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JS Investments Limited  
Quarterly Report for the period  
ended September 30, 2014





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#### **VISION**

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

#### **MISSION**

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

#### **BROAD POLICY OBJECTIVES**

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



## COMPANY INFORMATION

<b>Board of Directors</b>	Mr. Nazar Mohammad Shaikh Mr. Ali Akhtar Ali Mr. Muhammad khalil ur Rehman Mr. Suleman Lalani Mr. Muhammad Raza Dyer Mr. Kamran Jafar Mr. Ahsen Ahmed Mr. Asif Reza Sana	Chairman Chief Executive Officer Non-Executive Director Non-Executive Director Non-Executive Director Non-Executive Director Non-Executive Director Non-Executive Director
<b>Audit Committee</b>	Mr. Asif Reza Sana Mr. Muhammad Khalil ur Rehman Mr. Suleman Lalani	Chairman Member Member
<b>Chief Financial Officer &amp; Company Secretary</b>	Mr. Muhammad Khawar Iqbal	
<b>Auditors</b>	M. Yousuf Adil Saleem & Co. Chartered Accountants	
<b>Legal Advisor</b>	Bawaney & Partners	
<b>Share Registrar</b>	Technology Trade (Private) Limited 241-C, Block-2, P.E.C.H.S., Karachi	
<b>Registered Office</b>	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	

## DIRECTORS' REPORT TO THE SHAREHOLDERS

FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2014

The Directors of your Company feel pleasure in presenting the un-audited accounts of JS Investments Limited (the "Company") along with consolidated accounts of the Company with its subsidiary, for the nine month and quarter ended September 30, 2014.

### Macro Economic Highlights

After showing nascent recovery in 1HCY14, economic activity remained lackluster during 3QCY14 owing to a multitude of factors primarily i) damages due to floods in Punjab and KPK (Khyber Pakhtunkhwa) province which bore the brunt; ii) the political impasse created following twin marches by Imran Khan's PTI (Pakistan Tehreek Insaf) and Tahirul Qadri's PAT (Pakistani Awami Tehreek) (from mid Aug'14); and iii) uncertainty regarding the GoP's (Government of Pakistan) adherence to the continuation of IMF reform program.

During the 3QCY14 period, State Bank of Pakistan (SBP) announced MPS (Monetary Policy Statement) twice (Jul-14 and Sep-14) wherein it maintained the Discount Rate at 10% (unchanged from Nov'13) even in the face of inflation trending downwards owing to mounting concerns over sustainability of improving macro-economic indicators due to recent political crisis and in the aftermath of floods.

Current Account deteriorated in 2MFY15 (Jul-August 2014) where the deficit ballooned to USD 1.37 billion against a deficit of only USD 580 million in the same period last year. Significant weakness in Trade deficit in this period was led by declining exports and increasing imports. Although remittances were up by 12.6% YoY they could not plug the deficit.

Consumer Price Index (CPI) inflation for 9MCY14 averaged at 8.07% against 7% in 9MCY13, a significant increase of 107 bps YoY as the Government of Pakistan (GoP) reduced electricity subsidies across the board. The pass down of higher electricity prices raised cost of production and filtered into end product pricing for consumers resulting in higher inflation. Going forward, CPI inflation is expected to moderate downwards in the remaining CY14 period primarily due to higher base effect of last year along with improved supply of perishable food stuff post floods.

GoP is all set to resume privatization process after certain delays where GDR (Global Depository Receipts) offering of OGDC is likely to boost FX reserves by around USD700-800 million and followed by sale of GoP's stakes in HBL (Habib Bank Limited) and ABL (Allied Bank Limited).

### Equity Market Performance

Looking at performance for 9MCY14, the KSE 30 Index posted a return of 7.5% in 9MCY14 against a return of 21% in the same period last year. Returns moderated in the 9MCY14 period compared to last year due to strong performance of the equity markets for most of last year. Investors reduced some risk due to the upcoming budget towards the end of 1HCY14 along with increasing political uncertainty post the long march announced by PTI and PAT. On the other hand, foreigner's interest in the local equity market remained strong.

In 3QCY14, the KSE-30 Index posted a negative return of 1% QoQ on account of increasing political uncertainty massive flooding and delay in release of IMF tranche. Foreign inflows for 3QCY14 clocked in at USD 158 million, even in the face this uncertainty.

### Money Market Performance

During 3QCY14, the State Bank of Pakistan (SBP) kept its discount rate unchanged at 10%. The GoP had already re-profiled its debt structure towards the end of 2QCY14 which continued in the outgoing quarter. Financial institutions aggressively participated in PIB auctions where the government raised PKR 306 billion in the PIB auction against the target amount of PKR 300 billion for the quarter. The need to re-profile the debt was due to the IMF agreement whereby the GoP had to reduce its Net Domestic Assets (NDA). With benign outlook on inflation, banks participation towards longer tenure security was evident. During the quarter, the SBP borrowed funds worth PKR 640 billion through T-bill auctions against a target of PKR 700 billion where the cut off yield for 3 month, 6 month and 12 month T-bill averaged at 9.95%, 9.97% and 9.98% respectively.



## JS Investments Limited

The average 3M, 6M and 12M KIBOR clocked in at 10.17%, 10.18% and 10.47% for 3QCY14 increasing by 109bps, 102bps and 93bps YoY respectively, as against 9.08%, 9.16% and 9.54% during the same period last year.

### The AMC Industry

For 8MCY14 period, the local mutual fund industry recorded a slight improvement of 6.5% in AUM's to PKR 413.0 billion from Dec-13 levels while AUM's towards the end of 8MCY13 were recorded at PKR 368.8 billion. On a YoY basis, AUM's of the industry improved by an aggregate of 12%. Market share for closed ended funds in 8MCY14 was 4.8% with a total AUM of PKR 20.0 billion. Six new funds were launched during 8MCY14.

The local mutual fund industry recorded a slight decline in 2 months (Jul and August 2014) for 3QCY14 period as total assets under management (AUM) clocked in at PKR 413.0 billion as on 31 August 2014, lower by 1.6% from Jun '14. Open ended funds continued to govern the lion's share of the local mutual fund industry at 93.2% with an AUM of PKR 384.7 billion. AUM size for the conventional equity fund category reached PKR 85.9 billion, up 8.5% in 8MCY14. The money market fund category recorded a decline of 18.8% in the 8 month period at the end of 8MCY14, with total AUM's reaching PKR 115.7 billion.

### Performance Review of the Company

The Company earned a net profit of PKR 445.0 million during the nine months ended September 30, 2014 showing earnings per share of PKR 4.45. The assets under management were PKR 10,318 million as on September 30, 2014 compared to PKR 12,853 million as on December 31, 2013 depicting a decrease of 19.7% on YTD basis. The reduction in AUMs was primarily due to redemption in JS Growth Fund and JS Value Fund after the removal of back end load, following to the conversion of these funds from Closed End to Open end funds in the year 2013.

The Company earned management remuneration from funds under management of PKR 161.2 million compared to PKR 169.6 million during the corresponding period last year witnessing a decrease of 5.0%. Administration and marketing expenses were increased by 3.7% to PKR 160.4 million during the period under review compared to PKR 154.7 million during the corresponding period of last year. The entire amount of short term borrowing and running finance of the company was paid off, resulting in significant reduction of the finance cost in the period under review. The finance cost in the corresponding period was PKR 45.7 million.

This financial performance resulted in enhancing the shareholders equity of the Company to PKR 2,264 million as on September 30, 2014 from PKR 1,798 million as on December 31, 2013, which translated an increase of shareholders wealth by 26.0% on YTD basis.

### Consolidated Financial Statements

In the consolidated financial statements, the Company has reported a net profit of PKR 447.66 million for the nine month ended September 30, 2014 as compared to a net profit of PKR 603.73 million for the comparative period last year. The basic and diluted earnings per share of consolidated accounts is PKR 4.48 for the nine months ended September 30, 2014.

### Asset Manager and Entity Rating

JCR-VIS Credit Rating Co. Limited has assigned Management Quality Rating of "AM2-" (AM Two Minus) to JS Investments Limited. The rating denotes high management quality of the Company. Pakistan Credit Rating Agency (PACRA) has assigned the long-term and short term ratings to the Company of "A+" (Single A plus) and "A1" (A one) respectively. These ratings denote low expectation of credit risk emanating from a strong capacity for timely payment of financial commitments.

