



JS Aggressive Income Fund

Annual Report 2010



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

VISION

To be recognized as a responsible asset manager respected for continuingly 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

Munawar Alam Siddiqui	Chairman
Rashid Mansur	Chief Executive Officer
Suleman Lalani	Executive Director
Nazar Mohammad Shaikh	
Fayaz Anwar	
Lt. General (R) Masood Parwaiz	
Sadeq Sayeed	

Auditors

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

Legal Adviser

Bawaney & Partner
Room # 404, 4th floor, Beaumont Plaza,
Beaumont Road, Civil Lines
Karachi-75530

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

Audit Committee

Nazar Mohammad Shaikh	Chairman
Munawar Alam Siddiqui	Member
Lt. General (R) Masood Parwaiz	Member

Chief Financial Officer & Company Secretary

Suleman Lalani

Trustee

Central Depository Company of Pakistan Limited.
CDC House, 99-B, Block 'B'. S.M.C.H.S.,
Main Shahrah-e-Faisal,
Karachi – 74400 Pakistan
Tel: (92-21) 111-111-500
Fax: (92-21) 34326040

DIRECTORS REPORT TO THE UNIT HOLDERS

The Board of Directors of JS Investments Limited, the Management Company of JS Aggressive Income Fund (the Fund), is pleased to present the Annual Report for the year ended June 30, 2010.

Economic Outlook

The money market remained fairly stable during the Fiscal Year 2010. The pressures observed on the inflationary indicators cautioned the policy makers of State Bank of Pakistan (SBP) to keep the Discount Rate (DR) at 12.5% by the end of FY10. Rekindling of sustainable economic growth remains to be the prime focus for the government, albeit with monetary and fiscal stability. During the FY10, the 6 Months KIBOR averaged 12.40% and attained a maximum of 12.88%.

The stabilization endeavors have yielded affirmative results as the CPI rate for June 2010 was clocked in at 12.69% on YoY as compared to the previous year's figure of 20.8%. However, steady elimination of subsidies, reformed tax framework and increased international oil prices are the factors likely to keep the inflation rates in the higher bounds going forward. Moreover, the liquidity level is also dependent upon the extent of fiscal and public sector borrowing from the banking system.

The SBP, nevertheless, remains focused on balancing the risks between inflation and financial stability as seen in the recent hike in the policy rate by 50 basis points announced by the State Bank in its Monetary Policy on July 30, 2010.

Review of Fund Performance

The Fund incurred a net loss of Rs. 1.007 million during the year ended June 30, 2010. The above loss was primarily on account of provisions aggregating Rs. 18.062 million made against non-performing investment in Pre-IPO of Dewan Cement Limited in accordance with the Provisioning Policy of the Fund and the directives of the Securities and Exchange Commission of Pakistan. In addition the Fund also suffered loss on sale of marketable securities aggregating Rs. 3.069 million. The Fund also made provision of Rs. 0.703 million towards Workers Welfare Fund as fully explained in note 13 to the accounts.

The net assets of the Fund declined sharply from Rs. 249.701 million to Rs. 77.947 million during the year under review. The net assets value as on June 30, 2010 was Rs. 96.63 per unit compared to beginning ex-distribution net assets value of Rs. 101.61 per unit. During the year the Fund has paid an interim distribution of Rs. 2.25 per unit based on the distributable income as on the date of announcement of distribution. Adjusting for the interim distribution the net asset value per unit declined by 2.69% compared to the beginning net asset value as on June 30, 2009.

Fund and Asset Manager Rating

The fund stability rating of the fund is in progress and has not yet been announced by JCR – VIS Credit Rating Co. Limited.

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

Future Outlook

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

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

We believe that a progressive and proactive approach to business will enhance the Brand Visibility of your Management

Company and its products, yielding higher returns for all stakeholders. At the same time a strong Prudential Risk Management would play fundamental role in working of your Management Company.

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

Corporate Governance and Financial Reporting Framework

The Board of Directors of the Management Company states that:

- a. The financial statements, prepared by the Management Company, present fairly the state of affairs of the Fund, the results of its operations, cash flows and movement in net assets of the Fund.
- b. Proper books of accounts of the Fund have been maintained.
- c. Appropriate accounting policies have been consistently applied in preparation of financial statements, and financial estimates are based on reasonable and prudent judgment.
- d. International Accounting Standards, as applicable in Pakistan, provisions of the Non-Banking Finance Companies (Establishment & Regulation) Rules, 2003, Non-Banking Finance Companies and Notified Entities Regulations, 2008, requirements of the Trust Deed and directives of the Securities and Exchange Commission of Pakistan have been followed in preparation of the financial statements.
- e. The system of internal control is sound in design and has been effectively implemented and monitored.
- f. There are no significant doubts upon the Fund's ability to continue as a going concern.
- g. There has been no material departure from the best practices of the Code of Corporate Governance, as detailed in the listing regulations.
- h. A performance table / key financial data is given on page 07 of this annual report.
- i. The Directors have signed the "Statement of Ethics and Business Practices".
- j. The Chief Executive, directors and executives and their spouses do not hold any units in the fund.
- k. Summary of units acquired / redeemed during the year by the Chief Executive, directors and executives, their spouses and minor children is provided below:

Name	Designation	Units Acquired	Units Redeemed
Bilal Rashid	Head of Marketing	-	27.29

- l. The value of investments of the staff provident fund of JS Investments Limited, as per the audited accounts for the year ended June 30, 2010 was Rs. 15.978 million.

Meetings of the Directors

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

Auditors

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

Acknowledgment

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

Karachi: August 17, 2010

Rashid Mansur
Chief Executive Officer

JS Aggressive Income Fund

FUND MANAGER REPORT

Investment philosophy

JS AIF aims at generating current income on investments while maintaining the prospects of capital appreciation by investing in a diversified portfolio of money market and fixed income instruments. The fund may aggressively adjust asset weightings to take advantage of directional macro and micro economic trends and may hold some or even all of its assets in cash to either provide liquidity or for defensive purposes.

Key information

Fund type	Open end
Category	Aggressive Fixed Income Scheme
Fund launch date	22 January, 2008
Net Assets (PKR mn)	77.95
Management fee	1.50%
Trustee	Central Depository Company of Pakistan Ltd.
Auditor	M. Yousuf Adil Saleem & Co.
Risk profile	Medium
Listing	Lahore Stock Exchange
Benchmark	Average of most recent published 3-month deposit rates of top 3 scheduled Commercial Bank by deposit size

Market Review

The money market remained fairly stable during the Fiscal Year 2010. The fragility observed among the inflationary indicators cautioned the policy makers of State Bank of Pakistan (SBP) to keep the Discount Rate (DR) at 12.5% by the end of FY10. Rekindling of sustainable economic growth remains to be the prime focus for the Government, albeit with monetary and fiscal stability. During the FY10, the 6 Months KIBOR averaged 12.40% and attained a maximum of 12.88%.

The stabilization endeavors have yielded affirmative results as the CPI rate for June 10 was clocked in at 12.69% on YoY as compared to the previous year's figure of 20.8%. However, steady elimination of subsidies, reformed tax framework and increased international oil prices are the factors likely to keep the inflation rates in the higher bounds going forward. Moreover, the liquidity level is also dependent upon the extent of fiscal and public sector borrowing from the banking system.

