JS Growth Fund

Annual Report 2021

JS investments

Managing Mutual Funds Better!

CONTENTS

VISION

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

MISSION

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

BROAD POLICY OBJECTIVES

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

ORGANIZATION

Management Company	JS Investments Limited 19 th Floor, The Centre, Plot # 28, SB-5 Abdullah Haroon Road, Saddar, Karachi-75600 Tel: (92-21) 111-222-626 Fax: (92-21) 35165540 E-mail:info@jsil.com Website: www.jsil.com	
Board of Directors	Mr. Suleman Lalani	Chairman
	Ms. Iffat Zehra Mankani	Chief Executive Officer
	Mr. Hasan Shahid	Non-Executive Director
	Mr. Asif Reza Sana	Independent Director
	Ms. Aisha Fariel Salahuddin	Independent Director
	Mr. Zahid Ullah Khan	Non-Executive Director
	Mr. Imran Haleem Shaikh	Non-Executive Director
	Mr. Mirza Muhammad Sadeed Hassan Barlas*	Non-Executive Director
Audit Committee	Mr. Asif Reza Sana	Chairman
	Ms. Aisha Farial Salahuddin	Member
	Mr. Hasan Shahid	Member
Director Finance & Company Secretary	Mr. Muhammad Khawar Iqbal	
Chief Financial Officer	Mr. Zafar Iqbal Ahmed	
Trustee	Digital Custodian Company Limited Fromerly; MCB Financial Services Ltd. 4th Floor, Perdesi House 2/1, R-Y-16, Old Queens Road, Karachi - 75530	
Auditors	A.F Ferguson & Co. Chartered Accountants	
Legal Adviser	Bawaney & Partners	

** Mr. Mirza Muhammad Sadeed Hassan Barlas has been appointed as Director of JS Investments Limited w.e.f August 09, 2021 in place of Mr. Tahir Ali Sheikh.*

Directors' Report to the Unit Holders

The Board of Directors of JS Investments Limited, the Management Company of **JS Growth Fund** (the Fund), is pleased to present the Annual Report for the year ended June 30, 2021.

Economic Review:

Despite innumerable challenges, Pakistan's economy is moving progressively on a sustainable growth path. Before the COVID-19 pandemic hit Pakistan's economy, the reforms had laid the base for an economic recovery as was visible in 2H FY19 figures, however, it was brought to a halt due to the incidence of the coronavirus pandemic. Pakistan did much better in coping up with the pandemic compared to many countries and as a result GDP growth came in at 3.94% for FY21; sharply recovering from the FY20 decline of 0.5%. The rebound in GDP growth was underpinned by a recovery in industrial sector growth from an FY20 contraction of 3.8% to an FY21 expansion of 3.6%. Similarly, the services sector grew 4.4% in FY21, after constricting by 0.6% in the preceding year.

Inflation is still one of the bigger issues that our economy faces today. Headline CPI and core CPI averaged 8.9% and 6.6% respectively. The latter remained below 7%, allowing the SBP to accommodate growth by continuing to maintain a dovish monetary policy stance. It is also pertinent to mention that inflation all over the world remained volatile mainly due to supply-side disruptions in commodities due to the COVID-19 pandemic.

The SBP also maintained its policy of a flexible exchange rate regime. The rupee appreciated by 9.4% against the greenback; largely a consequence of the current account surplus reported during the period. As a result, SBP reserves rose 54% to USD 17.8 bn while total liquid FX reserves rose 36% to USD 24.8 bn. The import cover has remained steady at 5 months despite a rise in imports as a result of a rebound in economic activity.

Equity Market Review:

The KSE100 index rose 37.6% in FY21 while the KSE30 and KMI 30 indices rose 27.6% and 39.3% respectively. The stellar returns are mostly due to COVID-induced market decline in the preceding year which was recovered in the current fiscal year.

Technology & Communication returned 294% during the year while Glass & Ceramics rose 171%. Refinery, Engineering, Auto Assemblers, Paper & Board and Cement were the other sectors that gained the most during the period. The biggest underperforming sectors were Food & Personal Care, Oil & Gas Exploration and Fertilizer with a return of -3.2%, -0.4% and 1.8% respectively.

The dominant theme during the fiscal year was high beta pro-cyclical stocks that tend to benefit from economic expansion, higher large-scale manufacturing growth and higher demand from housing in particular. The incumbent government's focus on promoting housing and water conservation (through construction of dams) has led to a sharp rally in construction sector related stocks.

On the other hand, traditional blue-chip companies sharply underperformed. The same earnings stability that helped prop up valuations during the FY17 – FY19 recession led to a lack of interest in these stocks when corporate earnings growth concerns were at the forefront.

Traded value improved significantly on the bourse. KSE 100 average traded value rose from PKR 6.1 bn in FY20 to PKR 13.2 bn in FY21, a historic increase of 116%. Traded value has improved significantly on the back of the sharpest rebound in equities since 2017.

Review of Fund Performance

The Fund return was 27.63% for the year ended June 30, 2021 against benchmark return of 36.49. Net Assets moved from PKR. 1.72 billion to PKR. 2.09 billion as at June 30, 2021.

Asset Manager Rating

The Pakistan Credit Rating Agency Limited (PACRA) has affirmed JS Investments' Management Quality Rating of "AM2"(AM-Two) with a "stable" outlook. The rating denotes High Management Quality.

Auditors

The external auditors of the Fund Messrs A.F Ferguson Chartered Accountants retire and being eligible offers themselves for reappointment. The Board of Directors, upon recommendation of the Audit Committee of the Board has approved the appointment of Messrs A.F Ferguson Chartered Accountants, as the Fund's auditors for the ensuing year ending June 30, 2022.

Board of Directors

During the period Ms. Iffat Zehra Mankani has joined as the Chief Executive Officer of the Company in place of Mr. Hasnain Raza Nensey. In addition to that Syed Tauqir Haider Rizvi, Mr. Babbar Wajid, Mr. Kamran Jafar and Mr. Tahir Ali Sheikh have resigned from the Board whereas, Mr. Suleman Lalani, Mr. Imran Haleem Shaikh, Mr. Zahid Ullah Khan and Mr. Mirza M. Sadeed H. Barlas were appointed as Directors on their places respectively.

Additional Matters

a. Annexed to the Annual Report is Fund Manager's Report giving description of principal risks and uncertainties with reasonable indication of future prospects of profit.
b. The Pattern of Unit holding as at June 30, 2021 is annexed to this annual report.
c. The system of internal control is sound in design and has been effectively implemented and monitored.
d. A performance table / key financial data is annexed to this annual report.

Significant Matters

- Subsequent to the year ended June 30, 2021, Sindh Revenue Board (SRB) through its letter dated August 12, 2021, has intimated MUFAP that the mutual funds do not qualify as Financial Institution/ Industrial Establishment and are, therefore, not liable to pay the Sindh Workers Welfare Fund (SWWF) contributions. This development was discussed at the MUFAP level and has also been taken up with the Securities and Exchange Commission of Pakistan (SECP) and all the Asset Management Companies, in consultation with SECP, have reversed the cumulative provision for SWWF recognized in the financial statements of the Funds on August 13, 2021. The SECP has given its concurrence for prospective reversal of provision for SWWF, Accordingly, going forward, no provision for SWWF would be recognized in the financial statement of the Fund.