### Acknowledgment

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

On behalf of the Board

Karachi: October 23, 2014

Ali Akhtar Ali  
Chief Executive Officer

## JS Investments Limited

### CONDENSED INTERIM BALANCE SHEET

AS AT SEPTEMBER 30, 2014

	Note	(Un-audited) September 30, 2014	(Audited) December 31, 2013
-----Rupees-----			
<b>ASSETS</b>			
<b>Non-current assets</b>			
<b>Fixed assets</b>			
Tangible property and equipment	5	378,897,618	266,235,017
Intangible assets	6	1,595,327	380,037
Investment in subsidiary		37,500,000	37,500,000
Long-term loans - considered good		1,069,010	1,149,731
		419,061,955	305,264,785
<b>Current assets</b>			
Balances due from funds under management - related parties		58,986,168	16,072,734
Loans and advances - considered good		2,393,470	1,731,699
Trade deposits, short term prepayments and other receivables		15,724,372	15,626,472
Other financial assets - investments, available-for-sale	7	2,061,258,680	1,583,447,392
Taxation recoverable		117,870,582	113,706,136
Cash and bank balances	8	24,051,570	38,227,840
		2,280,284,842	1,768,812,273
<b>Total assets</b>		<b>2,699,346,797</b>	<b>2,074,077,058</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Share capital and reserves</b>			
<b>Share capital</b>			
<b>Authorized capital</b>		<b>2,500,000,000</b>	<b>2,500,000,000</b>
Share capital		1,000,000,000	1,000,000,000
Accumulated profit		457,724,173	9,731,642
Unrealised gain on remeasurement of available for sale investments to fair value - net	7	806,660,566	787,931,408
		2,264,384,739	1,797,663,050
Surplus on revaluation of fixed assets - net of tax	5	200,718,465	120,461,406
<b>LIABILITIES</b>			
<b>Non current liabilities</b>			
Deferred tax liability - net		83,939,720	35,772,863
		83,939,720	35,772,863
<b>Current liabilities</b>			
Accrued and other liabilities	9	150,303,873	120,056,248
Accrued Markup		-	123,491
<b>Total current liabilities</b>		<b>150,303,873</b>	<b>120,179,739</b>
<b>Total liabilities</b>		<b>234,243,593</b>	<b>155,952,602</b>
Contingencies and commitments	10		
<b>Total equity and liabilities</b>		<b>2,699,346,797</b>	<b>2,074,077,058</b>

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

\_\_\_\_\_  
Chief Executive Officer

\_\_\_\_\_  
Chairman



JS Investments Limited

**CONDENSED INTERIM PROFIT AND LOSS ACCOUNT (UN-AUDITED)**  
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2014

	Nine months ended		Quarter ended	
	September 30, 2014	September 30, 2013	September 30, 2014	September 30, 2013
Note	-----Rupees-----		-----Rupees-----	
<b>INCOME</b>				
Remuneration from funds under management - gross	216,322,388	206,273,513	63,135,693	74,536,750
Less: Sales tax	29,363,861	28,451,519	8,234,662	10,280,931
Less: Federal excise duty	25,786,966	8,249,460	7,572,139	6,370,626
Remuneration from funds under management - net	161,171,561	169,572,534	47,328,892	57,885,193
Commission from open end funds under management	475,382	254,970	128,776	104,175
Dividend	-	253,920,959	-	135,053,751
Gain on sale of investments - net	434,392,831	516,677,862	217,090,534	514,257,621
Return on bank deposits	6,355,083	156,623	546,554	102,497
Mark up on Term Finance Certificates	1,438,137	-	751,753	-
Return on Government Securities	211,667	-	-	-
Commission income and share of profit from management of discretionary client portfolios	11 3,357,390	935,458	757,616	309,805
	607,402,051	941,518,406	266,604,125	707,713,042
Written off management rights - Intangible assets	-	105,000,000	-	105,000,000
	607,402,051	836,518,406	266,604,125	602,713,042
Administrative and marketing expenses	160,444,261	154,664,874	53,221,648	51,001,675
<b>OPERATING PROFIT</b>	446,957,790	681,853,532	213,382,477	551,711,367
Other expenses	13 9,313,235	17,156,445	4,444,486	10,906,874
Financial charges	474,190	45,650,322	1,973	11,582,238
	437,170,365	619,046,765	208,936,018	529,222,255
Other income	12 19,178,150	11,149,000	3,975,061	3,832,798
Profit before taxation	456,348,515	630,195,765	212,911,079	533,055,053
Income tax expense				
- Current	4,163,728	30,069,560	(427,543)	17,044,629
- Deferred	7,174,423	(2,456,977)	4,508,508	(1,417,633)
	11,338,151	27,612,583	4,080,965	15,626,996
Profit for the period	445,010,364	602,583,182	208,830,114	517,428,057
Earnings per share for the period - basic and diluted	14 4.45	6.03	2.09	5.17

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

Chief Executive Officer

Chairman

JS Investments Limited

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

FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2014

	Nine months ended		Quarter ended	
	September 30, 2014	September 30, 2013	September 30, 2014	September 30, 2013
	-----Rupees-----		-----Rupees-----	
Profit for the period ended	445,010,364	602,583,182	208,830,114	517,428,057
Other comprehensive income:				
Items that will not be reclassified to profit or loss	-	-	-	-
Items that may be reclassified subsequently to profit or loss				
Available-for-sale investments:				
Unrealised gain on remeasurement of available for sale investments to fair value - net	457,938,477	362,938,096	177,042,722	(48,564,381)
Reclassification adjustment relating to sale of investments	(439,209,319)	(430,822,789)	(246,366,950)	(425,305,983)
Taxation relating to components that may be reclassified subsequently to profit and loss account	-	-	-	-
Total items that may be reclassified subsequently to profit or loss	18,729,158	(67,884,693)	(69,324,228)	(473,870,364)
Total comprehensive income	<u>463,739,522</u>	<u>534,698,489</u>	<u>139,505,886</u>	<u>43,557,693</u>

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

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

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Chief Executive Officer

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Chairman

JS Investments Limited

**CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED)**  
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2014

	September 30, 2014	September 30, 2013
Note	-----Rupees-----	
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit for the period before taxation	456,348,515	630,195,765
<b>Adjustment for non-cash and other items:</b>		
Dividend	-	(253,920,959)
Depreciation	16,825,164	15,508,523
Amortisation of intangible assets	192,201	209,196
Financial charges	474,190	45,650,322
Interest / mark-up income	(6,355,083)	(156,623)
Gain on sale of investments - net	(434,392,831)	(516,677,862)
Gain on disposal of fixed assets	(5,607,265)	(20,000)
Written off management rights - Intangible assets	-	105,000,000
	<u>27,484,891</u>	<u>25,788,362</u>
<b>Increase / decrease in assets and liabilities</b>		
Loans and advances	(581,050)	1,589,947
Balances due from funds under management	(42,913,434)	(24,417,538)
Trade deposits, short term prepayments and other receivables	(190,754)	49,066,024
Accrued and other liabilities	33,613,563	30,145,131
	<u>(10,071,675)</u>	<u>56,383,564</u>
	<u>17,413,216</u>	<u>82,171,926</u>
Taxes paid	(8,328,174)	(38,151,183)
<b>Net cash generated from operating activities</b>	<u>9,085,042</u>	<u>44,020,743</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Investments - net	(24,689,301)	196,062,101
Payments for purchase of fixed assets	(8,113,492)	(4,782,965)
Dividend received	-	253,920,959
Return on bank deposits	6,447,937	156,623
Proceeds from disposal of fixed assets	7,045,000	20,000
<b>Net cash (used) / generated in investing activities</b>	<u>(19,309,856)</u>	<u>445,376,718</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Repayment of principal amount relating to the securitised management fee	-	(129,085,000)
Financial charges paid	(474,190)	(44,196,376)
Dividend paid	(3,477,266)	(98,478,566)
<b>Net cash used in financing activities</b>	<u>(3,951,456)</u>	<u>(271,759,942)</u>
<b>Net increase / (decrease) in cash and cash equivalents</b>	<u>(14,176,270)</u>	<u>217,637,519</u>
Cash and cash equivalents at beginning of the period	38,227,840	(404,569,587)
<b>Cash and cash equivalents at end of the period</b>	15 <u>24,051,570</u>	<u>(186,932,068)</u>