The SBP, nevertheless, remains utmost focused on balancing the risks between inflation and financial stability. Thus, it is participating actively by conducting Open Market Operations (OMOs), on a regular basis, to monitor the liquidity appetite.

Fund vs Benchmark Comparison

	1M	6M	1Y	3Y	Launch
Fund	13.20	-1.67	-2.72	n/a	3.61
Benchmark	6.76	6.77	9.94	n/a	12.20
Difference	6.45	-8.43	-12.67	n/a	-8.59

Distribution for the Year Ended June 30, 2009

The Board of Directors of the Management Company has declared a final distribution of Rs. 2.00 per unit in addition to the interim distribution of Rs. 4.25 per unit already paid during the year thus making a total distribution of Rs. 6.25 per unit or 6.2357% of the beginning NAV of Rs. 100.23

Distribution for the Year Ended June 30, 2010

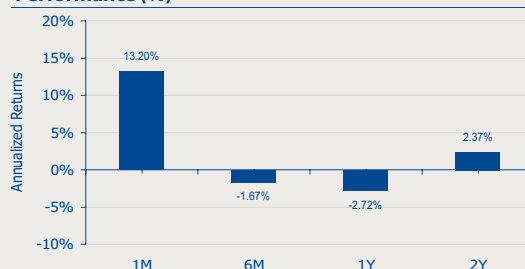
The Board of Directors of the Management Company has declared an interim distribution of Rs. 2.25 per unit for **JS Aggressive Income Fund**.

Effects on the NAV after Distribution

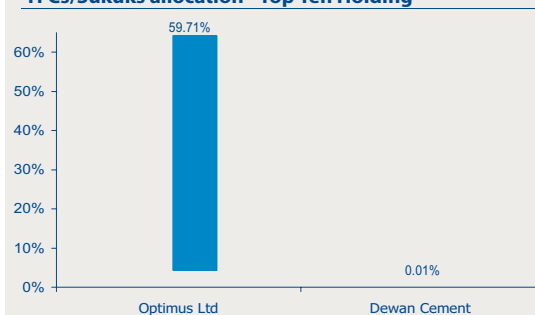
NAV per unit as on June 30, 2010	
Cum NAV (PKR)	96.63
Ex-NAV (PKR)	96.63

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

Performance (%)



TFCs/Sukuks allocation - Top Ten Holding



Asset allocation (%)

	Jun-10
Term Fin. Certificates	59.72
Treasury bills	29.42
Cash	7.52
Other	3.11
Total	100.00

Statistical analysis

	Fund	Benchmark
Beta	0.5	1.0
Standard Deviation	4.8%	1.0%
Largest Month Gain	2.6%	1.2%
Largest Month Loss	-3.2%	0.0%
% Positive Months	74.2%	100.0%
Weighted Avg. Maturity (Yr)	1.25	

Investment Committee Members

Mr. Rashid Mansur - Chief Executive Officer
 Mr. Suleman Lalani - Executive Director & CFO
 Syed Rehan Mobin - Fund Manager

Split of Units

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

Other Disclosures

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

PERFORMANCE TABLE / KEY FINANCIAL DATA

		2010	2009	2008
Net assets	Rs.	77,947,227	249,700,671	923,838,955
Net (loss) / income	Rs.	(1,007,186)	35,161,681	59,719,892
Total return of the Fund	%	(2.72)	7.72	9.59
Annual dividend distribution	%	2.25	6.25	5.00
Capital Growth	%	(4.97)	1.47	4.59
Average annual return				
- One Year	%	(2.72)	7.72	9.59
- Two Years	%	2.50	8.66	n/a
- Three Years	%	4.86	n/a	n/a
NAV per unit	Rs.	96.63	103.61	102.83
Highest offer price per unit	Rs.	105.52	108.02	103.96
Lowest offer price per unit	Rs.	96.06	96.43	101.23
Year-end offer price per unit	Rs.	97.60	104.65	103.86
Highest repurchase price per unit	Rs.	104.47	106.94	102.92
Lowest repurchase price per unit	Rs.	95.10	95.46	100.23
Year-end repurchase price per unit	Rs.	96.63	103.61	102.83
First interim distribution	Rs.	2.25	2.75	2.40
Announcement date		23-Oct-09	6-Oct-08	27-Mar-08
Second interim distribution	Rs.	-	1.50	-
Announcement date		-	22-Apr-09	-
Final distribution	Rs.	-	2.00	2.60
Announcement date		-	7-Jul-09	9-Jul-08
Total distribution	Rs.	2.25	6.25	5.00

Fund keeps the weighted average duration of its portfolio to less than 5 years.

Notes

- JS Aggressive Income Fund was launched on January 22, 2008.
- Investment portfolio composition of the Fund is disclosed in note 3 to the financial statements.

Disclaimer

Past performance is not necessarily indicative of future performance and that unit prices and investment returns may go down, as well as up.

REVIEW REPORT TO THE UNIT HOLDERS ON STATEMENT OF COMPLIANCE WITH BEST PRACTICES OF THE CODE OF CORPORATE GOVERNANCE

We have reviewed the Statement of Compliance with the best practices contained in the Code of Corporate Governance prepared by the Board of Directors of the JS Investments Limited, the management company of JS Aggressive Income Fund (the Fund) to comply with the respective Listing Regulation No. 35 (Chapter XI) of the Lahore Stock Exchanges, where the Fund is listed.

The responsibility for compliance with the Code of Corporate Governance is that of the Board of Directors of the management company of the fund. Our responsibility is to review, to the extent where such compliance can be objectively verified, whether the Statement of Compliance reflects the status of the fund's compliance with the provisions of the Code of Corporate Governance and report if it does not. A review is limited primarily to inquiries of the management company personnel and review of various documents prepared by the management to comply with the Code.

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

Further, a sub regulations (XIII a) of listing regulations No. 35 requires the Company to place before the Board of Directors for their consideration and approval related party transactions, distinguishing between transactions carried out on terms equivalent to those that prevail in arm's length transactions and transactions which are not executed at arm's length price, recording proper justification for using such alternate pricing mechanism. Further, all such transactions are also required to be separately placed before the audit committee. We are only required and have ensured compliance of requirement to the extent of approval of related party transactions by the Board of Directors and placement of such transactions before the audit committee. We have not carried out any procedures to determine whether the related party transactions were under taken at arm's length price or not.

Based on our review, nothing has come to our attention, which causes us to believe that the Statement of Compliance does not appropriately reflect the Management Company's compliance, in all material respects, with the best practices contained in the Code of Corporate Governance as applicable to the Fund for the year ended June 30, 2010.

Karachi: August 17, 2010

M.Yousuf Adil Saleem & Co.
Chartered Accountants

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

This Statement is being presented in compliance with the Code of Corporate Governance ('the Code') contained in the listing regulations of Lahore Stock Exchange where the Fund is listed. The purpose of the Code is to establish a framework of good governance, whereby a listed entity is managed in compliance with the best practices of corporate governance.

