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## Unit Trust of Pakistan

Quarterly Report for the period  
ended September 30, 2010



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## Unit Trust of Pakistan

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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.

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### VISION

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

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### 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.

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### 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



## Unit Trust of Pakistan

### ORGANIZATION

<b>Management Company</b>	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	
<b>Board of Directors</b>	Munawar Alam Siddiqui Rashid Mansur Suleman Lalani Nazar Mohammad Shaikh Fayaz Anwar Lt. General (R) Masood Parwaiz Sadeq Sayeed	Chairman Chief Executive Officer
<b>Audit Committee</b>	Nazar Mohammad Shaikh Munawar Alam Siddiqui Lt.General (R) Masood Parwaiz	Chairman Member Member
<b>Chief Financial Officer &amp; Company Secretary</b>	Suleman Lalani	
<b>Trustee</b>	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	
<b>Auditors</b>	Ernst & Young Ford Rhodes Sidat Hyder Chartered Accountants	
<b>Legal Adviser</b>	Bawaney & Partners	
<b>Transfer Agent</b>	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 three months period ended September 30, 2010.

#### Market Review

The equity market remained under pressure during the quarter under review, as the KSE-30 Index rose marginally by 1.2% to close the quarter at 9,674 points. Although the index was unable to close the period on a significant positive note, however, the index did exhibit volatility (for the reasons explained below) by hovering within the range of 10% in the out-going quarter.

During the quarter, Pakistan's ailing economy suffered the most challenging setback in the form of 'mega floods'. Consequently, the agricultural output considered as the backbone of the economy went into enormous distress. A rough estimate of the losses to the economy is quoted at USD 43Bn. Therefore, the government has had to make tough choices in the form of; (a) Diversion of the budgeted development expenditures for rehabilitation activities, which would widen the budget deficit (b) Increased foreign loans, hampering our debt-servicing capacity and (c) Monetary tightening as an attempt to curb the inflationary impact of floods.

The above measures would imminently put additional pressure on the government's objective of reviving the 'weak' economy. Moreover, any further monetary tightening, which can not be ruled out owing to the expected inflation rate of 14%-16%, is going to further squeeze the debt-ridden companies' capacity to operate profitably. Nevertheless, despite all the odds, the foreigners have continued to capture the headlines with their net Foreign Portfolio Investments (FPI) of US\$ 105mn in the out-going quarter. While trading at an EFY11 P/E multiple of 7.2, the local market still remains a comparatively attractive outlet for foreigners to pour their funds in.

Conclusively, in light of a gloomy economic picture, revival of the stock market and the muted volumes would require the keenly-awaited impetus of a possible re-emergence of leveraged products for the liquidity-strapped investors.

#### Fund Performance

The Fund earned a net income of Rs. 19.786 million during the period under review compared to net income of Rs. 706.573 million during the corresponding period of last year. The net assets of the Fund were Rs. 2,308.011 million as on September 30, 2010 compared to Rs. 2,405.992 million as on June 30, 2010 - a decline of 4.07%. The net assets value (NAV) per unit as on September 30, 2010 was Rs. 92.37 compared to ex-distribution NAV of Rs. 91.10 per unit on June 30, 2010 showing an increase of 1.39%. The Fund underperformed its benchmark return by 0.95% for the period ended September 30, 2010.

#### Fund and Asset Manager Rating

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

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

#### Acknowledgment

We wish to express our gratitude to 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.

On behalf of the Board

**Rashid Mansur**  
Chief Executive Officer

Karachi: October 22, 2010



## Unit Trust of Pakistan

### CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES AS AT SEPTEMBER 30, 2010

	Note	(Un-Audited) September 30, 2010	(Audited) June 30, 2010
-----Rupees-----			
<b>Assets</b>			
Bank balance		295,378,988	93,940,087
Investments	4	1,970,826,563	2,269,107,008
Dividend receivables		22,103,826	15,406,223
Accrued markup / interest	5	6,344,757	13,722,932
Deposits, prepayments and other receivable	6	24,105,099	25,365,513
<b>Total assets</b>		<b>2,318,759,233</b>	<b>2,417,541,763</b>
<b>Liabilities</b>			
Remuneration payable to the management company		3,793,722	395,752
Remuneration payable to the trustee		271,883	282,800
Payable against redemption of units		1,769,608	-
Accrued and other liabilities	7	4,912,773	10,870,898
<b>Total liabilities</b>		<b>10,747,986</b>	<b>11,549,450</b>
<b>Net assets</b>		<b>2,308,011,247</b>	<b>2,405,992,313</b>
<b>Unit holders' fund</b>		<b>2,308,011,247</b>	<b>2,405,992,313</b>
<b>Number of units in issue</b>		<b>24,986,168</b>	<b>23,269,764</b>
<b>Net asset value per unit</b>		<b>92.37</b>	<b>103.40</b>

The annexed notes from 1 to 14 form an integral part of these condensed interim financial statements.