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

\_\_\_\_\_  
Chief Executive Officer

\_\_\_\_\_  
Chairman

JS Investments Limited

**CONDENSED INTERIM STATEMENT OF CHANGES  
IN EQUITY (UN-AUDITED)**  
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2014

	Revenue Reserve		Capital Reserve	Total
	Issued, subscribed and paid up share capital	Accumulated (loss) / unappropriated profit	Unrealised gain on re-measurement of available for sale investments	
----- Rupees -----				
Balance as at December 31, 2012	1,000,000,000	(395,046,161)	625,253,855	1,230,207,694
<b>Total Comprehensive income for the nine months period</b>				
Profit for the nine months period ended September 30, 2013	-	602,583,182	-	602,583,182
Other comprehensive income	-	-	(67,884,693)	(67,884,693)
	-	602,583,182	(67,884,693)	534,698,489
Surplus on revaluation of fixed assets realized during the period on account of incremental depreciation charged thereon - net of tax	-	4,949,377	-	4,949,377
Transactions with owners recognised directly in equity	-	-	-	-
Final cash dividend for the eighteen months period ended December 31, 2012 @ Rs 1/- per share	-	(100,000,000)	-	(100,000,000)
<b>Balance as at September 30, 2013</b>	<u>1,000,000,000</u>	<u>112,486,398</u>	<u>557,369,162</u>	<u>1,669,855,560</u>
Balance as at December 31, 2013	1,000,000,000	9,731,642	787,931,408	1,797,663,050
<b>Total Comprehensive income for the nine months period</b>				
Profit for the nine months period ended September 30, 2014	-	445,010,364	-	445,010,364
Other comprehensive income	-	-	18,729,158	18,729,158
	-	445,010,364	18,729,158	463,739,522
Surplus on revaluation of fixed assets realized during the period on account of incremental depreciation charged thereon - net of tax	-	6,602,217	-	6,602,217
Restatement of opening value of deferred tax liability on revaluation surplus due to change in tax rate	-	(3,620,050)	-	(3,620,050)
<b>Balance as at September 30, 2014</b>	<u>1,000,000,000</u>	<u>457,724,173</u>	<u>806,660,566</u>	<u>2,264,384,739</u>

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

\_\_\_\_\_  
Chief Executive Officer

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Chairman

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

FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2014

### 1 STATUS AND NATURE OF BUSINESS

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

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

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

#### 1.2.1 Asset management company of the following funds:

##### Open-End

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

#### 1.2.2 Pension fund manager of the following funds:

- JS Pension Savings Fund
- JS Islamic Pension Savings Fund

### 2 STATEMENT OF COMPLIANCE

This unconsolidated condensed interim financial information has been prepared in accordance with the requirements of International Accounting Standard 34 - Interim Financial Reporting (IAS 34), provisions of the Companies Ordinance, 1984, the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (the NBFC Rules), the Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the NBFC Regulations) and directives issued by the Securities and Exchange Commission of Pakistan (SECP). Wherever the requirements of the NBFC Rules, the NBFC Regulations or directives issued by the SECP differ, the requirements of the NBFC Rules, the NBFC Regulations or the directives issued by the SECP shall prevail.

This unconsolidated condensed interim financial information does not include all the information required for annual financial statements and therefore, should be read in conjunction with annual audited unconsolidated financial statements of the company for the period ended December 31, 2013, which have been prepared in accordance with accounting standards as applicable in Pakistan.

## JS Investments Limited

### 3 BASIS OF PREPARATION

- 3.1 The unconsolidated condensed interim financial information is unaudited and is being circulated to the shareholders, as required by section 245 of the Companies Ordinance, 1984 and the listing regulations of the Karachi Stock Exchange.
- 3.2 The preparation of unconsolidated condensed interim financial information requires the Company to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates. The significant judgments made by the Company in applying accounting policies and the key sources of estimating uncertainty are the same as those that applied to financial statements for the year ended December 31, 2013.
- 3.3 The Company's financial risk management objectives and policies are consistent with those disclosed in the financial statements for the year ended December 31, 2013.

### 4 ACCOUNTING POLICIES

The accounting policies and the methods of computation adopted in the preparation of this unconsolidated condensed interim financial information are same as those applied in the preparation of the financial statements of the Company for the year ended December 31, 2013. The profit and loss account and statement of comprehensive income of the Company for the comparative period has been extracted from the unconsolidated condensed interim financial information for the period ended September 30, 2013.

	(Un-audited) September 30, 2014	(Audited) December 31, 2013
Note	-----Rupees-----	
<b>5 TANGIBLE PROPERTY AND EQUIPMENT</b>		
Opening WDV	266,235,017	281,596,115
Revaluation of office premises	5.3 124,219,499	-
Addition during the period	5.1 6,706,002	5,718,133
Disposal during the period	5.2 (1,437,736)	(5,949)
Depreciation for the period	<u>(16,825,164)</u>	<u>(21,073,282)</u>
	378,897,618	266,235,017
Capital work-in-progress - at cost	<u>-</u>	<u>-</u>
	<u><b>378,897,618</b></u>	<u><b>266,235,017</b></u>
5.1 The following additions were made to tangible property and equipment during the period / year:		
Office equipment	3,032,009	5,421,033
Vehicles	3,406,648	51,000
Furniture and fixtures	<u>267,345</u>	<u>246,100</u>
	<u><b>6,706,002</b></u>	<u><b>5,718,133</b></u>
5.2 The following disposals (net book value) of tangible property and equipment were made during the period / year:		
Vehicles	1,437,736	-
Furniture and fixtures	<u>-</u>	<u>5,949</u>
	<u><b>1,437,736</b></u>	<u><b>5,949</b></u>
5.2.1 The cost of the items disposed of during the period amounted to Rs. 2,349,836/- (December 2013: Rs. 860,020/-).		
5.3 The Company follows the revaluation model for its office premises. The office premises of the Company was most recently revalued on May 31, 2014 by an independent valuer KG Traders (Pvt.) Limited on the basis of professional assessments of the market values. The revaluation resulted in a further surplus of Rs. 124.40 million. Out of the total revaluation surplus of Rs. 379.016 million, Rs. 297.795 million (December 2013: Rs. 185.197 million) remains undepreciated as at September 30, 2014.		

## JS Investments Limited

6 The additions were made to intangible assets during the period:

	(Un-audited) September 30, 2014	(Audited) December 31, 2013
	-----Rupees-----	
Opening WDV	380,037	105,624,587
Additions during the period	1,407,491	-
Amortisation for the period	(192,201)	(244,550)
Impairment during the period	-	(105,000,000)
	1,595,327	380,037

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

		(Un-audited) September 30, 2014	(Audited) December 31, 2013
	Note	-----Rupees-----	
Unit of mutual funds - related parties	7.1	2,035,636,630	1,423,806,752
Market Treasury Bills	7.2.1	-	159,640,640
Term Finance Certificates - related party (ultimate parent)	7.2.2	25,622,050	-
		2,061,258,680	1,583,447,392

7.1 Units of mutual funds - related parties

	(Un-audited) September 30, 2014			(Audited) December 31, 2013		
	Number of units	Average cost	Fair value	Number of units	Average cost	Fair value
JS Value Fund	2,683,692	277,857,278	447,049,378	2,263,399	106,732,920	320,157,817
JS Growth Fund	4,705,607	224,247,430	656,055,697	5,814,246	341,956,212	733,990,466
JS Pension Savings Fund - Equity	240,000	14,776,800	75,820,800	300,000	18,471,000	76,383,000
JS Pension Savings Fund - Debt	177,761	17,776,120	34,229,696	177,761	17,776,119	31,911,690
JS Pension Savings Fund - Money Market	177,463	17,746,342	28,720,679	177,463	17,746,342	27,324,042
JS Fund of Funds	2,088,869	87,907,237	92,077,338	1,072,363	36,844,070	51,087,374
JS Islamic Pension Savings Fund - Equity	200,000	18,170,000	88,224,000	250,000	22,712,500	82,985,000
JS Islamic Pension Savings Fund - Debt	213,852	21,385,170	37,073,330	213,852	21,385,170	35,997,656
JS Islamic Pension Savings Fund - Money Market	222,303	22,230,337	33,812,342	222,303	22,230,337	32,547,436
JS Islamic Government Securities Fund	329,166	32,535,139	33,051,518	311,915	30,000,000	31,422,271
Unit Trust of Pakistan	2,616,987	334,660,300	344,081,453	-	-	-
JS Income Fund	1,866,852	160,305,961	165,440,399	-	-	-
		1,229,598,114	2,035,636,630		635,854,670	1,423,806,752
Unrealized gain on remeasurement at fair value		806,038,516	-		787,952,082	-
		2,035,636,630	2,035,636,630		1,423,806,752	1,423,806,752