JS Investments Limited (Management Company) which manages the affairs of the Fund has applied the principles contained in the Code in the following manner:

1. The Management Company encourages representation of independent non-executive directors. Presently, the Board of Directors (Directors) includes five non-executive directors.
2. The directors of the Management Company have confirmed that none of them is serving as a director in more than ten listed companies, including the Management Company.
3. All the directors of the Management Company have confirmed that they are registered as taxpayers and none of them has defaulted in payment of any loan to a banking company, a DFI or an NBFC or, being a member of a stock exchange, has been declared as a defaulter by that stock exchange.
4. During the year Mr. Muhammad Najam Ali, CEO, Mr. Ali Raza Siddiqui, Executive Director and Mr. Siraj Ahmed Dadabhoj, Director tendered their resignation and Mr. Rashid Mansur, CEO, Mr. Suleman Lalani, Executive Director and Mr. Fayaz Anwar, Director were appointed to fill the casual vacancies after obtaining prior approval from SECP.
5. The Management Company has prepared a "Statement of Ethics and Business Practices," which has been signed by all the directors and employees of the Management Company.
6. The Management Company has developed a vision / mission statement, overall corporate strategy and significant policies of the Fund which have been approved by the Board. A complete record of particulars of significant policies has been maintained.
7. All the powers of the Board have been duly exercised and decisions on material transactions, including appointment and determination of remuneration and terms and conditions of employment of the Chief Executive Officer and other executive directors, have been taken by the Board.
8. The meetings of the Board were presided over by the Chairman, and in his absence, by a director elected by the Board for this purpose and the Board met at least once in every quarter during the year. Written notices of the meetings of the Board, along with agenda and working papers, were circulated at least seven days before the meetings. The minutes of the meetings were appropriately recorded and circulated.
9. The Management Company has established adequate procedures and systems for related party transactions vis-à-vis the pricing method for related party transactions. All the related party transactions are placed before the Audit Committee and the Board of Directors for their review and approval.
10. The Board of Directors is well aware of the requirements of the Code of Corporate Governance however arrangements will also be made shortly for an orientation session.
11. During the year, there was no change of Chief Financial Officer / Company Secretary. His remuneration and terms and conditions of employment have been approved by the Board. The Head of Internal Audit resigned on 11 June 2010 and the Management Company is in the process to fill the said vacancy.
12. The Directors' Report has been prepared in compliance with the requirements of the Code and fully describes the salient matters required to be disclosed.
13. The financial statements of the Fund have been prepared in accordance with the approved accounting standards as

JS Aggressive Income Fund

applicable in Pakistan and were duly endorsed by the Chief Executive Officer and Chief Financial Officer before approval of the Board.

14. The directors, Chief Executive Officer and executives do not hold any interest in the units of the Fund other than those disclosed in the Directors' Report.
15. The Management Company has complied with all other corporate and financial reporting requirements of the Code with respect to the Fund.
16. The Board has formed an Audit Committee. It comprises of three non-executive directors.
17. The meetings of the Audit Committee held every quarter prior to approval of interim and annual results of the Fund as required by the Code. The Board has approved terms of reference of the Audit Committee.
18. The Board has set-up an effective internal audit function headed by the Head of Internal Audit and Compliance.
19. The statutory auditors of the Fund have confirmed that they have been given a satisfactory rating under the quality control review program of the Institute of Chartered Accountants of Pakistan (ICAP), that they or any of the partners of the firm, their spouses and minor children do not hold shares of the Company and that the firm and all its partners are in compliance with International Federation of Accountants (IFAC) guidelines on Code of Ethics as adopted by the ICAP.
20. The statutory auditors or the persons associated with them have not been appointed to provide other services to the Company except in accordance with the listing regulations and the auditors have confirmed that they have observed IFAC guidelines in this regard.
21. We confirm that all other material principles contained in the Code have been complied with.

Karachi: August 17, 2010

Rashid Mansur
Chief Executive Officer

TRUSTEE REPORT TO THE UNIT HOLDERS

Report of the Trustee pursuant to Regulation 41(h) and Clause 9 of Schedule V of the Non-Banking Finance Companies and Notified Entities Regulations, 2008

The JS Aggressive Income Fund (the Fund), an open-end fund was established under a trust deed dated July 19, 2007, executed between JS Investments Limited, as the Management Company and Central Depository Company of Pakistan Limited, as the Trustee.

In our opinion, the Management Company has in all material respects managed the Fund during the year ended June 30, 2010 in accordance with the provisions of the following:

- (i) Limitations imposed on the investment powers of the Management Company under the constitutive documents of the Fund;
- (ii) The pricing, issuance and redemption of units are carried out in accordance with the requirements of the constitutive documents of the Fund; and
- (iii) The Non-Banking Finance Companies (Establishment and Regulations) Rules, 2003, the Non-Banking Finance Companies and Notified Entities Regulations, 2008 and the constitutive documents of the Fund.

For the purpose of information, we draw attention of the unit holders towards the fact that as per Reg. 55(5) of the Non Banking Finance Companies and Notified Entities Regulations, 2008 exposure of a Collective Investment Scheme to any single Nofify Entity should not exceed an amount equal to 10% of net assets of the collective investment scheme. However the exposure of the Fund in a debt security of an entity during the year remained in excess of the prescribed limit. The Management Company has availed extensions twice during the year from the Securities & Exchange Commission of Pakistan to regularize aforesaid exposure and further extension has been requested till the period ended December 31, 2010.

Karachi: October 05, 2010

Muhammad Hanif Jakhura
Chief Executive Officer
Central Depository Company of Pakistan Limited

INDEPENDENT AUDITORS' REPORT TO THE UNIT HOLDERS

We have audited the accompanying financial statements of JS Aggressive Income Fund (the Fund) for the year ended June 30, 2010 which comprises the statement of assets and liabilities, income statement, statement of comprehensive income, statement of comprehensive Income, statement of movement in unit holder fund, distribution statement and cash flow statement together with a summary of significant accounting policies and other explanatory notes, for the year then ended, and we state that we have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purpose of our audit.

Management's responsibility for the financial statements

JS Investments Limited (the management company) of the Fund is responsible for the preparation and fair presentation of these financial statements in accordance with the requirements of the Trust Deed, the Non-Banking Finance Companies Notified Entities Regulations, 2008 (the Regulations) and the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (the Rules) and approved accounting standards as applicable in Pakistan. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditors' responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards as applicable in Pakistan. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements give a true and fair view of the state of the Fund's affairs as at June 30, 2010, and of its financial performance, cash flows and transactions for the year then ended in accordance with approved accounting standards as applicable in Pakistan.

Other matters

In our opinion, the financial statements have been prepared in accordance with the relevant provisions of the Trust Deed, Non-Banking Finance Companies and Notified Entities Regulations, 2008 and Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003.

Karachi: August 17, 2010

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



FINANCIAL STATEMENTS

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

	Note	June 30, 2010 Rupees	June 30, 2009 Rupees
Assets			
Investments	3	71,699,554	194,948,011
Bank balances	4	6,232,815	53,664,514
Prepayments and other receivables	5	1,765,085	3,736,791
Preliminary and floatation costs	6	630,988	876,324
Security deposit	7	100,000	100,000
Total assets		80,428,442	253,325,640
Liabilities			
Preliminary and floatation cost payable to the management company	6	-	983,600
Remuneration payable to the management company		9,549	315,800
Remuneration payable to the trustee		57,029	57,534
Annual fee payable to Securities and Exchange Commission of Pakistan		120,471	539,856
Accrued and other liabilities	8	2,294,166	1,728,179
Total liabilities		2,481,215	3,624,969
Net assets		77,947,227	249,700,671
Unit holders' funds (as per statement attached)		77,947,227	249,700,671
		No. of units	No. of units
Number of units in issue		806,641	2,410,084
		Rupees	Rupees
Net asset value per unit		96.63	103.61

The annexed notes from 1 to 21 form an integral part of these financial statements.