For JS Investments Limited  
(Management Company)

Rashid Mansur  
Chief Executive Officer

Munawar Alam Siddiqui  
Chairman

## Unit Trust of Pakistan

### CONDENSED INTERIM INCOME STATEMENT (UNAUDITED) FOR THE QUARTER ENDED SEPTEMBER 30, 2010

	Note	Quarter ended	
		September 30 2010	September 30 2009
-----Rupees-----			
<b>Income</b>			
Markup / interest income on bank balances and investments	8	23,062,243	42,907,232
Dividend income		22,103,828	17,028,000
Net gain on investments at fair value through income statement	9	35,898,733	660,652,835
Net (loss) / gain on available-for-sale investments	10	(36,598,024)	315,982
Amortization of premium / (discount) on investment		628,767	1,000,891
Element of income / (loss) and capital gain/(loss) in prices of units issued less those of units redeemed-net		(17,474,868)	7,463,101
		<u>27,620,679</u>	<u>729,368,041</u>
<b>Expenses</b>			
Remuneration to the management company		11,841,577	15,633,029
Remuneration to the trustee		844,149	1,033,951
Brokerage and capital value tax		1,189,624	4,522,956
Annual fee to Securities & Exchange Commission of Pakistan		503,191	664,433
Bank and settlement charges		52,508	667,859
Auditors' remuneration		159,926	157,044
Annual fee to National Clearing Company of Pakistan Limited		49,395	55,421
Printing and Stationery		52,689	53,268
Listing fee		9,646	7,544
Reversal of Contribution to Workers Welfare Fund	11	(6,868,106)	-
		<u>7,834,599</u>	<u>22,795,505</u>
<b>Net income for the period</b>		<u><u>19,786,080</u></u>	<u><u>706,572,536</u></u>

The annexed notes from 1 to 14 form an integral part of these condensed interim financial statements.

For JS Investments Limited  
(Management Company)

Rashid Mansur  
Chief Executive Officer

Munawar Alam Siddiqui  
Chairman



Unit Trust of Pakistan

**CONDENSED INTERIM STATEMENT OF COMPREHENSIVE  
INCOME (UNAUDITED)**  
FOR THE QUARTER ENDED SEPTEMBER 30, 2010

	Quarter ended	
	September 30, 2010	September 30, 2009
	-----Rupees-----	
Net income for the period	19,786,080	706,572,536
<b>Other comprehensive income</b>		
Net unrealised (loss) / gain on revaluation of available for sale investments	(61,722)	219,651
Transferred to income statement upon disposal of available for sale investments	(3,127,744) (3,189,466)	- 219,651
<b>Total comprehensive income for the period</b>	<u>16,596,614</u>	<u>706,792,187</u>

The annexed notes from 1 to 14 form an integral part of these condensed interim financial statements.

For JS Investments Limited  
(Management Company)