## JS Investments Limited

### 7.2 Fixed Income Securities

	(Un-audited) September 30, 2014			(Audited) December 31, 2013	
	Number of certificates	Average cost	Fair value	Average cost	Fair value
7.2.1 Market Treasury Bills	-	-	-	159,661,314	159,640,640
7.2.2 Term Finance Certificates					
Jahangir Siddiqui & Co. Limited	5,000	25,000,000	25,622,050	-	-
Unrealized gain/(loss) on remeasurement at fair value		622,050		(20,674)	
		<u>25,622,050</u>	<u>25,622,050</u>	<u>159,640,640</u>	<u>159,640,640</u>

8 CASH AND BANK BALANCES	Note	(Un-audited)	(Audited)
		September 30, 2014	December 31, 2013
		-----Rupees-----	
Cash in hand		51,159	59,786
Cash at bank in:			
Current accounts		528,638	1,093,128
Savings accounts	8.1	23,471,773	37,074,926
		<u>24,000,411</u>	<u>38,168,054</u>
		<u>24,051,570</u>	<u>38,227,840</u>

8.1 It includes Rs. 21.759 million (December 31, 2013: Rs. 34.485 million) held with JS Bank Limited (parent company) and Rs. 0.025 Million (December 31, 2013: Rs. 0.466 million) held with Bank Islami Pakistan Limited (related party).

9 This amount includes Rs 46.06 million (December 31, 2013 Rs. 19.78 million) against Federal Excise Duty (FED) payable. As per the requirement of the Finance Act, 2013, the FED at the rate of 16% on the management fees received / receivable has been applied effective from 13 June 2013. The Management is of the view that since the remuneration is already subject to the provincial sales tax, further levy of FED may result in double taxation, which doesn't appear to be the spirit of the law. A stay order against the collection have been granted by the Honourable High Court of Sindh on a petition filed by the Mutual Funds Association of Pakistan (MUFAP). As a matter of abundant caution, the Company has made provision for FED as receivable from the funds and payable to the regulatory authority until any decision on the subject matter is arrived by the Court.

### 10 CONTINGENCIES AND COMMITMENTS

#### 10.1 Contingencies

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

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

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

## JS Investments Limited

The Company is in the course of filing appeal before Honourable Appellate Tribunal, SRB, against the Order of Honourable Commissioner (Appeals), SRB, in respect of levy of Sindh Sales tax amounting to Rs. 1.342 Million on certain disallowance of input taxes and on levy of sales tax on certain head of income, for the tax periods from July 2011 to December 2012.

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

	(Un-audited) September 30, 2014	(Audited) December 31, 2013
	-----Rupees-----	
<b>10.2 Commitments in respect of:</b>		
Royalty and advisory payments	<u>10,000,000</u>	<u>10,000,000</u>
Motor Vehicle acquired under Ijarah from Bank Islami Limited		
- Due in One year	<u>-</u>	<u>1,208,800</u>
- Due in two to three years	<u>-</u>	<u>-</u>

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

This represents commission income and share of profit earned by the company from management of discretionary portfolios. Currently, the company is managing nine (December 31, 2013: five) discretionary client portfolios. The total cost and total market value of the unsettled client portfolios as at September 30, 2014 was Rs. 207.33 million (December 31, 2013: Rs. 103.55 million) and Rs. 213.70 million (December 31, 2013: Rs. 107.95 million) respectively.

### 12 Other Income

This Includes rental income earned during the period amounting to Rs. 11.91 million (September 30, 2013: 11.04 million) and gain on sale of fixed asset amounting to Rs. 5.61 million (September 30, 2013: 0.02 million).

### 13 Other Expenses

Other Expenses represents Provision for Workers Welfare Fund. Prior to certain amendments made through the Finance Acts of 2006 & 2008, Worker Welfare Fund (WWF) was levied at 2% of the total income assessable under the Income Tax Ordinance, 2001 excluding incomes falling under the Final Tax Regime (FTR). Through Finance Act, 2008, an amendment was made in Section 4(5) of the WWF Ordinance, 1971 (the Ordinance) whereby WWF liability is applicable at 2% of the higher of the profit before taxation as per the accounts or declared income as per the return.

Aggrieved by the amendments made through the Finance Act, certain stakeholders filed petition against the changes in the Lahore High Court which struck down the aforementioned amendments to the WWF Ordinance in 2011. However, some stakeholders also filed the petition in the Sindh High Court which, in 2013, decided the petition against stakeholders. The company along with its group companies has decided to file the petition with the supreme court against the changes. On prudent basis, the Company has recognized current period provision of Rs. 9.31 million and aggregate net provision amounting to Rs. 21.66 million.

## JS Investments Limited

### 14 EARNINGS PER SHARE

		Nine months ended		Quarter ended	
		September 30, 2014	September 30, 2013	September 30, 2014	September 30, 2013
		-----Rupees-----		-----Rupees-----	
Profit for the period/quarter	Rupees:	<u>445,010,364</u>	<u>602,583,182</u>	<u>208,830,114</u>	<u>517,428,057</u>
Weighted average number of ordinary shares outstanding during the period/quarter	Number:	<u>100,000,000</u>	<u>100,000,000</u>	<u>100,000,000</u>	<u>100,000,000</u>
Earnings per share	Rupees:	<u>4.45</u>	<u>6.03</u>	<u>2.09</u>	<u>5.17</u>

14.1 Diluted earnings per share has not been presented as the Company does not have any convertible instruments in issue as at September 30, 2014 and September 30, 2013 which would have any effect on the earnings per share if the option to convert is exercised.

	(Un-audited) September 30, 2014	(Audited) December 31, 2013
-----Rupees-----		
15 CASH AND CASH EQUIVALENTS		
Cash and bank balances	24,051,570	4,347,235
Short term running finance - secured	-	(191,279,303)
	<u>24,051,570</u>	<u>(186,932,068)</u>

### 16 TRANSACTIONS AND OUTSTANDING BALANCES WITH RELATED PARTIES

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

	-----Un-audited-----	
	September 30, 2014	September 30, 2013
-----Rupees-----		
16.1 Transaction with related parties		
16.1.1 Transactions with associates - funds under management		
Remuneration income - net	161,171,561	169,572,534
Commission income	475,382	254,970
Other expenses incurred on behalf of the fund	1,265,908	5,563,892
Reimbursement of other expenses incurred on behalf of the fund	2,103,527	5,201,515
Dividend income	-	253,920,959
Preliminary expenses incurred on behalf of the fund	-	3,681,705
Reimbursement of preliminary expenses incurred on behalf of the fund	-	3,403,505
Investments made in funds under management	871,935,355	70,000,000
Investments disposed off	712,583,813	790,930,414
Sale proceeds received against revocation of fund	-	92,738,610
Bonus / additional units (in numbers)	2,237,357	2,112,059