For JS Investments Limited
(Management Company)

Rashid Mansur
Chief Executive Officer

Munawar Alam Siddiqui
Chairman

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

	Note	June 30, 2010 Rupees	June 30, 2009 Rupees
Income			
Investment income			
Net loss on sale of marketable securities		(3,068,937)	(1,374,330)
Return / mark-up on:			
- bank balances		4,611,757	40,512,508
- transactions under Continuous Funding System		-	4,473,594
- term finance certificates		9,820,782	28,848,173
- government securities and commercial papers		6,440,430	7,865,161
- money market placements		-	7,417,957
Amortisation of discount on investments		994,525	1,671,135
		21,867,494	90,788,528
Element of income / (loss) and capital gain / (loss) in prices of units issued less those in units redeemed - net		2,890,674	(5,309,699)
		21,689,231	84,104,499
Expenses			
Remuneration to the management company	9	2,409,407	9,025,989
Remuneration to the trustee	10	700,000	1,245,242
Annual fee of the Securities and Exchange Commission of Pakistan	11	120,471	539,855
Amortisation of preliminary and floatation costs		245,336	245,679
Bank and settlement charges		31,125	34,421
Listing and custodian fee		26,029	35,142
Fee to National Clearing Company of Pakistan Limited		-	1,132,649
Printing and stationery		62,196	88,250
Auditors' remuneration	12	205,000	241,000
Provision against Worker Welfare Fund	13	703,234	-
Securities transaction cost		3,923	58,032
Provision against accrued mark-up on term finance certificates	5	-	4,007,109
Provision for diminution in market value of debt securities	3.4	18,062,297	31,927,703
Others		127,399	361,747
		22,696,417	48,942,818
Net (loss) / income for the year carried forward to distribution statement		(1,007,186)	35,161,681

The annexed notes from 1 to 21 form an integral part of these financial statements.

For JS Investments Limited
(Management Company)

Rashid Mansur
Chief Executive Officer

Munawar Alam Siddiqui
Chairman

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

	June 30, 2010 Rupees	June 30, 2009 Rupees
Net (loss) / income for the year	(1,007,186)	35,161,681
<u>Other comprehensive income for the year</u>		
Net unrealised (gain) / loss on revaluation of available-for-sale investments transferred to income on maturity / sale	(984,828)	2,208,476
Net unrealised (loss) / gain on revaluation of investments classified as available-for-sale	(87,199)	22,240
Total comprehensive (loss) / income for the year	<u>(2,079,213)</u>	<u>37,392,397</u>

The annexed notes from 1 to 21 form an integral part of these financial statements.

For JS Investments Limited
(Management Company)

Rashid Mansur
Chief Executive Officer

Munawar Alam Siddiqui
Chairman

**CASH FLOW STATEMENT
FOR THE YEAR ENDED JUNE 30, 2010**

	June 30, 2010 Rupees	June 30, 2009 Rupees
Cash flows from operating activities		
Net (loss) / income for the year	(1,007,186)	35,161,681
Adjustments for:		
Net loss on marketable securities	3,068,937	1,374,330
Amortisation of discount on investments	(994,525)	(1,671,135)
Element of (income) / loss and capital (gains) / losses in prices of units issued less those in units redeemed - net	(2,890,674)	5,309,699
Provision for diminution in market value of debt securities	18,062,297	31,927,703
Amortisation of preliminary and floatation costs	245,336	245,679
	16,484,185	72,347,957
Decrease in assets		
Continuous Funding System and accrued markup receivable	-	1,980,925
Prepayments & other receivables	1,971,706	172,447,770
Security deposits	-	1,000,000
	1,971,706	175,428,695
(Decrease) / increase in liabilities		
Remuneration payable to the management company	(306,251)	(912,267)
Remuneration payable to the trustee	(505)	(105,124)
Annual fee payable to Securities and Exchange Commission of Pakistan	(419,385)	(79,782)
Accrued and other liabilities	565,987	1,252,226
	(160,154)	155,053
	18,295,737	247,931,705
Purchases of investments	(307,112,233)	(382,672,011)
Sale of investments	409,151,954	649,320,521
Preliminary and floatation costs paid	(983,600)	(245,900)
Net Cash generated from operating activities	119,351,858	514,334,315
Cash flows from financing activities		
Amounts received on issue of units	659,239	149,973,344
Amounts paid on redemption of units	(167,442,796)	(866,813,724)
Net cash used from financing activities	(166,783,557)	(716,840,380)
Net decrease in cash and cash equivalent during the year	(47,431,699)	(202,506,065)
Cash and cash equivalents at beginning of the year	53,664,514	256,170,579
Cash and cash equivalents at end of the year	6,232,815	53,664,514

The annexed notes from 1 to 21 form an integral part of these financial statements.

For JS Investments Limited
(Management Company)

Rashid Mansur
Chief Executive Officer

Munawar Alam Siddiqui
Chairman

**STATEMENT OF MOVEMENTS IN UNIT HOLDERS' FUND
FOR THE YEAR ENDED JUNE 30, 2010**

	June 30, 2010	June 30, 2009
	Rupees	
Net assets at the beginning of the year	249,700,671	923,838,955
Amount received on issue of 76,935 (2009: 1,978,748) units*	659,239	149,973,344
Amount paid on redemption of 1,680,378 (2009: 8,553,004) units	(167,442,796)	(866,813,724)
	(166,783,557)	(716,840,380)
Element of (income) / loss and capital (gain) / loss in prices of units issued less those in units redeemed - net	(2,890,674)	5,309,699
Net income / (loss) for the year	(1,007,186)	35,161,681
Net unrealised (loss) / gain on revaluation of available-for-sale investments transferred to income on maturity / sale	(984,828)	2,208,476
Net unrealised (loss) / gain on revaluation of investments classified as available-for-sale	(87,199)	22,240
Net assets at the end of the year	77,947,227	249,700,671
Net asset value per unit	96.63	103.61

* This includes 70,549 (2009: 502,683) units issued as bonus units during the year.

The annexed notes from 1 to 21 form an integral part of these financial statements.

For JS Investments Limited
(Management Company)

Rashid Mansur
Chief Executive Officer

Munawar Alam Siddiqui
Chairman

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

	June 30, 2010 Rupees	June 30, 2009 Rupees
Undistributed income brought forward		
Realised	8,679,958	27,623,446
Unrealised	-	-
	8,679,958	27,623,446
- Final distribution announced on July 7, 2009 (2009 : July 9, 2008)	(4,820,169)	(23,359,284)
	3,859,789	4,264,162
Net (loss) / income for the year	(1,007,186)	35,161,681
Less: Distribution:		
- announced on October 23, 2009 (2009 : October 6, 2008)	(4,509,758)	(23,999,335)
- announced Nil (2009: April 22, 2009)	-	(6,746,550)
Undistributed (loss) / income carried forward	(1,657,155)	8,679,958
Represented by:		
Realised	(1,657,155)	8,679,958
Unrealised	-	-
	(1,657,155)	8,679,958

The annexed notes from 1 to 21 form an integral part of these financial statements.

