net assets	% of gross assets
Agritech Ltd	4.5.1	Sukuks	117,601,483	117,601,483	-	-	-
Azgard Nine Ltd 4th issue (related party)	4.5.2	PPTFC	31,980,766	31,980,766	-	-	-
Agritech Limited	4.5.3	PPTFC	-	-	-	-	-
ANL PPTFC 5th Issue (related party)	4.5.4	PPTFC	-	-	-	-	-



## Unit Trust of Pakistan

- 4.5.1 The Fund has made a full provision against the principal amount of Agritech Limited Sukuks in accordance with requirements of Circular 1 of 2009 issued by the SECP and the provisioning policy of the Fund.
- 4.5.2 15,000 Privately Placed Term Finance Certificates (PPTFCs) at a face value of Rs. 5,000 each has been issued in lieu of settlement of commercial papers. The said PPTFCs were restructured and ANL provided 772,253 shares of Agritech Limited at the rate of Rs. 35 each which reduced our provision accordingly. During the month of January 2013 5000 PPTFC'S have been disposed off.
- 4.5.3 The Fund has received Agritech PPTFCs against interest receivable of Agritech Sukuk which is valued at zero, but cost is carried at 18,665,000
- 4.5.4 The Fund has received 3,853 zero coupon PPTFCs against interest receivable on unlisted TFCs. Since these PPTFCs are received against already defaulted securities and have non-performing status in MUFAP therefore the management, as a matter of prudence maintained the provision against the said PPTFCs. These PPTFCs are valued at zero but cost is carried at 19,265,000
- 4.5.5 On 12 April 2012, a share transfer and debt swap agreement was entered into between the Financial Institutions and Azgard Nine Limited (the issuer), whereby the issuer agreed to transfer its entire holding in Agritech Limited to the existing lenders / creditors, including the Term Finance Certificate (TFC) holders at the agreed settlement price of Rs. 35 per share, in partial settlement of the outstanding principal / redemption obligations. As part of the above stated arrangement, the Fund had received 772,253 ordinary shares of Agritech Limited against the partial settlement of its outstanding exposure. This represents shares received in partial settlement against TFC of Azgard Nine limited. These shares have been marked to market at prevailing market price as of 31 March 2014 after obtaining approval from Securities and Exchange Commission of Pakistan.

	Nine months period ended		Three months period ended	
	31 March 2014	31 March 2013	31 March 2014	31 March 2013
	-----Rupees-----		-----Rupees-----	
<b>5 MARKUP/ INTEREST INCOME ON BANK BALANCES AND INVESTMENTS</b>				
Bank balances & Term Deposits	13,498,778	11,374,748	7,309,771	4,581,797
Mark Up on Term finance certificates & Sukuks	-	649,949	-	-
Mark up on Government securities	25,271,778	29,308,279	6,534,859	8,944,588
	<u>38,770,556</u>	<u>41,332,976</u>	<u>13,844,630</u>	<u>13,526,385</u>
<b>6 NET GAIN/(LOSS) ON INVESTMENTS AT FAIR VALUE THROUGH INCOME STATEMENT</b>				
Held-for-trading				
Net gain on sale of investments	137,493,578	145,184,705	47,848,748	52,342,516
Net unrealised gain on revaluation of investments(T-bill)	2,979,214	-	3,264,418	-
Net unrealised gain on revaluation of investments(equity)	65,399,975	114,539,849	19,082,592	45,803,421
	<u>205,872,767</u>	<u>259,724,554</u>	<u>70,195,758</u>	<u>98,145,937</u>
<b>7 ACCRUED AND OTHER LIABILITIES</b>			31 March 2014	30 June 2013
			.....Rupees.....	
		Note	(Anaudited)	(Audited)
SECP annual fee payable			891,613	1,192,242
Sales load payable			28,035	58,447
Accrued expenses			1,458,917	1,520,692
Unclaimed dividend			103,608	103,608
Workers Welfare Fund liability		7.1	28,519,770	23,249,791
			<u>31,001,943</u>	<u>26,124,780</u>

## Unit Trust of Pakistan

- 7.1 The Finance Act 2008 introduced an amendment to the Workers' Welfare Fund Ordinance, 1971 (WWF Ordinance). As a result of this amendment it may be construed that all Collective Investment Schemes / mutual funds (CISs) whose income exceeds Rs 0.5 million in a tax year, have been brought within the scope of the WWF Ordinance, thus rendering them liable to pay contribution to WWF at the rate of two percent of their accounting or taxable income, whichever is higher. In this regard, a constitutional petition has been filed by certain CISs through their trustees in the Honourable High Court of Sindh (the Court), challenging the applicability of WWF to the CISs which is pending for adjudication.