## JS Investments Limited

	-----Un-audited-----	
	September 30, 2014	September 30, 2013
	-----Rupees-----	
<b>16.1.2 Transactions with other related parties</b>		
<b>Jahangir Siddiqui &amp; Company Limited (JSCL) (ultimate parent) - parent of JSBL</b>		
Investment made in Term Finance Certificates	25,000,000	-
Markup income on Term Finance Certificates	1,438,137	-
Expenses incurred on behalf of JSCL	1,404	64,755
Reimbursement of expenses incurred on behalf of JSCL	6,405	62,850
<b>JS Global Capital Limited (JSGCL) - subsidiary of JSBL</b>		
Rent expense	298,941	834,255
Rental income	94,344	92,435
Expenses incurred by the company on behalf of JSGCL	101,718	141,968
Reimbursement of expenses incurred on behalf of JSGCL	-	2,462
Management fee sharing on distribution of mutual funds	9,215	16,210
<b>Mahvash and Jahangir Siddiqui Foundation (MJSF) - Associate</b>		
Rental income	745,920	745,920
Donation paid	12,545,988	-
Expenses incurred by the company on behalf of MJSF	333,681	230,288
Reimbursement of expenses incurred on behalf of MJSF	501,555	247,633
<b>Bank Islami Pakistan Limited (BIPL) - Associate</b>		
Ijarah rental expense	303,940	1,769,283
Acquisition of Ijarah leased vehicle	1,437,736	-
<b>EFU General Insurance Limited - Associate</b>		
Insurance premium paid	2,208,094	2,394,481
<b>EFU Life Assurance Limited - Associate</b>		
Insurance premium paid	777,025	468,197
<b>Fakhr-e-Imdad Foundation (FIF) - Common directorship</b>		
Expenses incurred by the company on behalf of FIF	144,360	106,974
Reimbursement of expenses incurred on behalf of FIF	63,952	123,076
<b>Staff Provident Fund</b>		
Contributions during the period	2,528,040	2,979,224
<b>16.1.3 Transactions with parent company</b>		
<b>JS Bank Limited (JSBL) - Parent company</b>		
Mark up expense on short term running finance	-	14,778,512
Rent expense	1,688,685	844,641
Rental income	1,032,460	938,595
Expenses incurred by the company on behalf of JSBL	408,936	287,536
Reimbursement of expenses incurred on behalf of JSBL	711,390	327,941
Profit earned on bank deposits	6,312,699	54,126
Management fee sharing on distribution of mutual funds	202,565	670,145
<b>16.1.4 Transactions with subsidiary company</b>		
<b>JS ABAMCO Commodities Limited (JSACL) - Subsidiary of JSIL</b>		
Expenses incurred by the company on behalf of JSACL	191,025	333,790
Reimbursement of expenses incurred by the company on behalf of JSACL	350,025	333,972
<b>16.1.5 Transactions with key management personnel</b>		
Remuneration of key management personnel	27,274,673	36,275,014
Sale of vehicle	7,000,000	-
Director fee	750,000	3,075,000

## JS Investments Limited

	(Un-audited) September 30, 2014	(Audited) December 31, 2013
	-----Rupees-----	
<b>16.2 Balances outstanding at the period end</b>		
<b>16.2.1 Balances outstanding with associates</b>		
Receivable from various funds and outstanding balance of expenses incurred on behalf of different funds under management	58,987,508	16,072,734
<b>16.2.2 Balances outstanding with other related parties</b>		
Payable to JS Global Capital Limited - net	2,695,878	2,644,305
Payable to Bank Islami Pakistan Limited	-	302,200
Receivable from Jahangir Siddiqui & Co. Limited	1,404	16,905
Receivable from JS ABAMCO Commodities Limited - net	-	159,000
Receivable from Mahvash and Jahangir Siddiqui Foundation	308,068	725,364
Receivable from Fakhr-e-Imdad Foundation	135,445	55,456
<b>16.2.3 Balances outstanding with parent company</b>		
Receivable from JS Bank Limited - net	33,634	366,057
<b>16.3</b> Other balances outstanding with related parties as at the period end have been disclosed in the relevant balance sheet notes.		
<b>16.4</b> Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the company. The management considered all members of their management team, including the Chief Executive Officer and Directors to be key management personnel.		
<b>16.5</b> There are no transactions with key management personnel other than under their terms of employment.		
<b>17 GENERAL</b>		
This condensed interim financial information was authorised for issue on October 23, 2014 by the Board of Directors of the Company.		

\_\_\_\_\_  
Chief Executive Officer

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Chairman



CONSOLIDATED CONDENSED INTERIM  
FINANCIAL STATEMENTS

## JS Investments Limited

### CONSOLIDATED CONDENSED INTERIM BALANCE SHEET

AS AT SEPTEMBER 30, 2014

	Note	(Un-audited) September 30, 2014	(Audited) December 31, 2013
-----Rupees-----			
<b>ASSETS</b>			
<b>Non-current assets</b>			
<b>Fixed assets</b>			
Tangible property and equipment	5	381,397,618	268,735,017
Intangible assets	6	2,595,327	1,380,037
Long-term loans - considered good		1,069,010	1,149,731
<b>Total non - current assets</b>		<b>385,061,955</b>	<b>271,264,785</b>
<b>Current assets</b>			
Balances due from funds under management - related parties		58,986,168	16,072,734
Loans and advances - considered good		2,393,470	1,731,699
Trade deposits, short term prepayments and other receivables		15,764,393	15,484,972
Other financial assets - investments	7	2,106,652,155	1,626,341,660
Taxation recoverable		117,873,220	113,708,292
Cash and bank balances	8	24,220,998	38,430,090
<b>Total current assets</b>		<b>2,325,890,404</b>	<b>1,811,769,447</b>
<b>Total assets</b>		<b>2,710,952,358</b>	<b>2,083,034,232</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Share capital and reserves</b>			
<b>Share capital</b>			
Authorized capital		2,500,000,000	2,500,000,000
Share capital		1,000,000,000	1,000,000,000
Accumulated profit		469,150,053	18,510,915
Unrealised gain on remeasurement of available for sale investments to fair value - net	7	806,660,566	787,931,408
		2,275,810,619	1,806,442,323
Surplus on revaluation of fixed assets - net of tax	5	200,718,465	120,461,406
<b>LIABILITIES</b>			
<b>Non current liabilities</b>			
Deferred tax liability - net		83,939,720	35,772,863
		83,939,720	35,772,863
<b>Current liabilities</b>			
Accrued and other liabilities	9	150,483,554	120,234,149
Accrued Markup		-	123,491
<b>Total current liabilities</b>		<b>150,483,554</b>	<b>120,357,640</b>
<b>Total liabilities</b>		<b>234,423,274</b>	<b>156,130,503</b>
Contingencies and commitments	10		
<b>Total equity and liabilities</b>		<b>2,710,952,358</b>	<b>2,083,034,232</b>

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

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Chief Executive Officer

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Chairman



**CONSOLIDATED CONDENSED INTERIM PROFIT AND LOSS ACCOUNT** (UN-AUDITED)  
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2014

	Nine months ended		Quarter ended	
	September 30, 2014	September 30, 2013	September 30, 2014	September 30, 2013
Note	-----Rupees-----		-----Rupees-----	
<b>INCOME</b>				
Remuneration from funds under management - gross	216,322,388	206,273,513	63,135,693	74,536,750
Less: Sales tax	29,363,861	28,451,519	8,234,662	10,280,931
Less: Federal excise duty	25,786,966	8,249,460	7,572,139	6,370,626
Remuneration from funds under management - net	161,171,561	169,572,534	47,328,892	57,885,193
Commission from open end funds under management	475,382	254,970	128,776	104,175
Dividend	-	253,920,959	-	135,053,751
Gain on sale of investments - net	434,405,499	516,686,111	217,102,467	514,257,621
Return on bank deposits	6,359,910	163,493	548,048	105,620
Mark up on Term Finance Certificates	1,438,137	-	751,753	-
Return on Government Securities	211,667	-	-	-
Commission income and share of profit from management of discretionary client portfolios	11 3,357,390	935,458	757,616	309,805
Unrealised gain on revaluation of investments classified as held for trading	2,886,539	1,633,596	969,927	404,789
	610,306,085	943,167,121	267,587,479	708,120,955
Written off management rights - Intangible assets	-	105,000,000	-	105,000,000
	610,306,085	838,167,121	267,587,479	603,120,955
Administrative and marketing expenses	160,740,010	155,315,394	53,314,672	50,647,632
<b>OPERATING PROFIT</b>	449,566,075	682,851,727	214,272,807	552,473,323
Other expenses	13 9,313,235	17,156,445	4,444,486	11,456,874
Financial charges	474,190	45,650,322	1,973	11,582,238
	439,778,650	620,044,960	209,826,348	529,434,211
Other income	12 19,216,473	11,293,721	4,008,061	3,832,798
<b>Profit before taxation</b>	458,995,122	631,338,681	213,834,409	533,267,009
Income tax expense				
- Current	4,163,728	30,069,560	(427,543)	17,044,629
- Deferred	7,174,423	(2,456,977)	4,508,508	(1,417,633)
	11,338,151	27,612,583	4,080,965	15,626,996
<b>Profit for the period</b>	447,656,971	603,726,098	209,753,444	517,640,013
Earnings per share for the period - basic and diluted	14 4.48	6.04	2.10	5.18