For JS Investments Limited
(Management Company)

Rashid Mansur
Chief Executive Officer

Munawar Alam Siddiqui
Chairman



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

1. LEGAL STATUS AND NATURE OF BUSINESS

JS Aggressive Income Fund (the Fund) was established under a Trust Deed executed between JS Investments Limited as the management company and Central Depository Company of Pakistan Limited (CDC) as the trustee. The Trust Deed was executed on July 10, 2007 and was approved by the Securities and Exchange Commission of Pakistan (SECP) on July 19, 2007 in accordance with the Non-Banking Finance Companies Rules 2003 (the Rules).

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.

The Fund is an open ended mutual fund categorised as aggressive fixed income scheme and its units are listed on Lahore Stock Exchange. Units are offered for public subscription on a continuous basis. The units are transferable and can be redeemed by surrendering them to the Fund.

The Fund invests primarily in fixed-rate securities, equity securities and other avenues of investment, which include corporate debt securities and Government securities and transactions under Continuous Funding System, which is a form of financing through the stock exchange.

Title to the assets of the Fund are held in the name of the CDC as a trustee of the Fund.

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

2. SIGNIFICANT ACCOUNTING POLICIES

2.1 Statement of compliance

These financial statements have been prepared in accordance with approved accounting standards as applicable in Pakistan. Approved accounting standards comprise of such International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board as are notified under the Companies Ordinance, 1984, provisions of and directives issued under the Companies Ordinance, 1984, requirements of Trust Deed, Non Banking Finance Companies (Establishment and Regulation) Rules, 2003 and Non-Banking Finance Companies and Notified Entities Regulations, 2008 (NBFC rules and regulations). In case, the requirements differ, the provisions or directives of the Companies Ordinance, 1984, the requirements of the Trust Deed and Non Banking Finance Companies (Establishment and Regulation) Rules, 2003, Non Banking Finance Companies and Notified Entities Regulations, 2008 shall prevail.

2.2

Standard effective and adopted in current year

IAS 1 - Presentation of financial statements (Revised)

January 01, 2009

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

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

January 01, 2009

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

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

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

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

2.4 Basis of preparation

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

The principal accounting policies adopted are set out below:

2.5 Cash and cash equivalents

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

2.6 Investments

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

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

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

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

Held-to-maturity

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

Available-for-sale

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

- Debt securities

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

- Government securities

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

- Commercial papers

These are designated as available-for-sale by the management and valued at amortised cost in accordance with the requirements of the SECP circular no. 1 dated January 06, 2009.

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

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

2.7 Derivatives

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

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

2.8 Securities under repurchase / resale agreements

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

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

2.9 Preliminary and floatation costs

The Fund has recorded all expenses incurred in connection with the incorporation, registration, establishment and authorisation of the Fund, as preliminary and floatation costs which are amortised over the period of five years in accordance with Trust Deed.

2.10 Payables and accruals

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

2.11 Provisions

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

2.12 Financial instruments

Financial assets and financial liabilities are recognised at the time when the Fund becomes a party to the contractual provisions of the instrument. Financial assets are derecognised when the Fund loses control of the contractual rights that comprises that financial asset. Financial liabilities are derecognised when they are extinguished, that is, when the obligation specified in the contract is discharged, cancelled or expired. Any gain or loss on derecognition of the financial assets and financial liabilities is taken to income currently.

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

2.13 Impairment of financial assets

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

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

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

2.14 Offsetting of financial assets and financial liabilities

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

2.15 Issuance and redemption of units

Units are issued at the offer price determined at the close of business when funds in respect of issue of units are realised. The offer price represents the net asset value of units at the close of the business day plus the allowable sales load. The sales load is payable to the distribution company and the management company as processing fee. Issue of units is recorded upon realisation of related funds.

Units redeemed are recorded at the redemption price prevalent at the end of the day in which the units are redeemed. The redemption price represents the net assets value at the end of the business day. Redemption of units is recorded on acceptance of application for redemption.

2.16 Element of income / (loss) and capital gain / (loss) in prices of units issued less those in units redeemed - net

To prevent the dilution of per unit income and distribution of income already paid out on redemption, as dividend, an equalization account called "element of income / (loss) and capital gain / (loss) in prices of units issued less those in units redeemed - net" is created.

The "element of income / (loss) and capital gain / (loss) in prices of units issued less those in units redeemed - net" account is credited with the amount representing net income / (loss) and capital gain / (loss) accounted for in the last announced net asset value and included in the sale proceeds of units. Upon redemption of units, the "element of income / (loss) and capital gain / (loss) in prices of units issued less those in units redeemed - net" account is debited with the amount representing net income / (loss) and capital gain/ (loss) accounted for in the last announced net asset value and included in the redemption price.

The "element of income / (loss) and capital gain / (loss) in prices of units issued less those in units redeemed - net" during an accounting period is transferred to the income statement.

2.17 Revenue recognition

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

Dividend income is recognised when the right to receive the dividend is established.

Mark-up / return on government securities, term finance certificates, commercial papers, clean placements, bank balances and term deposit receipts are recognised on a time proportion basis.

2.18 Dividend and distributions

Cash dividend and distribution of bonus units is recognised upon declaration and approval by the Board of Directors of the management company.

2.19 Zakat

Units held by resident Pakistani unit holders shall be subject to Zakat at 2.5% of the par value of units or the redemption amount whichever is lower, under Zakat and Ushr Ordinance, 1980 (XVII of 1980), except those exempted under the said Ordinance. Zakat is deducted at source from the dividend amount or from the redemption payment.

2.20 Taxation

The Fund is exempt from taxation under clause 99 of the Part I of the 2nd Schedule of the Income Tax Ordinance, 2001, subject to the condition that not less than 90% of its accounting income excluding realised and unrealised capital gains for the year is distributed amongst the unit holders.

2.21 Accounting estimates and judgements

The preparation of financial statements in conformity with approved accounting standards requires the use of certain critical accounting estimates, judgments and assumptions that affect the reported amounts of assets and liabilities and income and expenses. It also requires management to exercise its judgment in the process of applying the Fund's accounting policies. Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

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

- (a) classification of investments (Note 2.6)
- (b) provisions (Note 2.11)
- (c) impairment (Note 2.13)

3. INVESTMENT	Note	June 30, 2010 Rupees	June 30, 2009 Rupees
Available-for-sale			
Un-quoted debt securities	3.1	48,024,929	67,280,658
Government securities - Treasury bills	3.2	23,664,625	89,886,600
Un-quoted debt securities - Commercial Papers	3.3	-	19,708,456
Advance against subscription of term finance certificates - (Cement Sector)	3.4	10,000	18,072,297
		71,699,554	194,948,011

Companies	Holdings at the beginning of the year	Acquired during the year	Disposed during the year	Holdings at the end of the year	Market Value at June 30, 2010 (Rupees)	% in relation to total investment
Note	Number of certificates					

3.1 Available-for-sale (Un-quoted debt securities)

Term Finance Certificates
- face value of Rs. 5,000/- each

Technology and communication

Optimus Limited	3.1.1	10,000	-	-	10,000	48,024,929	66.98
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Fertilizer

Agritech Limited (Formerly Pak American Fertilizer Limited)		4,500	-	4,500	-	-	-
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Cost

48,024,929
48,441,357

3.1.1 These term finance certificates carry a mark-up equal to the six months ask side KIBOR plus 210 basis points per annum with no floor and no cap and receivable semi-annually in arrears and will mature in October 2012.