Rashid Mansur  
Chief Executive Officer

Munawar Alam Siddiqui  
Chairman



## Unit Trust of Pakistan

### CONDENSED INTERIM CASH FLOW STATEMENT (UNAUDITED) FOR THE QUARTER ENDED SEPTEMBER 30, 2010

	Quarter ended	
	September 30, 2010	September 30, 2009
	-----Rupees-----	
<b>Cash Flow from Operating activities</b>		
Net income for the period	19,786,080	706,572,536
<b>Adjustments for:</b>		
Net gain on investments at fair value through income statement	(35,898,733)	(660,968,817)
Net (loss) / gain on available-for-sale investments	36,598,024	
Element of income / (loss) and capital gain / (loss) in price of units issued less those of units redeemed - net	17,474,868	(7,463,101)
Amortization of (premium) /discount on investment	(628,767)	(1,000,891)
<b>Operating profit before working capital changes</b>	<b>37,331,472</b>	<b>37,139,727</b>
<b>(Increase) / Decrease in current assets</b>		
Income receivables	7,378,175	24,496,259
Dividend Receivables	(6,697,603)	(11,957,540)
Deposits, prepayments and other receivables	1,260,414	(227,587,647)
	1,940,986	(215,048,928)
<b>Increase / (Decrease) in current liabilities</b>		
Remuneration payable to the management company	3,397,970	(3,983,071)
Remuneration payable to the trustee	(10,917)	36,851
Payable against redemption of units	1,769,607	(6,229,050)
Creditors, accrued and other liabilities	(5,958,125)	(3,351,263)
	(801,465)	(13,526,533)
	38,470,994	(191,435,734)
Sale of investments	1,220,888,931	1,836,402,651
Purchase of investments	(925,868,476)	(1,643,130,188)
	295,020,455	193,272,463
<b>Net Cash flow from operating activities</b>	<b>333,491,449</b>	<b>1,836,728</b>
<b>Cash flow from financing activities</b>		
Proceed from issue of units	3,127,889	39,343,010
Amount paid on redemption of units	(135,180,437)	(285,950,832)
Net cash used in financing activities	(132,052,547)	(246,607,822)
<b>Net decrease cash and cash equivalents during period</b>	<b>201,438,902</b>	<b>(244,771,093)</b>
Cash and cash equivalent at the beginning of the period	93,940,087	682,419,371
<b>Cash and cash equivalents at end of the period</b>	<b>295,378,988</b>	<b>437,648,278</b>

The annexed notes from 1 to 14 form an integral part of these condensed interim financial statements.

For JS Investments Limited  
(Management Company)

Rashid Mansur  
Chief Executive Officer

Munawar Alam Siddiqui  
Chairman



## Unit Trust of Pakistan

### CONDENSED INTERIM STATEMENT OF MOVEMENT

#### IN UNIT HOLDERS' FUND (UNAUDITED)

FOR THE QUARTER ENDED SEPTEMBER 30 , 2010

	Quarter ended	
	September 30, 2010	September 30, 2009
	-----Rupees-----	
Net assets at the beginning of the period	2,405,992,313	2,929,235,395
Issue of 3,175,775.8080 Units (2009: 389,264 units ) Par value of Rs. 100/- per unit	3,127,889	39,343,010
Redemption of 1,459,371.6798 units ( 2009: 2,927,768 units ) Par value of Rs. 100/- per unit	(135,180,437)	(285,950,832)
Element of income/(Loss) and capital gain/(Loss) in prices of units issued less those of units redeemed - net	17,474,868	(7,463,101)
Net income for the period	19,786,080	706,572,536
Other comprehensive income	(3,189,466)	219,651
Total comprehensive income for the period	16,596,614	706,792,187
Net assets as at the end of the period	<u>2,308,011,247</u>	<u>3,381,956,659</u>

\* Including 3,141,801.2310 bonus units (2009: nil ) units issued as bonus units during the period.

The annexed notes from 1 to 14 form an integral part of these condensed interim financial statements.

For JS Investments Limited  
(Management Company)

Rashid Mansur  
Chief Executive Officer

Munawar Alam Siddiqui  
Chairman

## Unit Trust of Pakistan

### CONDENSED INTERIM DISTRIBUTION STATEMENT (UNAUDITED) FOR THE QUARTER ENDED SEPTEMBER 30 , 2010

	Quarter ended	
	September 30, 2010	September 30, 2009
	-----Rupees-----	
Accumulated loss brought forward	(332,525,581)	(669,062,812)
Distribution @ Rs.12.30 per unit declared on July 09, 2010 (2009: Nil )	(286,218,092)	-
	<u>(618,743,673)</u>	<u>(669,062,812)</u>
Net income for the period	19,786,080	706,572,536
(Accumulated loss) / undistributed income carried forward	<u>(598,957,594)</u>	<u>37,509,724</u>

The annexed notes from 1 to 14 form an integral part of these condensed interim financial statements.

For JS Investments Limited  
(Management Company)

Rashid Mansur  
Chief Executive Officer

Munawar Alam Siddiqui  
Chairman



**NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UNAUDITED)**

FOR THE QUARTER ENDED SEPTEMBER 30, 2010

**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 [(Formerly Muslim Commercial Financial Services (Private) Limited (MCFSL)] 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 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

**2 BASIS OF PREPARATION**

"These condensed interim financial statements are un-audited and have been prepared in accordance with requirements of the International Accounting Standard, 34 "Interim Financial Reporting" as applicable in Pakistan, Trust Deed, the NBFC Rules, the Non-Banking Finance Companies and Notified Entities Regulations, 2008, and in compliance with the Listing Regulations of the Lahore Stock Exchange.