- The Board approved addition of the note 11.1 related to the prospective reversal of SWWF in the financial statements of Fund on September 22, 2021.

- Due to the enactment of the Sindh Trusts Act, 2020 (as amended vide Sindh Trusts (Amended) Act, 2021) ("the Act"), the Trusts including Collective Investment Schemes, Private Funds etc, being Specialized Trusts are required to be registered with the Assistant Director of Industries and Commerce (Trust Wing), Government of Sindh under Section 12A of the Act. For this purpose, Re-Stated Trust Deeds of all Funds have been executed between the Management Company and the Trustees and all the relevant Trust Deeds along with necessary documents have been submitted with Assistant Director of Industries and Commerce (Trust Wing), Government of Sindh.

- The Board of Directors in their meeting held on February 21, 2020, approved the scheme of merger, whereby JS Value Fund (JS VF) and JS Large Cap. Fund (JS LCF) were to be merged as going concern into JS Growth Fund (JS GF). Subsequently, the likelihood of receiving the majority unit holder's consent was reassessed and given the inability to meet the requirements, the proposal was revoked.

- Subsequently, upon request of the Management, the Board of Directors of the Management Company has approved Scheme of Merger of JS Value Fund ("JS VF") with and into JS Growth Fund ("JS GF") subject to the approval of SECP and Unit Holders of JS VF and JS GF in their meetings. After approval of the Unit Holders on the said scheme all the existing assets and liabilities of JS VF shall be transferred to JS GF and all unit holders of JS VF shall be issued fresh units of JS GF in lieu of their units held in JS VF respectively on the basis of swap ratio to be calculated on the Effective Date of merger. Kindly refer note 1.9 to the Financial Statement accordingly.

Acknowledgment

The directors express their gratitude to the Securities and Exchange Commission of Pakistan and Digital Custodian Company Limited (formerly MCB Financial Services Limited) for their valuable support, assistance and guidance. The Board also thanks the employees of the Management Company for their dedication and hard work and the unit holders for their confidence in the Management.

The Directors' Report was initially approved by the Board of Directors of Management Company on August 21, 2021 and further amended on September 22, 2021 to incorporate the subsequent event as disclosed in above significant matter related to reversal of SWWF provisioning.

Karachi: **Director** **Chief Executive Officer**

شراکت داروں کے لیے ڈائریکٹرز رپورٹ

جے ایس انویسٹمنٹس لمیٹڈ کے بورڈ آف ڈائریکٹرز، JS گروتھ فنڈ (دی فنڈ) کی مینجمنٹ کمپنی نے 30 جون 2021 کو ختم ہونے والے سال کے لیے سالانہ رپورٹ پیش کرتے ہوئے خوشی محسوس کرتے ہیں۔

معاشی جائزہ

لاتعداد چیلنجز کے باوجود، پاکستان کی معیشت ترقی کی راہ پر مستحکم نمو کی طرف بڑھ رہی ہے۔ کووڈ-19 کی وباء کے پاکستانی معیشت پر حملے سے پہلے اصلاحات کے ذریعے معاشی بحالی کا آغاز ہو گیا تھا جس کا اندازہ مالی سال 19 کی دوسری ششماہی سے ہوتا ہے، تاہم کرونا وائرس کی وبا پھیلنے کے سبب بحالی کا عمل رک گیا۔ پاکستان نے کئی دوسرے ممالک کے مقابلے میں وباء سے نمٹنے کیلئے بہتر اقدامات کئے جس کے نتیجے میں مالی سال 21 کے لئے جی ڈی پی کی شرح نمو مالی سال 20 میں 0.5% کی کمی سے بحالی کے بعد 3.94% ہوگئی۔ جی ڈی پی کی نمو کے دوبارہ بڑھنے کی وجہ مالی سال 20 میں صنعتی شعبے کے 3.8% سکڑاؤ سے مالی سال 21 میں 3.6% اضافہ تھی۔ اسی طرح خدمات کے شعبہ میں گزشتہ سال کے 0.6% سکڑاؤ کے بعد مالی سال 21 میں 4.4% پھیلاؤ آیا۔

افراط زر آج بھی ہماری معیشت کو درپیش سب سے بڑے مسائل میں سے ایک ہے۔ بلند ترین سی پی آئی اور بنیادی سی پی آئی بالترتیب 8.9% اور 6.6% ہیں۔ موخر الذکر کے 7% سے کم رہنے کے سبب اسٹیٹ بینک آف پاکستان کو اپنی نرم مانیٹری پالیسی برقرار رکھنے میں مدد ملی۔ یہ کہنا بھی ضروری ہے کہ دنیا بھر میں افراط زر میں اتار چڑھاؤ کی کیفیت جاری ہے جس کی وجہ کووڈ - 19 کی وباء سے اشیاء کی سپلائی کے مرحلے میں بڑی رکاوٹیں پیدا ہونا تھی۔

اسٹیٹ بینک آف پاکستان نے لچکدار شرح تبادلہ کی پالیسی کا سلسلہ بھی برقرار رکھا۔ گرین بیک کے مقابلے میں روپے کی قیمت میں 9.4% بہتری آئی جو اس مدت کے دوران میں اضافی کرنٹ اکاؤنٹ کے سبب ممکن ہوئی۔ اس کے نتیجے میں اسٹیٹ بینک آف پاکستان کے ذخائر 54% اضافے کے ساتھ 17.8 بلین امریکی ڈالر ہوگئے جب کہ کل لیکویڈ غیر ملکی زرمبادلہ (FX) کے ذخائر 36% اضافے کے ساتھ 24.8 بلین امریکی ڈالر ہوگئے۔ معاشی سرگرمیوں کے دوبارہ بڑھنے کے نتیجے میں درآمدات میں اضافے کے باوجود درآمدات کا کور 5 ماہ تک مستحکم رہا۔

ایکیویٹی مارکیٹ کا جائزہ

مالی سال 21 میں KSE 100 انڈیکس میں 37.6% جبکہ KSE 30 اور KMI 30 انڈیکسز میں بالترتیب 27.6% اور 39.3% کا اضافہ ہوا۔ شاندار منافع زیادہ تر پچھلے سال کووڈ کی وجہ سے مارکیٹ میں کمی کے سبب ہے جو رواں مالی سال میں بحال کیا گیا تھا۔

سال کے دوران ٹیکنالوجی اور کمیونیکیشن نے 294% کا منافع دیا جبکہ گلاس اور سرامکس میں 171% کا اضافہ ہوا۔ اس مدت کے دوران ریفائنری، انجینئرنگ، آٹو اسمبلرز، پیپر اینڈ بورڈ اور سیمنٹ وہ دیگر شعبے تھے جن میں سب سے زیادہ اضافہ ہوا۔ فوڈ اینڈ پرسنل کیئر، آئل اینڈ گیس اور ایکسپلوریشن اینڈ فرٹیلائزر سب سے زیادہ کم کارکردگی کا مظاہرہ کرنے والے تھے جن میں بالترتیب -3.2%، -0.4% اور 1.8% کا منافع ہوا۔