During the year 2011, a single bench of the Lahore High Court (LHC) in a constitutional petition relating to the amendments brought in the WWF Ordinance, 1971 through the Finance Act, 2006, and the Finance Act 2008, has declared the said amendments as unlawful and unconstitutional and struck them down. However, in the month of March 2013, a larger bench of the Sindh High Court (SHC) in various constitutional petitions declared that amendments brought in the WWF Ordinance, 1971 through the Finance Act, 2006, and the Finance Act 2008, do not suffer from any constitutional or legal infirmity and overruled a single-member LHC bench judgement issued in August 2011.

However, as per the advice of legal counsel of MUFAP, the stay granted to CIS (as mentioned in the first paragraph) remains intact and the constitution petitions filed by the CIS to challenge the Workers Welfare Fund contribution have not been affected by the SHC judgment.

As the matter relating to levy of WWF is currently pending in the Court, the Management Company, as a matter of prudence and abundant caution, has decided to recognize the entire liability of Rs. 28.52 million (June 2013 Rs. 23.25 million)

- 8 The fund has no contingency or commitment at the period end

- 9 TRANSACTIONS WITH RELATED PARTIES / CONNECTED PERSONS

Related parties / connected persons include JS Investments Limited being the Management Company, Central Depository Company of Pakistan Limited being the Trustee, JS Bank Limited being the holding company of the Management Company, associates of the Management Company and its holding company, other funds being managed by the Management Company and Key Management Personnel.

	Nine months period ended	
	31 March 2014	31 March 2013
	-----Rupees-----	
<b>Transactions for the period</b>		
<b>JS Investments Limited</b>		
Remuneration of the Management Company	20,996,919	21,251,825
Sales tax on Management Company's Remuneration	3,897,028	3,400,292
FED on Management Companies' Remuneration	3,359,508	-
Sales Load	86,589	101,071
Expenses incurred	57,589	54,251
<b>Central Depository Company of Pakistan Limited</b>		
Remuneration of the Trustee	1,800,577	1,813,373
Settlement charges	176,365	82,866
<b>JS Global Capital Limited</b>		
Brokerage commission	11.2 824,446	655,644
<b>JS Bank Limited</b>		
Purchase of Treasury Bills	140,644,246	141,870,000
Issue of units	-	130,000,000
Redemption of units	-	132,706,661
<b>Unit Holders Holding 10% or more of the units in issue</b>		
Bonus Units Issued	57,463,875	61,028,918
<b>EFU Life Assurance Limited</b>		
Bonus units issued	7,289,054	3,634,756
<b>Key Management Personnel &amp; Directors</b>		
Redemption of units	-	-
Bonus units issued	32,604	16,258
Issue of Units	-	1,691,157
<b>Azgard Nine Limited</b>		
Income on PPTFC certificates	-	4,288





## Unit Trust of Pakistan

	Period ended	
	(Un-audited) 31 March 2014	(Audited) 31 March 2013
	-----Rupees-----	
<b>Balance at period / year ended</b>		
<b>JS Investments Limited</b>		
Remuneration payable	2,449,919	2,108,349
Sales tax payable on management company's remuneration	808,124	369,761
FED payable on management company's remuneration	2,600,856	-
Expense payable	-	6,250
Sales load payable	8,649	18,337
<b>Central Depository Company of Pakistan Limited</b>		
Remeuneration payable to the Trustee	207,433	187,614
Security deposit	100,000	100,000
Settlement charges payable	17,739	15,564
<b>JS Global Capital Limited</b>		
Brokerage commission payable	159,147	83,286
<b>Unit Holders Holding 10% or more of the units in issue</b>		
3,021,288 (2013: 5,439,376) units in issue	441,893,580	371,497,570
<b>EFU Life Assurance Limited</b>		
Units held 383,237 (2013: 323,958) units	56,052,364	47,122,923
<b>Key Management Personnel &amp; Directors</b>		
Units held 8,589 (2013: 16,160) units	1,256,222	2,300,083

- 9.1 The transactions with related parties / connected persons are in the normal course of business at contracted rates.
- 9.2 This represents the amount of brokerage paid to the related party and not the purchase or sale value of securities transacted through them as the ultimate counter-parties in respect of purchase and sales are not related.

### 10 DATE OF AUTHORISATION FOR ISSUE

These condensed interim financial statements were authorised for issue by the Board of Directors of the Management Company on April xxx, 2014

### 11 GENERAL

11.1 The corresponding figures have been re-arranged wherever necessary.

11.2 Figures have been rounded off to the nearest Rupee.

For JS Investments Limited  
(Management Company)

Ali Akhtar Ali  
Chief Executive Officer

Nazar Mohammad Shaikh  
Chairman

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