**3 ACCOUNTING POLICIES**

The accounting policies adopted for the preparation of these condensed interim financial statements are consistent with those in the preparation of Fund's annual financial statements for the year ended June 30, 2010.

	Note	Quarter ended	
		September 30 2010	September 30, 2009
		-----Rupees-----	
<b>4 INVESTMENTS</b>			
At fair value through income statement			
Held-for-trading			
Listed shares	4.1	1,226,016,552	1,258,605,922
Designated at fair value through income statement			
Listed term finance certificates	4.2	5,464,263	10,383,642
Un-listed term finance certificates	4.3	64,856	64,005
		5,529,119	10,447,647
		1,231,545,671	1,269,053,569
Available-for-Sale			
Listed term finance certificates	4.4	80,604,964	80,744,852
Un-listed term finance certificates	4.5	48,642,609	48,024,927
Government securities	4.6	516,220,846	751,158,520
Sukuks Unlisted	4.7	93,812,473	120,125,140
		739,280,892	1,000,053,439
Carrying value of investments as at 30 September 2010		1,970,826,563	2,269,107,008
Purchase cost of investments as at 30 September 2010		2,025,485,622	2,343,140,987

## Unit Trust of Pakistan

### 4.1 Listed shares / mutual fund units. (Ordinary shares have a face value of Rs. 10/- each unless stated otherwise.)

	Number of Shares				At the end of the period	Market Value (Rupees)	% of net assets	% of investee Capital
	At the beginning of the period	Acquired during the period	Bonus received during the period	Disposed/ redeemed during the period				
<b>Chemicals</b>								
Fauji Fertilizer Company Ltd	660,779	50,000	-	102,500	608,279	63,771,970	2.76	0.03
I.C.I. Pakistan	-	300,000	-	50,000	250,000	29,275,000	1.27	0.18
						93,046,970	4.03	
<b>Oil &amp; Gas</b>								
Pakistan State Oil Company Ltd	319,262	52,180	-	60,187	311,255	83,634,219	3.62	0.18
Shell Pakistan Ltd	66,869	-	-	-	66,869	12,868,939	0.56	0.10
Pakistan Petroleum Ltd	709,117	643,000	10,000	302,117	1,060,000	217,236,600	9.41	0.11
Attock Petroleum Ltd	92,221	422	-	92,643	-	-	-	-
Pakistan Oilfields Ltd	874,684	125,316	-	75,000	925,000	219,345,250	9.50	0.39
						533,085,008	23.10	
<b>Construction &amp; Materials</b>								
D.G. Khan Cement Ltd	-	100,000	-	-	100,000	2,392,000	0.10	0.03
Lucky Cement Ltd	383,192	-	-	383,192	-	-	-	-
						2,392,000	0.10	
<b>General Industrials</b>								
Packages Ltd	648,058	-	-	-	648,058	65,453,858	2.84	0.77
<b>Industrial Transportation</b>								
Pakistan International Container Terminal Company Ltd (related party)	2,002,000	-	-	-	2,002,000	132,392,260	5.74	1.83
<b>Personal Goods</b>								
Nishat Mills Ltd	1,400,000	350,000	-	140,000	1,610,000	74,060,000	3.21	0.66
<b>Fixed Line Telecommunication</b>								
Pakistan Telecommunication Co. Ltd	9,403,557	250,000	-	2,158,064	7,495,493	140,915,268	6.11	0.20
<b>Electricity</b>								
Hub Power Company Ltd	5,870,897	774,781	-	3,395,678	3,250,000	108,192,500	4.69	0.28
<b>Banks</b>								
MCB Bank Ltd	410,959	485,000	-	605,959	290,000	54,609,900	2.37	0.04
United Bank Ltd	-	650,380	-	225,000	425,380	21,868,788	0.95	0.04
						76,478,688	3.31	
						<u>1,226,016,552</u>	<u>53.12</u>	

For JS Investments Limited  
(Management Company)