مالی سال کے دوران غالب موضوع pro-cyclical high beta اسٹاک تھا جس کو معاشی پھیلاؤ، بڑے پیمانے کی مینوفیکچرنگ میں بڑے اضافے اور خاص طور پر ہاؤسنگ کی جانب سے زیادہ طلب سے فائدہ ہوا۔ موجودہ حکومت کے ہاؤسنگ اور پانی کے ذخائر میں اضافہ (ڈیمز کی تعمیر کے ذریعے) پر خصوصی توجہ نے تعمیراتی شعبہ سے متعلق اسٹاکس میں تیزی سے اضافہ کیا ہے۔

دوسری طرف روایتی مستحکم کمپنیز کی کارکردگی میں معمولی سی کمی دیکھنے میں آئی۔ آمدنی کا جو استحکام مالی سال 17 - مالی سال 19 کی کساد بازاری کے دوران میں اقدار کو سہارا دینے میں معاون رہا، اسی کے سبب ان اسٹاکس میں عدم دلچسپی پیدا ہوئی جب کارپوریٹ آمدنی میں اضافہ سے متعلق تشویش نمایاں رہی۔

بازار حصص میں تجارتی ویلیو میں نمایاں بہتری آئی۔ KSE 100 میں ٹریڈنگ کی اوسط ویلیو مالی سال 20 کے 6.1 بلین پاکستانی روپے سے بڑھ کر مالی سال 21 میں 116% کے تاریخی اضافے کے ساتھ 13.2 بلین پاکستانی روپے ہوگئی۔ تجارتی ویلیو میں اس نمایاں اضافے کا سبب 2017 سے ایکویٹیز میں تیزی سے دوبارہ اضافہ ہونا تھا۔

فنڈ کی کارکردگی کا جائزہ

30 جون 2021 کو ختم ہونے والے سال کے لیے فنڈ کا منافع 36.49% اپنے بینچ مارک منافع کے مقابلے میں 27.63% رہا۔ 30 جون 2021 کو خالص اثاثہ جات 1.72 بلین روپے سے 2.09 بلین روپے پر پہنچ گئے۔

ایسیٹ مینجر ریٹنگ

پاکستان کریڈٹ ریٹنگ ایجنسی لمیٹڈ (PACRA) نے جے ایس انویسٹمنٹس لمیٹڈ کو "AM 2" (اے ایم ٹو) کی مینجمنٹ کوالٹی ریٹنگ "stable" امکانات کے ساتھ تفویض کی ہے۔ یہ ریٹنگ مینجمنٹ کے اعلی معیار کی نشاندہی کرتی ہے۔

آڈیٹرز

ریٹائر ہونے والے بیرونی آڈیٹرز میسرز اے ایف فرگوسن، چارٹرڈ اکاؤنٹنٹس اہلیت کی بنیاد پر خود کو دوبارہ تقرری کے لیے پیش کرتے ہیں۔ بورڈ آف ڈائریکٹرز نے، آڈٹ کمیٹی کی تجویز پر، میسرز اے ایف فرگوسن، چارٹرڈ اکاؤنٹنٹس کی 30 جون 2022 کو ختم ہونے والے سال کے لیے تقرری کی منظوری دی۔

بورڈ آف ڈائریکٹرز

مدت کے دوران، محترمہ عفت زہرہ منکانی نے جناب حسنین رضا نینسی کی جگہ کمپنی کی چیف ایگزیکیٹو آفیسر کی حیثیت سے شمولیت اختیار کی۔ اس کے علاوہ جناب سید توقیر حیدر رضوی، جناب بابر واجد اور جناب کامران جعفر بورڈ سے مستعفی ہوگئے جبکہ جناب سلیمان لالانی، جناب حلیم شیخ، جناب زاہداللہ خان اور جناب مرزا ایم ساجد بیگ برلاس کو بالترتیب ان کی جگہ ڈائریکٹر مقرر کیا گیا۔

اضافی معاملات

ا۔سالانہ رپورٹ کے ساتھ فنڈ مینیجر رپورٹ منسلک ہے جس میں مرکزی خطرات اور منافع جات کے مستقبل کے امکانات کی مناسب علامت کے ساتھ ہیجان کی کیفیت کی وضاحت کی ہے۔

ب۔شائع ہونے والے مالیاتی گوشوارے میں 30 جون 2021 کو یونٹ ہولڈنگ کے نمونہ کی تشہیر ہوئی۔

ج۔اندرونی کنٹرول کا نظام ساخت کے اعتبار سے مضبوط ہے اور اس پر موثر اطلاق اور نگرانی کی جاتی ہے۔

د۔کارکردگی کا ٹیبل/اہم مالیاتی معلومات اس سالانہ رپورٹ کے ضمیمہ میں دی گئی ہیں۔

اہم معاملات

- 30 جون 2021 کو ختم ہونے والے سال کے بعد، سندھ ریونیو بورڈ (ایس۔آر۔بی) نے 12 اگست 2021 کے اپنے خط کے ذریعے ایم یو ایف اے پی کو آگاہ کیا ہے کہ میوچل فنڈز مالیاتی ادارے/صنعتی ادارے کے طور پر اہل نہیں ہیں اور اس وجہ سے وہ سندھ ورکرز ویلفیئر فنڈ (SWWF) کی شراکت ادائیگی کے ذمہ دار نہیں ہیں۔اس ترقی پر MUFAP کی سطح پر تبادلہ خیال کیا گیا اور اسے سیکیورٹیز اینڈ ایکسچینج کمیشن آف پاکستان (SECP) کے ساتھ بھی اٹھایا گیا ہے اور ایس ای سی پی کے ساتھ مشاورت کے ساتھ تمام اثاثہ جات مینجمنٹ کمپنیوں نے فنڈ کے SWWF کو 13 اگست 2021 کے مالی بیانات میں تسلیم شدہ مجموعی فراہمی کو الٹ دیا ہے۔ایس ای سی پی نے ڈبلیو ڈبلیو ایف کی فراہمی کی ممکنہ الٹ پلٹ کے لئے اپنی رضامندی دی ہے، اس کے مطابق، آگے بڑھتے ہوئے فنڈ کے مالی بیان میں ڈبلیو ڈبلیو ایف کے لئے کوئی شق تسلیم نہیں کی جائے گی۔
- 22 ستمبر 2021 کو بورڈ نے مالیاتی بیانات میں (SWWF) کے ممکنہ الٹ سے متعلق نوٹ 11.1 شامل کرنے کی منظوری دی۔