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

Chief Executive Officer

Chairman

JS Investments Limited

**CONSOLIDATED CONDENSED INTERIM STATEMENT OF  
COMPREHENSIVE INCOME** (UN-AUDITED)  
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2014

	Nine months ended		Quarter ended	
	September 30, 2014	September 30, 2013	September 30, 2014	September 30, 2013
	-----Rupees-----		-----Rupees-----	
Profit for the period ended	447,656,971	603,726,098	209,753,443	517,640,013
Other comprehensive income:				
Items that will not be reclassified to profit or loss	-	-	-	-
Items that may be reclassified subsequently to profit or loss				
Available-for-sale investments:				
Unrealised gain on remeasurement of available for sale investments to fair value - net	457,938,477	362,938,096	177,042,722	(48,564,381)
Reclassification adjustment relating to sale of investments	(439,209,319)	(430,822,789)	(246,366,950)	(425,305,983)
Taxation relating to components that may be reclassified subsequently to profit and loss account	-	-	-	-
Total items that may be reclassified subsequently to profit or loss	18,729,158	(67,884,693)	(69,324,228)	(473,870,364)
Total comprehensive income	<u>466,386,129</u>	<u>535,841,405</u>	<u>140,429,215</u>	<u>43,769,649</u>

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

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

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Chief Executive Officer

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Chairman



**CONSOLIDATED CONDENSED INTERIM CASH FLOW STATEMENT** (UN-AUDITED)

FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2014

Note	September 30, 2014	September 30, 2013
	-----Rupees-----	
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit for the period before taxation	458,995,122	631,338,681
<b>Adjustment for non-cash and other items:</b>		
Dividend	-	(253,920,959)
Depreciation	16,825,164	15,508,523
Amortisation of intangible assets	192,201	209,196
Financial charges	474,190	45,650,322
Interest / mark-up income	(6,359,910)	(156,623)
Gain on sale of investments - net	(434,405,499)	(516,686,111)
Gain on disposal of fixed assets	(5,607,265)	(20,000)
Written off management rights - Intangible assets	-	105,000,000
Unrealized gain on revaluation of investments classified as held for trading	(2,886,539)	(1,633,596)
	<u>27,227,465</u>	<u>25,289,433</u>
<b>Increase / decrease in assets and liabilities</b>		
Loans and advances	(581,050)	1,589,947
Balances due from funds under management	(42,913,434)	(24,417,538)
Trade deposits, short term prepayments and other receivables	(213,276)	49,058,234
Accrued and other liabilities	33,456,343	30,258,201
	<u>(10,251,417)</u>	<u>56,488,844</u>
	16,976,048	81,778,277
Taxes paid	(8,328,656)	(38,151,870)
<b>Net cash generated from operating activities</b>	<u>8,647,392</u>	<u>43,626,407</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Investments - net	(24,289,300)	196,662,101
Payments for purchase of fixed assets	(8,113,492)	(4,782,965)
Dividend received	-	253,920,959
Return on bank deposits	6,452,764	156,623
Proceeds from disposal of fixed assets	7,045,000	20,000
<b>Net cash (used) / generated in investing activities</b>	<u>(18,905,028)</u>	<u>445,976,718</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Repayment of principal amount relating to the securitised management fee	-	(129,085,000)
Financial charges paid	(474,190)	(44,196,376)
Dividend paid	(3,477,266)	(98,478,566)
<b>Net cash used in financing activities</b>	<u>(3,951,456)</u>	<u>(271,759,942)</u>
<b>Net increase / (decrease) in cash and cash equivalents</b>	<u>(14,209,092)</u>	<u>217,843,183</u>
Cash and cash equivalents at beginning of the period	38,430,090	(404,518,795)
Cash and cash equivalents at end of the period	15 <u>24,220,998</u>	<u>(186,675,612)</u>

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

Chief Executive Officer

Chairman

JS Investments Limited

**CONSOLIDATED CONDENSED INTERIM STATEMENT OF  
CHANGES IN EQUITY (UN-AUDITED)**  
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2014

	Revenue Reserve		Capital Reserve	Total
	Issued, subscribed and paid up share capital	Accumulated (loss) / unappropriated profit	Unrealised gain on re-measurement of available for sale investments	
-----Rupees-----				
Balance as at December 31, 2012	1,000,000,000	(388,160,655)	625,253,855	1,237,093,200
<b>Total Comprehensive income for the nine months period</b>				
Profit for the nine months period ended September 30, 2013	-	603,726,098	-	603,726,098
Other comprehensive income	-	603,726,098	(67,884,693)	535,841,405
Surplus on revaluation of fixed assets realized during the period on account of incremental depreciation charged thereon - net of tax	-	4,949,377	-	4,949,377
Transactions with owners recognised directly in equity	-	-	-	-
Final cash dividend for the eighteen months period ended December 31, 2012 @ Rs 1/- per share	-	(100,000,000)	-	(100,000,000)
<b>Balance as at September 30, 2013</b>	1,000,000,000	120,514,820	557,369,162	1,677,883,982
Balance as at December 31, 2013	1,000,000,000	18,510,915	787,931,408	1,806,442,323
<b>Total Comprehensive income for the nine months period</b>				
Profit for the nine months period ended September 30, 2014	-	447,656,971	-	447,656,971
Other comprehensive income	-	447,656,971	18,729,158	18,729,158
Surplus on revaluation of fixed assets realized during the period on account of incremental depreciation charged thereon - net of tax	-	6,602,217	-	6,602,217
Restatement of opening value of deferred tax liability on revaluation surplus due to change in tax rate	-	(3,620,050)	-	(3,620,050)
<b>Balance as at September 30, 2014</b>	1,000,000,000	469,150,053	806,660,566	2,275,810,619

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

\_\_\_\_\_  
Chief Executive Officer

\_\_\_\_\_  
Chairman

# CONTINUE



JS Investments Limited

## NOTES TO THE CONSOLIDATED CONDENSED INTERIM FINANCIAL INFORMATION (UN-AUDITED) FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2014

### 1 THE GROUP AND ITS OPERATIONS

The group consists of:

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

#### 1.1 Holding company

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

JS ABAMCO Commodities Limited (JSACL) was incorporated in Pakistan as a public limited company on 25 September 2007 under the Companies Ordinance, 1984 and is a wholly owned subsidiary of JS Investments Limited (the holding company). The principal object of the company is to carry out business in commodity market and realted brokerage, advisory and consultancy services. The registered office of the JSACL is situated at 7th Floor, The Forum Block-9 Clifton, Karachi. The JSACL has not commenced its core operations of commodity, brokerage and related advisory services upto the balance sheet date.

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

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

##### 1.2.1 Asset management company of the following funds:

###### Open-End

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

##### 1.2.2 Pension fund manager of the following funds:

- JS Pension Savings Fund
- JS Islamic Pension Savings Fund

### 2 STATEMENT OF COMPLIANCE

This consolidated condensed interim financial information has been prepared in accordance with the requirements of International Accounting Standard 34 - Interim Financial Reporting (IAS 34), provisions of the Companies Ordinance, 1984, the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (the NBFC Rules), the Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the NBFC Regulations) and directives issued by the Securities and Exchange Commission of Pakistan (SECP). Wherever the requirements of the NBFC Rules, the NBFC Regulations or directives issued by the SECP differ, the requirements of the NBFC Rules, the NBFC Regulations or the directives issued by the SECP shall prevail.

This consolidated condensed interim financial information does not include all the information required for annual financial statements and therefore, should be read in conjunction with annual audited consolidated financial statements of the company for the period ended December 31, 2013, which have been prepared in accordance with accounting standards as applicable in Pakistan.

## JS Investments Limited

### 3 BASIS OF PREPARATION

- 3.1 The consolidated condensed interim financial information is unaudited and is being circulated to the shareholders, as required by section 245 of the Companies Ordinance, 1984 and the listing regulations of the Karachi Stock Exchange.
- 3.2 The preparation of consolidated condensed interim financial information requires the Company to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates. The significant judgments made by the Company in applying accounting policies and the key sources of estimating uncertainty are the same as those that applied to financial statements for the year ended December 31, 2013.
- 3.3 The Company's financial risk management objectives and policies are consistent with those disclosed in the consolidated financial statements for the year ended December 31, 2013.