Rashid Mansur  
Chief Executive Officer

Munawar Alam Siddiqui  
Chairman



## Unit Trust of Pakistan

Sectors / companies	Number of certificates			At the end of the period	Market Value (Rupees)	% of net assets
	At the beginning of the period	Acquired during the period	Disposed/ redeemed during the period			
<b>4.2 Listed term finance certificates</b>						
(Face value of Rs. 5,000/- each)						
Trust Leasing Corporation Limited	1,000	-	-	1,000	497,043	0.02
Standard Chartered Bank (Pakistan) Ltd.	4,000	-	-	4,000	4,967,220	0.22
					<u>5,464,263</u>	<u>0.24</u>
<b>4.3 Un-listed term finance certificates</b>						
(Face value of Rs. 5,000/- each)						
Pakistan Mobile Communication Limited		-		26	<u>64,856</u>	<u>0.00</u>
<b>4.4 Listed term finance certificates</b>						
(Face value Rs. 5,000/- each)						
United Bank Limited	17,000	-	-	17,000	80,270,235	3.48
Engro Corporation Ltd		69		69	334,729	0.01
					<u>80,604,964</u>	<u>3.48</u>
<b>4.5 Un-listed term finance certificates</b>						
(Face value of Rs. 5,000/- each)						
Optimus Limited	10,000	-	-	10,000	48,642,609	2.11
					<u>48,642,609</u>	<u>2.11</u>
<b>4.6 Governments securities</b>						
(Face value of Rs. 100,000/- each)						
Market Treasury Bills	8,150	9,040	11,955	5,235	516,220,846	22.37
					<u>516,220,846</u>	<u>22.37</u>
<b>4.7 Sukuks Unlisted</b>						
(Face value of Rs. 5,000/- each)						
Pak Elektron Limited	200			200	564,273	0.02
Karachi Shipyard & Eng. Works Ltd	2,000	-		2,000	9,723,200	0.42
Agri-tech Limited (Formerly Pak American Fertilizers Ltd) (related party)	25,700	-	-	25,700	83,525,000	3.62
					<u>93,812,473</u>	<u>3.62</u>

#### 4.8 Details of non-compliant investments

The Securities & Exchange Commission of Pakistan (SECP), vide its circular No. 16 dated July 07, 2010, prescribed specific 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.

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

Name of non-compliant investments	Type of Investments	Value of investment before provision	Provision held if any	Value of investment after provisioning	% of net assets	% of gross assets
Agri-tech Limited (formerly Pak American Fertilizer Limited) (related party)	Sukuks	117,617,546	(34,092,546)	83,525,000	3.62%	3.60%
Trust Investment Bank Limited-(II)	Term finance certificate	497,043	-	497,043	0.02%	0.02%
Azgard Nine Ltd (related party)	Commercial Paper	67,049,410	(67,049,410)	-	-	-

## Unit Trust of Pakistan

	(Un-audited) September 30 2010	(Audited) June 30 2010
	-----Rupees-----	
<b>5. ACCRUED MARKUP/ INTEREST</b>		
Term finance certificates	5,792,231	6,484,263
Sukuks	-	7,229,649
Bank balances	<u>552,525</u>	<u>9,020</u>
	<u>6,344,757</u>	<u>13,722,932</u>
<b>6 DEPOSITS, PREPAYMENT AND OTHER RECEIVABLES</b>		
Receivable against sale of securities	20,654,502	21,945,271
Security deposit with National Clearing Company of Pakistan Limited	2,500,000	2,500,000
Income tax recoverable	820,242	820,242
Security deposit with Central Depository Company of Pakistan limited.	100,000	100,000
Prepaid listing fee	<u>30,354</u>	<u>-</u>
	<u>24,105,099</u>	<u>25,365,513</u>
<b>7 ACCRUED AND OTHER LIABILITIES</b>		
SECP annual fee payable	503,191	2,625,856
Accrued expenses	912,349	874,231
Sales load Payable	304	8,736
Unclaim dividend	103,607	103,607
Payable against purchase of securities	3,393,323	390,362
Provision for contribution to Worker's Welfare Fund	-	6,868,106
	<u>4,912,773</u>	<u>10,870,898</u>
	Quarter ended	
	September 30 2010	September 30 2009
	-----Rupees-----	
<b>8 MARKUP/ INTEREST INCOME ON BANK BALANCES AND INVESTMENTS</b>		
Bank balances and term deposits	3,873,259	7,519,810
Mark Up on Term finance certificate	4,957,251	22,607,848
Mark up on Commercial Papers	-	4,215,599
Mark up on Government securities	21,455,283	1,061,667
Reverse repurchase transactions	-	3,037,961
Mark up on Sukuks	<u>306,902</u>	<u>4,464,347</u>
Less: Provision against accrued markup	<u>(7,530,452)</u>	<u>4,464,347</u>
	<u>23,062,243</u>	<u>42,907,232</u>
<b>9 NET GAIN ON INVESTMENTS AT FAIR VALUE THROUGH INCOME STATEMENT</b>		
<b>Held-for-trading</b>		
Net gain on sale of investments	22,722,326	239,219,558
Net unrealised gain on revaluation of investments	<u>13,094,934</u>	<u>410,886,565</u>
	35,817,261	650,106,123
<b>Designated at fair value through income statement</b>		
Net unrealised gain on revaluation of investments	<u>81,472</u>	<u>10,546,712</u>
	<u>35,898,733</u>	<u>660,652,835</u>