۔ سندھ ٹرسٹس ایکٹ 2020 .(ترمیم شدہ بذریعہ سندھ ٹرسٹس (ترمیم شدہ) ایکٹ 2021 ("دی ایکٹ") کے نفاذ سے ٹرسٹس بشمول اجتماعی انویسٹمنٹ اسکیمز، پرائیویٹ فنڈز وغیرہ کو ایکٹ کے سیکشن 12A کے تحت خصوصی ٹرسٹس ہونے کی بناء پر اسسٹنٹ ڈائریکٹر آف انڈسٹریز اینڈ کامرس (ٹرسٹ ونگ)،حکومت سندھ کے ساتھ رجسٹر ہونا لازمی ہے۔اس مقصد کیلئے مینجمنٹ کمپنیز کے درمیان تمام فنڈز کی دوبارہ تشکیل کی گئی ٹرسٹ ڈیڈز مکمل کر لی گئی ہیں اور ٹرسٹیز ار تمام متعلقہ ٹرسٹ ڈیڈز مع ضروری دستاویزات اسسٹنٹ ڈائریکٹر آف انڈسٹریز اینڈ کامرس (ٹرسٹ ونگ)، حکومت سندھ کے پاس جمع کرادی گئی ہیں۔

۔بورڈ آف ڈائریکٹرز نے 21 فروری 2020 کو منعقد ہونے والے اپنے اجلاس میں انضمام کی اسکیم کی منظوری دی جس کے تحت JS ویلیوفنڈ (JSVF) اور JS لارج کیپ فنڈ (JS LCF) کو JS گروتھ فنڈ (JS GF) میں ضم کرنا تھا جیسا کہ ذکر ہے۔اس کے بعد، اکثریتی یونٹ ہولڈرز کی رضامندی حاصل کرنے کے امکانات کا ازسرِنو جائزہ لیا گیا اور ضروریات کو پورا کرنے میں ناکامی کے پیشِ نظر اس تجویز کو منسوخ کر دیا گیا۔

اس کے بعد، مینجمنٹ کی درخواست پر، مینجمنٹ کمپنی کے بورڈ آف ڈائریکٹرز نے اپنے اجلاس میں SECP اور JSVF اور JSGF کے یونٹ ہولڈرز کی منظوری سے مشروط کرتے ہوئے JS ویلیوفنڈ (JSVF) کو JS گروتھ فنڈ (JS GF) کے ساتھ اور اس میں انضمام کی اسکیم کی منظوری دے دی۔مذکورہ اسکیم پر یونٹ ہولڈرز کی منظوری کے بعد JSVF کے تمام موجودہ اثاثہ جات اور واجبات JSGF کو منتقل کیے جائیں گے اور JSVF کے تمام یونٹ ہولڈرز کو تبادلہ کے تناسب (swap ratio) کی بنیاد پر JSVF میں موجود اپنے یونٹس کے عوض میں JS GF کے نئے یونٹس جاری کیے جائیں گے جس کا حساب انضمام کی موثر تاریخ سے کیا جائے گا۔

اظہارِ تشکر

ڈائریکٹرز بیش قدر معاونت، مدد اور رہنمائی پر سیکیورٹیز اینڈ ایکسچینج کمیشن آف پاکستان (SECP) اور ڈیجیٹل کسٹوڈین کمپنی لمیٹڈ (سابقہ: MCB فنانشل کمپنی لمیٹڈ) سے اظہارِ تشکر کرتے ہیں۔ بورڈ لگن اور محنت پر مینجمنٹ کمپنی کے ملازمین اور انتظامیہ پر اعتماد پر یونٹ ہولڈرز کا بھی شکریہ ادا کرتا ہے۔

ڈائریکٹروں کی رپورٹ کو ابتدائی طور پر 21 اگست 2021 کو مینجمنٹ کمپنی کے بورڈ آف ڈائریکٹرز نے منظور کیا 22 ستمبر 2021 کو مزید ترمیم کی تاکہ بعد کے ایونٹ کو شامل کیا جا سکے جیسا کہ مذکورہ بالا اہم معاملے میں ظاہر کی گیا ہے جو کہ SWWF پروویژننگ سے متعلق ہے۔

چیف ایگزیکیٹو آفیسر | ڈائریکٹر

کراچی:

Fund Manager Report
Annual Report 2021

JS Growth Fund (JSGF)

- **Description of the Collective Investment Scheme category and type**
  Equity Fund / Open end

- **Statement of Collective Investment Scheme's investment objective**
  The main objective of JSGF is to enable the Certificate Holders to participate in a diversified portfolio of high quality equity securities listed on the stock exchanges and to maximize the investment return, by prudent investment management.

- **Explanation as to whether the Collective Investment Scheme has achieved its stated objective**
  The collective investment scheme achieved its stated objective.

- **Statement of benchmark(s) relevant to the Collective Investment Scheme**
  KSE30 (Total Return Index)

- **Comparison of the Collective Investment Scheme's performance during the period compared with the said benchmarks**

	Jul-20	Aug-20	Sep-20	Oct-20	Nov-20	Dec-20	Jan-21	Feb-21	Mar-21	Apr-21	May-21	Jun-21	FY21
JSGF	14.21%	5.59%	-3.76%	-2.05%	1.67%	6.55%	5.16%	-0.75%	-3.83%	-2.20%	8.52%	-2.72%	27.63%
Benckmark	14.85%	3.78%	-2.28%	-2.05%	3.70%	6.09%	6.26%	-0.56%	-2.80%	-0.36%	8.78%	-2.31%	36.49%
Diff.	**-0.64%**	**1.81%**	**-1.48%**	**0.01%**	**-2.02%**	**0.46%**	**-1.11%**	**-0.19%**	**-1.03%**	**-1.84%**	**-0.26%**	**-0.41%**	**-8.86%**

- **Description of the strategies and policies employed during the period under review in relation to the Collective Investment Scheme's performance**

  As of June 2021 the fund had high exposure towards Oil & Gas Exploration, Commercial Banks and Engineering while the remaining exposure was in a diversified pool of stocks.

  Sector allocations were decided based upon the country's improving macroeconomic outlook and significant growth potential in the economy. Individual stock selection and allocation within these sectors varied during the year based upon the investment case for or against a stock and its relative price at a particular point in time.

- **Disclosure of the Collective Investment Scheme's asset allocation as at the date of the report and particulars of significant changes in asset allocation since the last report (if applicable)**

	Jun-21	Jun-20
Cash	9.31%	8.98%
Equity	90.33%	90.48%
Other including receivables	0.36%	0.54%
Total	**100.00%**	**100.00%**

- **Analysis of the Collective Investment Scheme's performance**

	Fund		Fund	BM
Information Ratio	(0.10)	Beta	0.9	1.0
Correlation	0.98	Largest Month Gain	22.6%	25.2%
Standard Deviation*	23.9%	Largest Month Loss	-35.2%	-45.1%
Expense Ratio**	4.80%	% Positive Months	58.0%	56.4%

* Since inception
** This includes 0.80% government levy, Sindh Worker's Welfare Fund and SECP fee. Selling & Marketing Expense PKR 31,718,395.

- **Based on changes in total NAV and NAV per unit since the last review period or since commencement (in the case of newly established Collective Investment Scheme)**

	Net Assets Excluding JSIL FoFs (PKR mn)	NAV per Unit (PKR)
30-Jun-21	1,791	186.41
30-Jun-20	1,510	146.06

- **Disclosure of the markets that the Collective Investment Scheme has invested in:**

The fund invests in equity securities listed on the Pakistan Stock Exchange (PSX). PSX has a market capitalization of ~$51 billion with 30+ sectors.