Exposure in this investment had exceeded the limit stated in Regulation 55(5) of the NBFC and Notified Entities Regulations, 2008. The Securities and Exchange Commission of Pakistan had allowed the Fund to bring down the exposure to 10% of net assets of the Fund by June 30, 2010. Since investment in Optimus Limited could not be regularised within the said period, the management company has applied for further extension upto December 31, 2010.

Companies	Holdings at the beginning of the year	Acquired during the year	Disposed during the year	Holdings at the end of the year	Market Value at 30 June 10 (Rupees)	% in relation to total investment
Note	Number of certificates					

3.2 Available-for-sale (Government Securities)

- face value of Rs. 100,000/- each

PIBs - 10 years		-	240	240	-	-
PIBs - 3 years		-	250	250	-	-
T.Bills - 1 year		1,000	1,800	2,800	-	-
T.Bills - 6 months	3.2.1	-	250	-	250	23,664,625
T.Bills - 3 months		-	750	750	-	-

Cost

23,664,625
23,670,336

3.2.1 These securities have a maturity period of six months with a yield of 12.20% per annum.

Companies	Holdings at the beginning of the year	Acquired during the year	Matured during the year	Holdings at the end of the year	Market Value at 30 June 10 (Rupees)	% in relation to total investment
Note	Number of certificates					

3.3 Available-for-sale (Un-quoted debt securities - commercial papers)

- face value of Rs. 100,000/- each

Textile Composite

Azgard Nine Limited (related party)	200	-	200	-	-	-
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Cost

-
-

3.4 Advance against subscription of term finance certificates - (Cement Sector)

This represents application money for subscription of 10,000 units of term finance certificates (Pre-IPO) of Dewan Cement Limited. The company had to issue TFCs within a period of 270 days of public offering. The period of 270 days to complete the public offering expired on October 05, 2008 and the management company of the Fund is making efforts for the recovery of the actual amount disbursed of Rs. 50 million. The Fund has made a provision of Rs. 49.99 million against the actual amount disbursed in accordance with the provisioning policy of the Fund approved by the Board of Directors of the management company. The above provision is without prejudice to the Fund's claim against the above entire exposure of Rs. 50 million, unrecognised markup and other charges etc.

JS Aggressive Income Fund

	June 30, 2010	June 30, 2009
	Rupees	
3.4.1 Movement of provision		
As at July 01, 2009	31,927,703	-
Provision made during the year	18,062,297	31,927,703
As at July 01, 2010	<u>49,990,000</u>	<u>31,927,703</u>

4. BANK BALANCES

In savings accounts	4.1	6,232,815	3,664,514
Term deposit		-	50,000,000
		<u>6,232,815</u>	<u>53,664,514</u>

4.1 This includes balance of Rs. 0.35 million (2009 : Rs. 0.10 million) with JS Bank Limited (related party) that carries mark-up of 9.00% (2009: 11.00% per annum). Other savings accounts carry mark-up rates ranging from 10.00% to 10.50% (2009: 4.75% to 12.75%) per annum.

	June 30, 2010	June 30, 2009
	Rupee	
5 PREPAYMENTS AND OTHER RECEIVABLES		
Mark-up / return receivable on:		
- bank balances	1,104	190,433
- term finance certificates	5,629,721	7,553,467
Prepaid rating fee to JCR VIS	141,369	-
	<u>5,772,194</u>	<u>7,743,900</u>
Less: Provision against accrued mark-up on term finance certificates	(4,007,109)	(4,007,109)
	<u>1,765,085</u>	<u>3,736,791</u>

6. PRELIMINARY AND FLOATATION COSTS

This represents expenses in connection with the establishment and authorization of the Fund including execution and registration of the constitutive documents, etc. incurred by the management company and re-imbursable by the Fund, subject to the audit of expenses. These expenses are amortised over a period of five year as per trust deed.



	June 30, 2010 Rupees	June 30, 2009 Rupees
Preliminary and floatation costs	1,229,500	1,229,500
Amortisation	(598,512)	(353,176)
	630,988	876,324

7. SECURITY DEPOSIT

Central Depository Company of Pakistan Limited	100,000	100,000
	100,000	100,000

8. ACCRUED AND OTHER LIABILITIES

Payable in respect of purchase of securities - net	14,775	121,676
Audit fees	130,000	152,000
Workers Welfare Fund payable	703,234	-
Others	1,446,157	1,454,503
	2,294,166	1,728,179

9. REMUNERATION TO THE MANAGEMENT COMPANY

Under the provisions of the Regulations and the Rules, the management company is entitled to a remuneration for services rendered to the Fund, upto maximum of 3% per annum based on daily net assets of the Fund during the first five years of the Fund's existence, and thereafter, of an amount equal to 2% of such assets of the Fund.

The management company has charged remuneration @ 1.5% per annum of the average daily assets of the Fund as per the trust deed.

10. REMUNERATION TO THE TRUSTEE

Central Depository Company of Pakistan Limited (the Trustee) is entitled to monthly remuneration for services rendered to the Fund under the provisions of Trust Deed as follows:

- up to rupees one billion maximum of 0.2% per annum of the daily net assets of the Fund or Rs 0.7 million whichever is higher
- exceeding rupees one billion Rs.2 million plus 0.1% per annum of the daily net assets of the Fund exceeding Rs.1 billion.

11. ANNUAL FEE TO SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN

This represents annual fee of one tenth of 0.75% of average annual net assets payable to the Securities and Exchange Commission of Pakistan.

JS Aggressive Income Fund

	June 30, 2010 Rupees	June 30, 2009 Rupees
12. AUDITORS' REMUNERATION		
Annual audit fee	100,000	100,000
Fee for review of half yearly financial statements	50,000	50,000
Other certifications	40,000	70,000
Out of pocket expenses	15,000	21,000
	205,000	241,000

13. PROVISION AGAINST WORKERS' WELFARE FUND

The Workers' Welfare Ordinance, 1971 was amended vide Finance Act, 2008, by virtue of which, the Fund is also liable to pay Workers' Welfare Fund @ 2% of the accounting profit or declared income as per income tax return, whichever ever is higher. Since the petition filed by MUFAP has been dismissed by the High Court of Sindh, the Fund has made a provision of Workers' Welfare Fund in these financial statements for the last year.

14. TAXATION

Fund is exempt from tax under clause 99 of part 1 of Second Schedule of the Income Tax Ordinance, 2001, subject to the condition that not less than 90% of its accounting income for the year, as reduced by the capital gains whether realised or unrealised, is distributed among its unit holders. No provision has been made in these financial statements due to loss for the year.