## Unit Trust of Pakistan

	Quarter ended	
	September 30 2010	September 30 2009
	-----Rupees-----	
<b>10 NET (LOSS)/GAIN ON AVAILABLE-FOR-SALE INVESTMENTS</b>		
Net (loss) / gain on sale of investments	(2,505,478)	315,982
Impairment loss recognised on debt securities	(34,092,546)	-
	<u>(36,598,024)</u>	<u>315,982</u>

### 11 Reversal of Contribution to Worker's Welfare Fund

"The Finance Act, 2008 brought an amendment in section 2 (f) of the Workers' Welfare Fund Ordinance, 1971 (the WWF Ordinance) with the intention to make the definition of "Industrial Establishment" applicable to any establishment to which the West Pakistan Shop and Establishment Ordinance, 1969 (1969 Ordinance) applies. As a result of this amendment, the Fund had made provision of Rs. 6,868,106 for Worker's Welfare Fund being two percent of income of the Fund in the financial statements for the year ended June 30, 2010. However, the above provision was reversed and further provisioning was discontinued with effect from August 24, 2010 on the basis of a clarification issued by the Ministry of Labour and Manpower that the income of Mutual Funds is exempt from the levy of WWF under the law.

	Quarter ended	
	September 30 2010	September 30 2009
	-----Rupees-----	
<b>12 TRANSACTIONS WITH RELATED PARTIES / CONNECTED PERSONS</b>		
<b>JS Investments Limited</b>		
Remuneration of the management company	11,841,577	15,633,029
Sale load	-	67,466
<b>Central Depository Company Limited</b>		
Remuneration of the trustee	844,149	1,033,951
<b>JS Global Capital Limited</b>		
Brokerage commission paid	12.2 78,404	1,023,187
<b>JS Bank Limited</b>		
Income on bank balance and term deposits	214,429	2,875,188
<b>JS Fund of Funds</b>		
Issue of units	-	15,973,100
Units redeemed	16,164,745	-
Bonus units issued	9,620,766	-
<b>Pakistan International Container Terminal Company Ltd.</b>		
Dividend Income	-	2,565,000
Bonus units issued	69,287	-
<b>EFU Life Assurance Ltd.</b>		
Bonus units issued	2,989,754	3,967,124
<b>Azgard Nine Limited</b>		
Purchase of Commercial papers	-	67,049,410
Commercial paper matured	-	50,000,000



## Unit Trust of Pakistan

	(Un-audited) September 30 2010	(Audited) June 30 2010
<b>Balance as at period / year ended</b>		
	-----Rupees-----	
<b>JS Investments Limited</b>		
Remuneration payable	3,793,722	395,752
Sale load payable	-	3,060
<b>Central Depository Company Limited</b>		
Remuneration of the trustee	271,883	282,800
<b>JS Bank Limited</b>		
Bank Balance	1,040,307	386,180
<b>JS Fund of Funds</b>		
Units held 712,783 (2009: 782,176 ) units	65,839,746	80,877,012
<b>Pakistan International Container Terminal Company Ltd</b>		
Units held 6,393.6247 (2009: 5,633) units	590,579	582,459
<b>EFU Life Assurance Ltd.</b>		
Units held 275,887.8322 (2009: 243,069) units	24,583,759	25,133,382
<b>Key Management Personnel</b>		
Units held 460.9835 (2009: 3149) units	42,581	325,604

12.1 The transactions with related parties / connected persons are in the normal course of business at contracted rates.

12.2 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

### 13 DATE OF AUTHORISATION FOR ISSUE

These condensed interim financial statements were authorised for issue by the Board of Directors of the Management on October 22, 2010.

### 14 GENERAL

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

14.2 Figures have been rounded off to the nearest Rupee.

For JS Investments Limited  
(Management Company)

Rashid Mansur  
Chief Executive Officer

Munawar Alam Siddiqui  
Chairman

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