- **Disclosure on distribution (if any), comprising:-**
  - Particulars of income distribution or other forms of distribution made and proposed during the period; and
  - Statement on effects on the NAV before and after distribution is made

Distribution

NIL

NAV per unit as on June 30, 2021	
Cum NAV (PKR)	186.41
Ex-NAV (PKR)	186.41

- **Description and explanation of any significant changes in the state of affairs of the Collective Investment Scheme during the period and up till the date of the manager's report, not otherwise disclosed in the financial statements**

There were no significant changes in the state of affairs during the year under review.

- **Breakdown of unit holdings by size**

Fund Name	Ranges			Number of Folios
JS Grwoth Fund	0.0001	to	9,999.9999	18,706
	10,000.0000	to	49,999.9999	19
	50,000.0000	to	99,999.9999	2
	100,000.0000	to	499,999.9999	8
	500,000.0000	&	above	6
			Total	**18,741**

- **Disclosure on unit split (if any), comprising:-**

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

- **Disclosure of circumstances that materially affect any interests of the unit holders**

Investment is subject to market risk.

- **Disclosure if the Asset Management Company or its delegate, if any, receives any soft commission (i.e. goods and services) from its broker(s) or dealer(s) by virtue of transactions conducted by the Collective Investment Scheme, disclosure of the following:-**

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

Performance Table

		Years				
		2021	2020	2019	2018	2017
Net assets	Rs.	2,086,085	1,716,078	1,347,246	2,122,587	2,612,406
Net income / loss	Rs.	492,749	74,473	(454,021)	(417,676)	721,968
Total return of the Fund	%	27.63	6.91	(23.43)	(15.92)	37.56
Annual dividend distribution	%	-	6.00	-	-	6.00
Capital Growth	%	27.63	0.91	(23.43)	(15.92)	31.56
Average annual return						
- One Year	%	27.63	6.91	(23.43)	(15.92)	37.56
- Two Years	%	17.27	(8.26)	(19.68)	10.82	20.72
- Three Years	%	3.70	(10.81)	(0.60)	8.51	17.95
NAV per unit	Rs.	186.41	146.06	142.34	185.90	221.09
Highest offer price per unit	Rs.	202.49	184.04	198.88	235.24	264.92
Lowest offer price per unit	Rs.	153.23	116.30	147.17	180.32	171.30
Year-end offer price per unit	Rs.	192.73	151.01	147.17	192.21	227.72
Highest repurchase price per unit	Rs.	195.85	178.00	192.35	228.38	257.20
Lowest repurchase price per unit	Rs.	148.20	112.48	142.34	175.07	166.31
Year-end repurchase price per unit	Rs.	186.41	146.06	142.34	185.90	221.09
Interim distribution	Rs.	-	-	-	-	6.00
Announcement date						23-Jun-17
Final distribution	Rs.	-	6.00	-	-	-
Announcement date		-	29-Jun-20	-	-	-
Total distribution as % of par value	%	**-**	**6.00**	**-**	**-**	**6.00**

Notes

- JS Growth Fund was launched on June 28, 2005.
- Units have par value of Rs. 100/- each.
- Investment portfolio composition of the Fund is disclosed in note 7 of the financial statements.
- The income distribution have been shown against The year to which they relate although these were declared & distributed subsequently to the year end.

Disclaimer

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

DIGITAL CUSTODIAN COMPANY
Formerly MCB Financial Services Limited

REPORT OF THE TRUSTEE TO THE UNIT HOLDERS

JS GROWTH FUND

Report of the Trustee Pursuant to Regulation 41(h) of the Non-Banking Finance Companies and Notified Entities Regulations, 2008

JS Growth Fund was a close-end scheme established under a Trust Deed executed between JS Investments Limited, as the Management Company and Central Depository Company of Pakistan Limited, as the Trustee. The Scheme was authorized by Securities and Exchange Commission of Pakistan (SECP) on April 05, 2006.

As per the Deed of change of Trustee and amendment of Trust Deed dated February 02, 2008 Central Depository Company of Pakistan Limited retired as the Trustee and MCB Financial Services Limited was appointed as the Trustee of JS Growth Fund.

Pursuant to Regulation 65 (4) of the NBFC Regulations 2008, as amended by SECP vide its S.R.O 1492(1)/2012 dated December 26, 2012 (the Regulations), an Extra Ordinary General Meeting (EOGM) of the certificate holders of the Fund was convened on April 30, 2013 in Karachi wherein a resolution was passed by Ninety nine percent (99%) significant majority for the conversion of the Fund from a close end scheme into an open end scheme. The new trust deed of JS Growth Fund was executed JS Investments Limited being the Management Company, a company incorporated under the Companies Ordinance, 1984 and MCB Financial Services Limited (MCBFSL) being the trustee on July 20, 2013 after being approved by the SECP on same date in accordance with the provisions of NBFC Regulations.

1. JS Investments Limited, the Management Company of JS Growth Fund has, in all material respects, managed JS Growth Fund during the year ended 30th June 2021 in accordance with the provisions of the following:

   (i) Investment limitations imposed on the Asset Management Company and the Trustee under the trust deed and other applicable laws;

   (ii) the valuation or pricing is carried out in accordance with the deed and any regulatory requirement;

   (iii) the creation and cancellation of units are carried out in accordance with the deed;

   (iv) and any regulatory requirement

Khawaja Anwar Hussain
Chief Executive Officer
Digital Custodian Company Limited
Formerly MCB Financial Services Limited

Karachi: September 13, 2021

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INDEPENDENT AUDITOR'S REPORT

To the Unit holders of JS Growth Fund

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of JS Growth Fund (the Fund), which comprise the statement of assets and liabilities as at June 30, 2021, and the income statement, statement of comprehensive income, statement of movement in unit holders' fund and cash flow statement for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Fund as at June 30, 2021, and of its financial performance and its cash flows for the year then ended in accordance with the accounting and reporting standards as applicable in Pakistan.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) as applicable in Pakistan. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Fund in accordance with the International Ethics Standards Board for Accountants' *Code of Ethics for Professional Accountants* as adopted by the Institute of Chartered Accountants of Pakistan (the Code) and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Following is the key audit matter:

S.No.	Key Audit Matter	How the matter was addressed in our audit
1	**Net Asset Value (NAV)** (Refer note 4 and 5 to the financial statements)	
	Balances with banks and investments constitute the most significant components of the NAV. Balances with banks of the Fund as at June 30, 2021 aggregated to Rs. 176.217 million and investments amounted to Rs. 2,036.912 million. The existence of balances with banks and the existence and proper valuation of investments for the determination of NAV of the Fund as at June 30, 2021 was considered a high risk area and therefore we considered this as a key audit matter.	Our audit procedures amongst others included the following: ▪ tested the design and operating effectiveness of the key controls for valuation of investments; ▪ obtained independent confirmations for verifying the existence of the investment portfolio and balances with banks as at June 30, 2021 and traced them to the books and records of the Fund. Where such confirmations were not available, alternate audit procedures were performed; ▪ re-performed valuation to assess that investments are carried as per the valuation methodology specified in the accounting policies; and ▪ obtained bank reconciliation statements and tested reconciling items on a sample basis.