15. TRANSACTIONS WITH CONNECTED PARTIES / RELATED PARTIES

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

	June 30, 2010 Rupees	June 30, 2009 Rupees
JS Investments Limited - management company		
Remuneration of the management company	2,409,407	9,025,989
Sales load	800	1,729
Redemption of Units	2,098,970	87,855,420
Bonus	2,132,378	7,731,998
Preliminary and floatation costs paid	983,600	285,900
Expenses incurred by management company on behalf of the Fund	53,077	-
Expenses re-imbursed to management company	74,725	-

JS Aggressive Income Fund

	Note	June 30, 2010 Rupees	June 30, 2009 Rupees
Abamco - Staff Provident Fund			
Issue of units		-	1,000,000
Redemption of Units		-	4,263,665
Bonus		-	81,454
Central Depository Company of Pakistan - trustee			
Remuneration of the trustee		700,000	1,245,242
CDS transaction and connection charges		6,029	22,642
JS Global Capital Limited			
Brokerage fee	15.1	26,086	59,261
Purchase of TFCs		-	120,456,204
TFCs Sold		-	164,887,620
JS Bank Limited			
Profit on bank balances		156,426	2,354,751
JS - Fund of Funds			
Issue of units		-	48,000,000
Bonus		463,467	4,262,062
Redemption of units		24,080,815	97,204,347
Unit Trust of Pakistan			
Bonus		-	4,781,919
Redemption of units		-	102,369,575
Pakistan International Container Terminal Limited			
Redemption of units		20,421,350	375,352,291
Bonus		387,838	23,023,118
EFU Life Assurance Limited			
TFCs Sold		-	77,584,580
EFU General Insurance Limited			
Issue of units		-	30,000,000
Redemption of units		-	30,183,232
Azgard Nine Limited			
Purchase of Commercial Paper		-	18,307,210
Commercial Paper Matured		20,000,000	100,000,000
Income on commercial paper		322,368	5,233,448

JS Aggressive Income Fund

	June 30, 2010 Rupees	June 30, 2009 Rupees
Agritech Limited (formerly Pak American Fertilizers Limited)		
Income on Term Finance Certificates	2,358,908	13,072,999
Income on commercial paper	-	57,141
Commercial Paper matured	-	50,000,000
Key Management Personnel		
Issue of units	-	14,852,500
Redemption of units	2,596	14,877,126
Bonus units	112	266,900
Balance as at year end		
JS Investments Limited - management company		
Remuneration payable	9,549	315,800
Outstanding 501,736 (2009: 501,736) units	48,482,761	51,983,173
Preliminary and floatation costs	-	983,600
Other payable to management company	-	21,648
Central Depository Company of Pakistan Limited - trustee		
Remuneration payable	57,029	57,534
JS Fund of Funds		
Outstanding Nil (2009: 231,734) units	-	24,009,139
Pakistan International Container Terminal Limited		
Outstanding Nil (2009: 193,919) units	-	20,091,312
JS Bank Limited		
Bank Balances	347,346	105,777
Agritech Limited (formerly Pak American Fertilizers Limited)		
Profit receivable	-	1,792,835
Key Management Personnel		
Outstanding Nil (2009: 26) units	-	2,714

15.1 The amount disclosed represents the amount of brokerage paid to related party and not the purchase or sale value of securities transacted through them. The purchase or sale value have not been treated as transactions with related party as ultimate counter-parties are not related.

16. FINANCIAL RISK MANAGEMENT POLICIES

Financial risk factors

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

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

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

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

16.1 Market risk

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

i. Price risk

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

The Fund's policy requires that the overall market position is monitored on a daily basis by the Fund Manager and is reviewed periodically by the Investment Committee. Compliance with the Fund's investment policies are reported to the management company on regular basis.

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

	June 30, 2010	June 30, 2009
Rupees.....	
Debt securities - Available-for-sale	71,689,554	157,167,258

In case of 10% increase / decrease in fair value of debt securities on June 30, 2010, statement of comprehensive income for the year would be affected by Rs. 7.17 million (2009: Rs. 15.72 million) as a result of gain / loss.

ii. Yield / interest rate risk

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

The interest rate profile of the Fund is as follows:

	Floating Interest Rate	Fixed Interest Rate	Non-interest bearing	Total
 Rupees			
At June 30, 2010				
Investments	48,034,929	23,664,625	-	71,699,554
Bank balances	6,232,815	-	-	6,232,815
Other receivables	-	-	1,623,716	1,623,716
Security deposits	-	-	100,000	100,000
	54,267,744	23,664,625	1,723,716	79,656,085

JS Aggressive Income Fund

	Floating Interest Rate	Fixed Interest Rate	Non-interest bearing	Total
 Rupees			
At June 30, 2009				
Investments	85,352,955	109,595,056	-	194,948,011
Bank balances	3,664,514	50,000,000	-	53,664,514
Other receivables	-	-	3,736,791	3,736,791
Security deposits	-	-	100,000	100,000
	89,017,469	159,595,056	3,836,791	252,449,316

Interest rate sensitivity

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

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

If the interest rate would have been higher or lower by 100 basis points and all the other variables remain constant, the Fund's income would increase / decrease as follows:

	Change in rate	Total Effect on Income
June 30, 2010	+100 bps	542,677
	-100 bps	(542,677)
June 30, 2009	+100 bps	890,175
	-100 bps	(890,175)

The Fund also hold fixed interest rate financial assets which may be subject to change in fair value as a result of change in interest rate. However, all the fixed interest rate financial assets of the Fund are short term and therefore their carrying value approximates the fair value. Accordingly, there would be no material impact on income

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

iii. Currency risk

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

16.2 Credit risk

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

In summary, compared to the maximum amount included in statement of assets and liabilities, the maximum exposure to credit risk as at June 30, 2010 is as follows;

	June 30, 2010		June 30, 2009	
	Financial Asset	Maximum Exposure	Financial Asset	Maximum Exposure
 Rupees			
Investments	71,699,554	48,034,929	194,948,011	105,061,411
Bank balances	6,232,815	6,232,815	53,664,514	53,664,514
Other receivables	1,623,716	1,623,716	3,736,791	3,736,791
Security deposits	100,000	100,000	100,000	100,000
	79,656,085	55,991,460	252,449,316	162,562,716

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

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

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

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

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

Information relating to the Fund's financial assets that are past due and impaired is given in Note 3.4.

16.3 Liquidity risk

Liquidity risk is the risk that a Fund will encounter difficulty in raising funds to meet commitments associated with financial liabilities stood at Rs. 2,481,215 (2009: Rs. 3,624,969) as at June 30, 2010 .The Fund is exposed to cash redemptions of its redeemable units on a regular basis. Units are redeemable at the unit holder's option based on the Fund's net assets value per unit at the time of redemption calculated in accordance with the Fund constitutive documents.

The management company manages liquidity risk by following internal guidelines of the Investment Committee such as monitoring maturities of financial assets and financial liabilities and investing in highly liquid financial assets.

The Fund is not materially exposed to liquidity risk as all obligations / commitments of the Fund are short-term in nature.