### 4 ACCOUNTING POLICIES

The accounting policies and the methods of computation adopted in the preparation of this consolidated condensed interim financial information are same as those applied in the preparation of the consolidated financial statements of the Company for the year ended December 31, 2013. The profit and loss account and statement of comprehensive income of the Company for the comparative period has been extracted from the consolidated condensed interim financial information for the period ended September 30, 2013.

	(Un-audited) September 30, 2014	(Audited) December 31, 2013
Note	-----Rupees-----	
<b>5 TANGIBLE PROPERTY AND EQUIPMENT</b>		
Opening WDV	266,235,017	281,596,115
Revaluation of office premises	5.3 124,219,499	-
Addition during the period	5.1 6,706,002	5,718,133
Disposal during the period	5.2 (1,437,736)	(5,949)
Depreciation for the period	(16,825,164)	(21,073,282)
	<u>378,897,618</u>	<u>266,235,017</u>
Capital work-in-progress - at cost	2,500,000	2,500,000
<b>Tangible Property and equipment</b>	<u><b>381,397,618</b></u>	<u><b>268,735,017</b></u>
5.1 The following additions were made to tangible property and equipment during the period / year:		
Office equipment	3,031,710	5,421,033
Vehicles	3,406,648	51,000
Furniture and fixtures	267,345	246,100
	<u>6,705,703</u>	<u>5,718,133</u>
5.2 The following disposals (net book value) of tangible property and equipment were made during the period / year:		
Office equipment	-	-
Vehicles	1,437,736	-
Furniture and fixtures	-	5,949
	<u>1,437,736</u>	<u>5,949</u>

5.2.1 The cost of the items disposed of during the period amounted to Rs. 2,349,836/- (December 2013: Rs. 860,020/-).

5.3 The Holding company follows the revaluation model for its office premises. The office premises of the holding company was most recent revalued on May 31, 2014 by an independent valuer KG Traders (Pvt.) Limited on the basis of professional assessments of the market values. The revaluation resulted in a further surplus of Rs. 124.40 million. Out of the total revaluation surplus of Rs. 379.016 million, Rs. 297.795 million (December 2013: Rs. 185.197 million) remains undepreciated as at September 30, 2014.



## JS Investments Limited

### 6 The additions were made to intangible assets during the period:

	(Un-audited) September 30, 2014	(Audited) December 31, 2013
	-----Rupees-----	
Opening WDV	1,380,037	106,624,587
Additions during the period	1,407,491	-
Amortisation for the period	(192,201)	(244,550)
Impairment during the period	-	(105,000,000)
	<u>2,595,327</u>	<u>1,380,037</u>

### 7 OTHER FINANCIAL ASSETS-INVESTMENTS

		(Un-audited) September 30, 2014	(Audited) December 31, 2013
		.....Rupees.....	
<b>Available for sale</b>	<b>Note</b>		
Unit of mutual funds - related parties	7.1	2,035,636,630	1,423,806,752
Market Treasury Bills	7.2.1	-	159,640,640
Term Finance Certificates - related party (ultimate parent)	7.2.2	<u>25,622,050</u>	<u>-</u>
		<u>2,061,258,680</u>	<u>1,583,447,392</u>
<b>Held for trading</b>			
Units of mutual fund - related party	7.3	<u>45,393,475</u>	<u>42,894,268</u>
		<u>2,106,652,155</u>	<u>1,626,341,660</u>

#### 7.1 Units of mutual funds - related parties

	(Un-audited) September 30, 2014			(Audited) December 31, 2013		
	Number of units	Average cost	Fair value	Number of units	Average cost	Fair value
JS Value Fund	2,683,692	277,857,278	447,049,378	2,263,399	106,732,920	320,157,817
JS Growth Fund	4,705,607	224,247,430	656,055,697	5,814,246	341,956,212	733,990,466
JS Pension Savings Fund - Equity	240,000	14,776,800	75,820,800	300,000	18,471,000	76,383,000
JS Pension Savings Fund - Debt	177,761	17,776,120	34,229,696	177,761	17,776,119	31,911,690
JS Pension Savings Fund - Money Market	177,463	17,746,342	28,720,679	177,463	17,746,342	27,324,042
JS Fund of Funds	2,088,869	87,907,237	92,077,338	1,072,363	36,844,070	51,087,374
JS Islamic Pension Savings Fund - Equity	200,000	18,170,000	88,224,000	250,000	22,712,500	82,985,000
JS Islamic Pension Savings Fund - Debt	213,852	21,385,170	37,073,330	213,852	21,385,170	35,997,656
JS Islamic Pension Savings Fund - Money Market	222,303	22,230,337	33,812,342	222,303	22,230,337	32,547,436
JS Islamic Government Securities Fund	329,166	32,535,139	33,051,518	311,915	30,000,000	31,422,271
Unit Trust of Pakistan	2,616,987	334,660,300	344,081,453	-	-	-
JS Income Fund	1,866,852	160,305,961	165,440,399	-	-	-
		1,229,598,114	2,035,636,630		635,854,670	1,423,806,752
Unrealized gain on remeasurement at fair value		<u>806,038,516</u>	<u>-</u>		<u>787,952,082</u>	<u>-</u>
		<u>2,035,636,630</u>	<u>2,035,636,630</u>		<u>1,423,806,752</u>	<u>1,423,806,752</u>

## JS Investments Limited

### 7.2 Fixed Income Securities

	(Un-audited) September 30, 2014			(Audited) December 31, 2013	
	Number of certificates	Average cost	Fair value	Average cost	Fair value
7.2.1 Market Treasury Bills		-	-	159,661,314	159,640,640
7.2.2 Term Finance Certificates					
Jahangir Siddiqui & Co. Limited	5,000	25,000,000	25,622,050	-	-
Unrealized gain/(loss) on remeasurement at fair value		622,050	-	(20,674)	-
		<u>25,622,050</u>	<u>25,622,050</u>	<u>159,640,640</u>	<u>159,640,640</u>

7.3 This represents investment in 512,226 units (December 31, 2013: 489,437 units) of JS Income Fund having carrying cost of Rs. 42.894 million.

	(Un-audited) September 30, 2014	(Audited) December 31, 2013
	Note	-----Rupees-----

### 8 CASH AND BANK BALANCES

Cash in hand		51,159	59,786
Cash at bank in:			
Current accounts		528,638	1,093,128
Savings accounts	8.1	23,641,201	37,277,176
		<u>24,169,839</u>	<u>38,370,304</u>
		<u>24,220,998</u>	<u>38,430,090</u>

8.1 It includes Rs. 21.759 million (December 31, 2013: Rs. 34.485 million) held with JS Bank Limited (parent company) and Rs. 0.025 Million (December 31, 2013: Rs. 0.466 million) held with Bank Islami Pakistan Limited (related party).

9 This amount includes Rs 46.06 million (December 31, 2013 Rs. 19.78 million) against Federal Excise Duty (FED) payable. As per the requirement of the Finance Act, 2013, the FED at the rate of 16% on the management fees received / receivable has been applied effective from 13 June 2013. The Management is of the view that since the remuneration is already subject to the provincial sales tax, further levy of FED may result in double taxation, which doesn't appear to be the spirit of the law. A stay order against the collection have been granted by the Honourable High Court of Sindh on a petition filed by the Mutual Funds Association of Pakistan (MUFAP). As a matter of abundant caution, the Holding Company has made provision for FED as receivable from the funds and payable to the regulatory authority until any decision on the subject matter is arrived by the Court.

### 10 CONTINGENCIES AND COMMITMENTS

#### 10.1 Contingencies

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

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

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

The Holding company is in the course of filing appeal before Honourable Appellate Tribunal, SRB, against the Order of Honourable Commissioner (Appeals), SRB, in respect of levy of Sindh Sales tax amounting to Rs. 1.342 Million on certain disallowance of input taxes and on levy of sales tax on certain head of income, for the tax periods from July 2011 to December 2012.

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



## JS Investments Limited

September 30,    December 31,  
2014                    2013  
-----Rupees-----

### 10.2 Commitments in respect of:

Royalty and advisory payments	<u>10,000,000</u>	<u>10,000,000</u>
Motor Vehicle acquired under Ijarah from Bank Islami Limited		
- Due in One year	<u>-</u>	<u>1,208,800</u>
- Due in two to three years	<u>-</u>	<u>-</u>

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

This represents commission income and share of profit earned by the holding company from management of discretionary portfolios. Currently, the company is managing nine (December 31, 2013: five) discretionary client portfolios. The total cost and total market value of the unsettled client portfolios as at September 30, 2014 was Rs. 207.33 (December 31, 2013: Rs. 103.55 million) and Rs. 213.70 million (December 31, 2013: Rs. 107.95 million) respectively.