AFFCO

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Other matter

The financial statements of the Fund for the year ended June 30, 2020 were audited by another firm of Chartered Accountants who had expressed an unmodified opinion thereon vide their report dated September 29, 2020.

Other Information

Management is responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Board of Directors of the Management Company for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting and reporting standards as applicable in Pakistan, and for such internal control as management determines is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Fund's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Fund or to cease operations, or has no realistic alternative but to do so.

Board of directors of the Management Company is responsible for overseeing the Fund's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs as applicable in Pakistan will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs as applicable in Pakistan, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control.

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- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Fund to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with board of directors of the Management Company regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide board of directors of the Management Company with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with board of directors of the Management Company, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

Based on our audit, we further report that in our opinion the financial statements have been prepared in all material respects in accordance with the relevant provisions of the Non-Banking Finance Companies and Notified Entities Regulations, 2008.

The engagement partner on the audit resulting in this independent auditor's report is **Noman Abbas Sheikh**.

A.F.Ferguson & Co

Chartered Accountants

Karachi

Date: September 30, 2021

FINANCIAL STATEMENTS

STATEMENT OF ASSETS AND LIABILITIES
AS AT JUNE 30, 2021

	Note	2021	2020
		-----------Rupees-----------	
ASSETS			
Bank balances	4	**176,216,740**	177,637,882
Investments	5	**2,036,912,325**	1,699,863,249
Dividend and profit receivable	6	**1,453,786**	1,946,025
Advances and deposits	7	**33,523,452**	3,924,808
Total assets		**2,248,106,303**	1,883,371,964
LIABILITIES			
Payable to JS Investments Limited - Management Company	8	**46,316,466**	40,787,233
Payable to Digital Custodian Company Limited (Formerly: MCB Financial Services Limited) - Trustee	9	**202,149**	171,917
Annual fee payable to the Securities and Exchange Commission of Pakistan (SECP)	10	**418,661**	307,604
Unclaimed dividend		**83,208,839**	94,789,204
Accrued expenses and other liabilities	11	**31,875,623**	31,237,869
Total liabilities		**162,021,738**	167,293,827
NET ASSETS		**2,086,084,565**	1,716,078,137
Unit holders' fund (as per statement attached)		**2,086,084,565**	1,716,078,137
Contingencies and commitments	12		
		--------Number of units--------	
NUMBER OF UNITS IN ISSUE	13	**11,190,951**	11,749,474
		-----------Rupees-----------	
NET ASSET VALUE PER UNIT	3.10	**186.41**	146.06

The annexed notes from 1 to 29 form an integral part of these financial statements.

For JS Investments Limited
(Management Company)

Chief Executive Officer	**Chief Financial Officer**	**Director**

INCOME STATEMENT
FOR THE YEAR ENDED JUNE 30, 2021

	Note	2021	2020
		-----------Rupees-----------	
INCOME			
Profit / mark-up income	14	**10,798,615**	30,299,916
Gain / (loss) on sale of investments - net		**239,848,975**	(16,520,714)
Dividend income		**80,136,053**	64,093,734
Net unrealised gain on re-measurement of investments classified as 'at fair value through profit or loss'		**260,587,005**	59,035,013
Other income		**1,949,127**	-
Total income		**593,319,775**	136,907,949
EXPENSES			
Remuneration of JS Investments Limited - Management Company	8.1	**41,858,615**	30,763,100
Sindh sales tax on remuneration of the Management Company	8.2	**5,441,620**	3,999,203
Allocated expenses	8.4	**2,093,406**	1,538,142
Selling and marketing expenses	8.5	**31,718,395**	14,031,618
Remuneration of Digital Custodian Company Limited (Formerly: MCB Financial Services Limited) - Trustee	9.1	**2,120,040**	1,705,509
Sindh sales tax on remuneration of the Trustee	9.2	**275,605**	221,716
Annual fee to the Securities and Exchange Commission of Pakistan (SECP)		**418,681**	307,626
Settlement and bank charges	15	**272,227**	495,408
Auditors' remuneration		**843,269**	843,269
Brokerage and transaction cost		**5,445,044**	6,982,324
Listing fee		**25,000**	25,000
Supervision fee of the SECP		**2,500**	2,500
Total operating expenses		**90,514,402**	60,915,415
Net income from operating activities		**502,805,373**	75,992,534
Provision for Sindh Workers' Welfare Fund	11.1	**10,056,107**	1,519,851
Net income for the year before taxation		**492,749,266**	74,472,683
Taxation	16	**-**	-
Net income for the year after taxation		**492,749,266**	74,472,683
Allocation of net income for the year			
Net income for the year after taxation		**492,749,266**	74,472,683
Income already paid on units redeemed		**(120,042,300)**	(13,422,889)
		372,706,966	61,049,794
Accounting income available for distribution			
- Relating to capital gains		**372,706,966**	42,514,299
- Excluding capital gains		**-**	18,535,495
		372,706,966	61,049,794

The annexed notes from 1 to 29 form an integral part of these financial statements.

For JS Investments Limited
(Management Company)

Chief Executive Officer | **Chief Financial Officer** | **Director**

STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED JUNE 30, 2021

	2021	2020
	-----------Rupees-----------	
Net income for the year after taxation	**492,749,266**	74,472,683
Other comprehensive income for the year	**-**	-
Total comprehensive income for the year	**492,749,266**	74,472,683

The annexed notes from 1 to 29 form an integral part of these financial statements.

For JS Investments Limited
(Management Company)

Chief Executive Officer **Chief Financial Officer** **Director**

CASH FLOW STATEMENT

FOR THE YEAR ENDED JUNE 30, 2021

	Note	2021	2020
		-----------Rupees-----------	
CASH FLOWS FROM OPERATING ACTIVITIES			
Net income for the year before taxation		**492,749,266**	74,472,683
Adjustments for:			
Net unrealised gain on re-measurement of investments classified as 'at fair value through profit or loss'		**(260,587,005)**	(59,035,013)
		232,162,261	15,437,670
Decrease / (increase) in assets			
Investments - net		**(76,462,071)**	(437,237,222)
Dividend and profit receivable		**492,239**	2,873,507
Advances and deposits		**(29,598,644)**	14,856,370
		(105,568,476)	(419,507,345)
(Decrease) / increase in liabilities			
Payable to JS Investments Limited - Management Company		**5,529,233**	3,609,299
Payable to Digital Custodian Company Limited (Formerly: MCB Financial Services Limited) - Trustee		**30,232**	23,903
Annual fee payable to the Securities and Exchange Commission of Pakistan (SECP)		**111,057**	(1,371,673)
Accrued expenses and other liabilities		**637,754**	12,049,551
		6,308,276	14,311,080
Net cash generated from / (used in) in operating activities		**132,902,061**	(389,758,595)
CASH FLOWS FROM FINANCING ACTIVITIES			
Dividend paid		**(11,580,365)**	(37,199,293)
Amount received from issuance of units		**584,157,905**	1,038,548,465
Amount paid on redemption of units		**(706,900,743)**	(693,399,750)
Net cash (used in) / generated from financing activities		**(134,323,203)**	307,949,422
Net decrease in cash and cash equivalents		**(1,421,142)**	(81,809,173)
Cash and cash equivalents at the beginning of the year		**177,637,882**	259,447,055
Cash and cash equivalents at the end of the year	17	**176,216,740**	177,637,882

The annexed notes from 1 to 29 form an integral part of these financial statements.