The following are the contractual maturities of financial liabilities:

	Less than 1 month	Between 1 and 12 months	More than 1 year	Total
Rupees.....			
As at June 30, 2010				
Remuneration payable to the management company	9,549	-	-	9,549
Remuneration payable to the trustee	57,029	-	-	57,029
Annual fee payable to Securities and Exchange - Commission of Pakistan	-	120,471	-	120,471
Accrued and other liabilities	1,590,932	703,234	-	2,294,166
	1,657,510	823,705	-	2,481,215

JS Aggressive Income Fund

	Less than 1 month	Between 1 and 12 months	More than 1 year	Total
Rupees.....			
As at June 30, 2009				
Preliminary and floatation cost payable to the - management company	-	245,900	737,700	983,600
Remuneration payable to the management company	315,800	-	-	315,800
Remuneration payable to the trustee	57,534	-	-	57,534
Annual fee payable to Securities and Exchange - Commission of Pakistan	-	539,856	-	539,856
Accrued and other liabilities	1,728,179	-	-	1,728,179
	2,101,513	785,756	737,700	3,624,969
	2,101,513	785,756	737,700	3,624,969

17. FAIR VALUE OF FINANCIAL INSTRUMENTS

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

Underlying the definition of fair value is the presumption that the Fund is a going concern without any intention or requirement to curtail materially the scale of its operations or to undertake a transaction on adverse terms.

Financial assets which are tradable in an open market are revalued at the market prices prevailing on the statement of assets and liabilities date. The estimated fair value of all other financial assets and liabilities is considered not significantly different from book value.

Fair value hierarchy

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

- Level 1 fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3 fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

	Level 1	Level 2	Level 3
Rupees.....		
Available-for-sale financial assets			
Unquoted debt securities	-	48,024,929	-
T-bills - 6 months	-	23,664,625	-
Total	-	71,689,554	-
	-	71,689,554	-

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

18. UNIT HOLDERS' FUND MANAGEMENT

Redeemable units are represented as capital of the Fund. Unit holders are entitled to dividends and to payments of proportionate share based on the Fund's net assets value per unit on the redemption date.

The Fund has no restrictions or requirements on the subscription and redemption of units.

JS Aggressive Income Fund is a open end fund. The Fund's objectives when managing unit holder's fund is to safeguard its ability to continue as a going concern so that it can continue to provide returns for unit holders and to maintain a strong capital base to meet unexpected losses or opportunities.

19. OTHER SUPPLEMENTARY INFORMATION

The information regarding unit holding pattern of the Fund, transactions with top ten brokers, details of the members of the Investment Committee, particulars of the fund manager, details of meetings of the Board of Directors of the management company and the rating of the Fund and management company have been disclosed in Annexure I to the financial statements.

20. DATE OF AUTHORISATION FOR ISSUE

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

21. GENERAL

Figures have been rounded off to the nearest rupee.

For JS Investments Limited
(Management Company)

Rashid Mansur
Chief Executive Officer

Munawar Alam Siddiqui
Chairman

ANNEXURE I

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

(i) UNIT HOLDING PATTERN OF THE FUND

Category	Number of unit holders	Number of units held	Amount Rupees	% of total
Individuals	15	73,559	7,108,178	9.12
Bank / DFIs	1	1,015	98,081	0.13
Retirement funds	3	229,694	22,195,751	28.48
Others	2	502,373	48,545,217	62.28
2010	21	806,641	77,947,227	100

Category	Number of unit holders	Number of units held	Amount Rupees	% of total
Individuals	50	679,016	70,350,557	28.17
Bank / DFIs	2	503,836	52,200,748	20.91
Retirement funds	5	299,232	31,002,418	12.42
Others	4	928,000	96,146,949	38.50
2009	61	2,410,084	249,700,671	100

(ii) LIST OF TOP 10 BROKERS BY PERCENT OF THE COMMISSION PAID

Name of broker	% of commission paid
2010	
KASB Securities Limited	34.21
JS Global Capital Limited	25.00
BMA Capital Management Limited	13.93
Invisor Securities (Private) Limited	13.82
Atlas Capital Markets (Pvt.) Limited	4.95
Invest Capital Bank Limited	4.60
Global Securities Pakistan Limited	3.49
2009	
Standard Capital Securities (Pvt.) Limited	28.92
First Capital Securities	27.21
JS Global Capital Limited	16.13
Global Securities Pakistan Limited	11.74
KASB Securities Limited	9.84
Invisor Securities (Private) Limited	3.37
Invest Capital Bank Limited	2.72
IGI Finex Securities (Pvt.) Limited	0.07

ANNEXURE I

(iii) THE MEMBERS OF THE INVESTMENT COMMITTEE

Following are the members of the Investment Committee of the Fund:

Mr. Rashid Mansur - Chief Executive Officer
 Mr. Suleman Lalani - Executive Director
 Syed Rehan Mobin - Fund Manager

MR. RASHID MANSUR -CHIEF EXECUTIVE OFFICER

Mr. Rashid Mansur joined JS Investments Limited on April 01, 2010 as Chief Executive Officer. Prior to joining JSIL he was President and CEO of Escort Investment Bank Limited and also served as the Chairman of the 'Investment Banks Association of Pakistan'. He is a qualified Associate of the Chartered Institute of Bankers London with specialization in 'International Banking Operations 'Practice and Law of International Banking' and 'International Finance & Investment'.

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

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

MR. SULEMAN LALANI - EXECUTIVE DIRECTOR

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

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

SYED REHAN MOBIN - FUND MANAGER

Syed Rehan Mobin joined JS Investments Limited in July 2007. He brings with him 9 years of highly specialized experience in the field of Debt and Equity Markets. Currently, he is looking after the JS Large Cap. Fund, JS Aggressive Income Fund and JS Principal Secure Fund I.

He is an MBA with majors in Finance. He has extensive exposure of Fixed Income and Equity Portfolio Management, Research and Risk Management. In his last assignment, he worked as Head of Fixed Income Funds at National Asset Management Company Limited. Prior to that, he was engaged in wealth management consultancy for high net-worth individual clients. He successfully structured and managed Fixed Income Hedge Portfolio worth PKR 2,500 million and an Equity Portfolio worth PKR 200 million. He started his professional career with Khadim Ali Shah Bukhari & Company Limited, where he managed Fixed Income and Money Market department.

JS Aggressive Income Fund

(iv) MEETINGS OF BOARD OF DIRECTORS OF THE MANAGEMENT COMPANY

Following is the analysis of the attendance in the meetings of the Board of Directors of the management company during the year:

Name of Directors	Meetings attended	Meetings held on					
		07 July 2009	21 August 2009	29 August 2009	23 October 2009	26 February 2010	24 April 2010
Mr. Munwar Alam Siddiqui	6	1	1	1	1	1	1
Mr. Rashid Mansur-Incoming CEO	1	-	-	-	-	-	1
Mr. Suleman Lalani- Incoming Executive Director	1	-	-	-	-	-	1
Mr. Muhammad Najam Ali-Out going CEO	5	1	1	1	1	1	-
Mr. Ali Raza Siddiqui- Out going director	5	1	1	1	1	1	-
Mr. Nazar Mohammad Shaikh	6	1	1	1	1	1	1
Lt. General (Retd.) Masood Parwaiz	6	1	1	1	1	1	1
Mr. Sadeq Sayeed	2	-	1	1	-	-	-
Mr. Fayaz Anwar-Incoming Director	1	-	-	-	-	-	1
Mr. Siraj Ahmed Dadabhoy-Out going Director	-	-	-	-	-	-	-
		5	6	6	5	5	6

(v) RATING OF THE FUND AND THE MANAGEMENT COMPANY

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

The fund stability rating of the fund is in progress and has not yet been announced by JCR – VIS Credit Rating Co. Limited.



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