### 12 Other Income

This includes rental income earned during the period amounting to Rs.11.91 million (September 30, 2013: 11.04 million) and gain on sale of fixed asset amounting to Rs. 5.61 million (September 30, 2013: 0.02 million).

### 13 Other Expenses

Other Expenses represents Provision for Workers Welfare Fund. Prior to certain amendments made through the Finance Acts of 2006 & 2008, Worker Welfare Fund (WWF) was levied at 2% of the total income assessable under the Income Tax Ordinance, 2001 excluding incomes falling under the Final Tax Regime (FTR). Through Finance Act, 2008, an amendment was made in Section 4(5) of the WWF Ordinance, 1971 (the Ordinance) whereby WWF liability is applicable at 2% of the higher of the profit before taxation as per the accounts or declared income as per the return.

Aggrieved by the amendments made through the Finance Act, certain stakeholders filed petition against the changes in the Lahore High Court which struck down the aforementioned amendments to the WWF Ordinance in 2011. However, some stakeholders also filed the petition in the Sindh High Court which, in 2013, decided the petition against stakeholders. The holding company along with its group companies has decided to file the petition with the supreme court against the changes. On prudent basis, the holding company has recognized current year provision of Rs.9.31 million and aggregate net provision amounting to Rs. 21.66 million for the period.

### 14 EARNINGS PER SHARE

		Nine months ended		Quarter ended	
		September 30, 2014	September 30, 2013	September 30, 2014	September 30, 2013
		-----Rupees-----		-----Rupees-----	
Profit for the period/quarter	Rupees:	<u>447,656,971</u>	<u>603,726,098</u>	<u>209,753,444</u>	<u>517,640,014</u>
Weighted average number of ordinary shares outstanding during the period/quarter	Number:	<u>100,000,000</u>	<u>100,000,000</u>	<u>100,000,000</u>	<u>100,000,000</u>
Earnings per share	Rupees:	<u>4.48</u>	<u>6.04</u>	<u>2.10</u>	<u>5.18</u>

14.1 Diluted earnings per share has not been presented as the Company does not have any convertible instruments in issue as at September 30, 2014 and September 30, 2013 which would have any effect on the earnings per share if the option to convert is exercised.

## JS Investments Limited

	(Un-audited) September 30, 2014	(Audited) December 31, 2013
	-----Rupees-----	
<b>15 CASH AND CASH EQUIVALENTS</b>		
Cash and bank balances	24,220,998	4,603,691
Short term running finance - secured	-	(191,279,303)
	<u>24,220,998</u>	<u>(186,675,612)</u>
<b>16 TRANSACTIONS AND OUTSTANDING BALANCES WITH RELATED PARTIES</b>		
<p>The group has related party relationship with its associates, parent, ultimate parent, subsidiary, companies having common directors, companies in which parent holds more than 20% shares, employee benefit plan, funds under management and its key management personnel (including their associates).</p> <p>Contribution to the accounts in respect of staff retirement benefits are made in accordance with terms of the contribution plan. Remuneration of the key management personnel are in accordance with the terms of their employment. Other transactions are carried out as per agreed terms.</p>		
	-----Un-audited-----	
	September 30, 2014	September 30, 2013
	-----Rupees-----	
<b>16.1 Transaction with related parties</b>		
<b>16.1.1 Transactions with associates - funds under management</b>		
Remuneration income - net	161,171,561	169,572,534
Commission income	475,382	254,970
Other expenses incurred on behalf of the fund	1,265,908	5,563,892
Reimbursement of other expenses incurred on behalf of the fund	2,103,527	5,201,515
Dividend income	-	253,920,959
Preliminary expenses incurred on behalf of the fund	-	3,681,705
Reimbursement of preliminary expenses incurred on behalf of the fund	-	3,403,505
Investments made in funds under management	871,935,355	70,000,000
Investments disposed off	712,979,053	790,930,414
Sale proceeds received against revocation of fund	-	92,738,610
Bonus / additional units (in numbers)	2,264,686	2,148,497
<b>16.1.2 Transactions with other related parties</b>		
<b>Jahangir Siddiqui &amp; Company Limited (JSCL) (ultimate parent) - parent of JSBL</b>		
Investment made in Term Finance Certificates	25,000,000	-
Markup income on Term Finance Certificates	1,438,137	-
Expenses incurred on behalf of JSCL	1,404	64,755
Reimbursement of expenses incurred on behalf of JSCL	6,405	62,850
<b>JS Global Capital Limited (JSGCL) - subsidiary of JSBL</b>		
Rent expense	298,941	834,255
Rental income	94,344	92,435
Expenses incurred by the company on behalf of JSGCL	101,718	141,968
Reimbursement of expenses incurred on behalf of JSGCL	-	2,462
Management fee sharing on distribution of mutual funds	9,215	16,210
<b>Mahvash and Jahangir Siddiqui Foundation (MJSF) - Associate</b>		
Rental income	745,920	745,920
Donation paid	12,545,988	-
Expenses incurred by the company on behalf of MJSF	333,681	230,288
Reimbursement of expenses incurred on behalf of MJSF	501,555	247,633
<b>Bank Islami Pakistan Limited (BIPL) - Associate</b>		
Ijarah rental expense	303,940	1,769,283
Acquisition of Ijarah leased vehicle	1,437,736	-



## JS Investments Limited

	-----Un-audited-----	
	September 30, 2014	September 30, 2013
	-----Rupees-----	
<b>EFU General Insurance Limited - Associate</b>		
Insurance premium paid	2,208,094	2,394,481
<b>EFU Life Assurance Limited - Associate</b>		
Insurance premium paid	777,025	468,197
<b>Fakhr-e-Imdad Foundation (FIF) - Common directorship</b>		
Expenses incurred by the company on behalf of FIF	144,360	106,974
Reimbursement of expenses incurred on behalf of FIF	63,952	123,076
<b>Staff Provident Fund</b>		
Contributions during the period	2,528,040	2,979,224
<b>16.1.3 Transactions with parent company</b>		
<b>JS Bank Limited (JSBL) - Parent company</b>		
Mark up expense on short term running finance	-	14,778,512
Rent expense	1,688,685	844,641
Rental income	1,032,460	938,595
Expenses incurred by the company on behalf of JSBL	408,936	287,536
Reimbursement of expenses incurred on behalf of JSBL	711,390	327,941
Profit earned on bank deposits	6,312,699	54,126
Management fee sharing on distribution of mutual funds	202,565	670,145
<b>16.1.4 Transactions with key management personnel</b>		
Remuneration of key management personnel	27,274,673	36,275,014
Sale of vehicle	7,000,000	-
Director fee	750,000	3,075,000
	(Un-audited)	(Audited)
	September 30, 2014	December 31, 2013
	-----Rupees-----	
<b>16.2 Balances outstanding at the period end</b>		
<b>16.2.1 Balances outstanding with associates</b>		
Receivable from various funds and outstanding balance of expenses incurred on behalf of different funds under management	58,987,508	16,072,734
<b>16.2.2 Balances outstanding with other related parties</b>		
Payable to JS Global Capital Limited - net	2,695,878	2,644,305
Payable to Bank Islami Pakistan Limited	-	302,200
Receivable from Jahangir Siddiqui & Co. Limited	1,404	16,905
Receivable from Mahvash and Jahangir Siddiqui Foundation	308,068	725,364
Receivable from Fakhr-e-Imdad Foundation	135,445	55,456
<b>16.2.3 Balances outstanding with parent company</b>		
Receivable from JS Bank Limited - net	33,634	366,057

## JS Investments Limited

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- 16.3 Other balances outstanding with related parties as at the period end have been disclosed in the relevant balance sheet notes.
- 16.4 Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the company. The management considered all members of their management team, including the Chief Executive Officer and Directors to be key management personnel.
- 16.5 There are no transactions with key management personnel other than under their terms of employment.

### 17 GENERAL

This consolidated condensed interim financial information was authorised for issue on October 23, 2014 by the Board of Directors of the Holding Company.

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Chief Executive Officer

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Chairman

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