For JS Investments Limited
(Management Company)

Chief Executive Officer **Chief Financial Officer** **Director**

STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUND

FOR THE YEAR ENDED JUNE 30, 2021

	2021			2020		
	Capital value	Undistributed income	Total	Capital value	Undistributed income	Total
	Rupees			Rupees		
Net assets at the beginning of the year	1,005,308,422	710,769,715	1,716,078,137	664,399,704	682,846,554	1,347,246,258
Issuance of 3,308,471 units (2020: 6,957,646 units)						
- Capital value (at net asset value per unit at the beginning of the year)	483,235,128	-	483,235,128	990,338,122	-	990,338,122
- Element of income	100,922,777	-	100,922,777	48,210,343	-	48,210,343
	584,157,905	-	584,157,905	1,038,548,465	-	1,038,548,465
Redemption of 3,866,994 units (2020: 4,673,287 units)						
- Capital value (at net asset value per unit at the beginning of the year)	(564,812,998)	-	(564,812,998)	(665,186,703)	-	(665,186,703)
- Element of loss	(22,045,445)	(120,042,300)	(142,087,745)	(14,790,158)	(13,422,889)	(28,213,047)
	(586,858,443)	(120,042,300)	(706,900,743)	(679,976,861)	(13,422,889)	(693,399,750)
Total comprehensive income for the year	-	492,749,266	492,749,266	-	74,472,683	74,472,683
Interim distribution for the year ended June 30, 2020: declared Re. 0.51 per unit on June 29, 2020	-	-	-	(17,662,886)	(33,126,633)	(50,789,519)
Net assets at the end of the year	1,002,607,884	1,083,476,681	2,086,084,565	1,005,308,422	710,769,715	1,716,078,137
Undistributed income brought forward comprising of:						
- Realised income		651,734,702			980,543,089	
- Unrealised income		59,035,013			(297,696,535)	
		710,769,715			682,846,554	
Accounting income available for distribution:						
- Relating to capital gain		372,706,966			42,514,299	
- Excluding capital gain		-			18,535,495	
		372,706,966			61,049,794	
Distribution during the year		-			(33,126,633)	
Undistributed income carried forward		1,083,476,681			710,769,715	
Undistributed income carried forward comprising of:						
- Realised income		822,889,676			651,734,702	
- Unrealised income		260,587,005			59,035,013	
		1,083,476,681			710,769,715	
		(Rupees)			**(Rupees)**	
Net assets value per unit at the beginning of the year		146.06			142.34	
Net assets value per unit at the end of the year		186.41			146.06	

The annexed notes from 1 to 29 form an integral part of these financial statements.

For JS Investments Limited
(Management Company)

Chief Executive Officer | **Chief Financial Officer** | **Director**

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2021

1 LEGAL STATUS AND NATURE OF BUSINESS

1.1 JS Growth Fund (the Fund) was a closed end scheme until July 20, 2013. Pursuant to Regulation 65(4) of the Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the NBFC Regulations), as amended by the Securities and Exchange Commission of Pakistan (SECP) vide its S.R.O.1492(1)/2012 dated December 26, 2012, an Extra Ordinary General Meeting (EOGM) of the certificate holders of the Fund was convened on April 30, 2013 wherein a resolution was passed by ninety nine percent (99%) majority for the conversion of the Fund from a closed end scheme into an open end scheme. The new Trust Deed of the Fund was executed on July 20, 2013 between JS Investments Limited (JSIL) being the Management Company and Digital Custodian Company Limited (formerly: MCB Financial Services Limited) being the Trustee.

1.2 Pursuant to the special resolution passed at a general meeting of the certificate holders on April 30, 2013, and subsequent approval from the SECP, the Fund was converted into an open-end scheme with effect from July 20, 2013. The status of the certificate holders automatically stands changed to initial unit holders and all existing certificates issued under the closed end scheme were converted into Initial Units in the ratio of 10:1 i.e. against ten certificates of closed end scheme of Rs.10 each, one unit of open end scheme of Rs.100 each was issued. Accordingly 28,575,587 units of the open ended scheme were issued in lieu of 285,755,871 certificates to the certificate holders of the close end scheme on the date of conversion i.e. July 20, 2013.

1.3 With effect from July 20, 2013, the Fund is converted into an open ended mutual fund scheme. The Fund is categorised as an "Equity Scheme" and is listed on the Pakistan Stock Exchange. Units are offered for public subscription on a continuous basis. The units are transferable and can also be redeemed by surrendering them to the Fund. The Fund is required to maintain at least 70% of its net assets invested in listed equity securities in accordance with the circular 7 of 2009 issued by the SECP.

1.4 The Management Company has been licensed by the SECP to act as an Asset Management Company under the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (the NBFC Rules) through a certificate of registration issued by the SECP. The registered office of the Management Company is situated at 19th floor, The Centre, Plot No. 28, SB-5, Abdullah Haroon Road, Saddar, Karachi.

1.5 Pakistan Credit Rating Agency Limited (PACRA) has assigned an asset manager rating of 'AM2' (stable) (June 30, 2020: 'AM2' (Stable) dated December 31, 2019) dated September 1, 2020 to the Management Company.

1.6 Title to the assets of the Fund is held in the name of Digital Custodian Company Limited (formerly: MCB Financial Services Limited) as Trustee of the Fund.

1.7 The Trust Act, 1882 has been repealed due to promulgation of Provincial Trust Act “Sindh Trusts Act, 2020” as empowered under the Eighteenth Amendment to the Constitution of Pakistan. Various new requirements including registration under the Trust Act have been introduced. The Management Company to fulfil the requirement for registration of Trust Deed under Sindh Trusts Act, 2020 has submitted Collective Investment Scheme Trust Deed to Registrar (acting under Sindh Trusts Act, 2020).

1.8 According to the trust deed, the objective of the Fund is long term capital appreciation from a portfolio that is substantially constituted of equity and equity related securities. The Fund invests in equity securities and profit bearing accounts. The investment objectives and policy are explained in the Fund's offering document.

1.9 During the year ended June 30, 2020, the Board of Directors of the Management Company in their meeting held on February 21, 2020 approved the scheme of merger, whereby JS Value Fund (JS VF) and JS Large Capital Fund (JS LCF) will be merged as going concern into JS Growth Fund (JS GF). This merger was subject to the approval of unit holders and the Trustee of the Funds and subject to fulfilment of the requirements as imposed by the Securities and Exchange Commission of Pakistan. The meeting for the approval of unit holders of the respective funds was initially planned to be called on April 9, 2020 but was postponed due to COVID – 19 outbreak.

During the current year, the Board of Directors of the Management Company in its 158th meeting held on April 23, 2021, revoked its decision for proposal of merger keeping in view the potential matters that may arise as a result of merger and the probability of not receiving the minimum required consent of the unit holders.

However, subsequent to year ended June 30, 2021, the Board of Directors of the Management Company have approved a scheme of merger only of JS VF with and into JS GF subject to the approval of 3/4th majority of the unit holders of JS VF and JS GF in their respective meeting. As a result of the merger, all the existing assets and liabilities of JS VF shall be transferred to JS GF and all the unit holders of JS VF shall be issued fresh units of JS GF in lieu of their units held in JS VF on the basis of a swap ratio to be calculated on the effective date of merger. The meetings for the approval of the unit holders of the respective funds are due to be held on August 16, 2021.

2 BASIS OF PREPARATION

2.1 Statement of compliance

These financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan. The accounting and reporting standards applicable in Pakistan comprise of:

- International Financial Reporting Standards (IFRS Standards) issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017;

- Provisions of and directives issued under the Companies Act, 2017, along with part VIIIA of the repealed Companies Ordinance, 1984; and

- Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (the NBFC Rules), Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the NBFC Regulations) and the requirements of the Trust Deed.

Where provisions of and directives issued under the Companies Act, 2017, part VIIIA of the repealed Companies Ordinance 1984, the NBFC Rules, the NBFC Regulations and the requirements of the Trust Deed differ from the IFRSs, the provisions of and directives issued under the Companies Act, 2017, part VIIIA of the repealed Companies Ordinance 1984, the NBFC Rules, the NBFC Regulations and the requirements of the Trust Deed have been followed.

2.2 Standards, interpretations and amendments to published accounting and reporting standards that are effective in the current year

There are certain amendments to the published accounting and reporting standards that are mandatory for the Fund's accounting period beginning on July 1, 2020. However, these do not have any significant impact on the Fund's operations and, therefore, have not been detailed in these financials statements.

2.3 Standards, interpretations and amendments to published accounting and reporting standards that are not yet effective

Amendments	Effective date (accounting period beginning on or after)
IAS 1 - 'Presentation of financial statements' (amendment)	January 1, 2023
IAS 8 - 'Accounting policies, change in accounting estimates and errors' (amendment)	January 1, 2023

These amendments may impact the financial statements of the Fund on adoption. The Management is currently in the process of assessing the full impact of these amendments on the financial statements of the Fund.

There are certain other standards, interpretations and amendments that are mandatory for the Fund's accounting periods beginning on or after July 1, 2021 but are considered not to be relevant or will not have any significant effect on the Fund's operations and, therefore, have not been detailed in these financials statements.

2.4 Critical accounting estimates and judgments

The preparation of financial statements in conformity with the accounting and reporting standards requires the management to make estimates, judgments and assumptions that affect the reported amounts of assets and liabilities, income and expenses. It also requires the management to exercise judgment in application of its accounting policies. The estimates, judgments and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances. These estimates and assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the year in which the estimate is revised if the revision affects only that year, or in the year of revision and future years if the revision affects both current and future years.

The areas involving a degree of judgment or complexity, or areas where estimates and assumptions are significant to the financial statements relate to classification, valuation and impairment of financial assets (notes 3.2 and 5), provision for SWWF (note 11.1), provision for FED and sales tax (note 8.3) and provision for taxation (notes 3.6 and 16).

2.5 Accounting convention

These financial statements have been prepared under the historical cost convention, except for investments measured at 'fair value through profit or loss' and 'fair value through other comprehensive income'.

2.6 Functional and presentation currency

Items included in the financial statements are measured using the currency of the primary economic environment in which the Fund operates. These financial statements are presented in Pakistan Rupee, which is the Fund's functional and presentation currency.

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented.

3.1 Cash and cash equivalents

Cash and cash equivalents comprise of bank balances and short term highly liquid investments with original maturity of three months or less which are readily convertible to known amounts of cash and are subject to an insignificant risk of changes in value.

3.2 Financial assets

3.2.1 Initial recognition and measurement

Financial assets are recognised at the time the Fund becomes a party to the contractual provisions of the instruments. These are initially recognised at fair value plus transaction costs except for financial assets carried 'at fair value through profit or loss'. Financial assets carried 'at fair value through profit or loss' are initially recognised at fair value and transaction costs are recognised in the income statement.

3.2.1 Classification and subsequent measurement

3.2.1.1 Debt instruments

IFRS 9 has provided a criteria for debt securities whereby these debt securities are either classified as:

- at amortised cost
- at fair value through other comprehensive income (FVOCI)
- at fair value through profit or loss (FVTPL) based on the business model of the entity

However, IFRS 9 also provides an option whereby securities managed as a portfolio or group of assets and whose performance is measured on a fair value basis, to be recognised at FVTPL. The Fund is primarily focused on fair value information and uses that information to assess the assets' performance and to make decisions. Therefore, the management considers its investment in debt securities as being managed as a group of assets and hence has classified them as FVTPL.

3.2.1.2 Equity instruments

Equity instruments are instruments that meet the definition of equity from the issuer's perspective and are instruments that do not contain a contractual obligation to pay and that evidence a residual interest in the issuer's net assets.

All equity investments are required to be measured in the statement of assets and liabilities at fair value, with gains and losses recognised in the income statement, except where an irrevocable election has been made at the time of initial recognition to measure the investment at FVOCI. The Fund is primarily focused on fair value information and uses that information to assess the assets' performance and to make decisions. The management considers its investment in equity securities as a group of assets and assesses them on a fair value basis and hence has classified them as FVTPL. Accordingly, the irrevocable option has not been considered.

The dividend income for equity securities classified under FVOCI is to be recognised in the income statement.

Since all investments in equity instruments have been designated as FVTPL, the subsequent movement in the fair value of equity securities is routed through the income statement.

3.2.2 Impairment

The Fund assesses on a forward-looking basis the expected credit losses (ECL) associated with its financial assets (other than debt instruments as per Circular 33 of 2012) carried at amortised cost and FVOCI. The Fund recognises a loss allowance for such losses at each reporting date. The measurement of ECL reflects:

- an unbiased and probability-weighted around that is determined by evaluating a range of possible outcomes;
- the time value of money; and
- reasonable and supportable information that is available without undue cost or effort at the reporting date about past events, current conditions and forecast of future economic conditions.

The 12 months ECL is recorded for all financial assets in which there is no significant increase in credit risk from the date of initial recognition, whereas a lifetime ECL is recorded for all remaining financial assets.

3.2.3 Impairment loss on debt securities

Provision for non-performing debt securities is made on the basis of time-based criteria as prescribed by the SECP and based on the management's assessment made in line with its provisioning policy approved by the Board of Directors of the Management Company in accordance with the guidelines issued by the SECP. Impairment losses recognised on debt securities can be reversed through the income statement.

As allowed by the SECP, the Management Company may make provision against debt securities over and above the minimum provision requirement prescribed by the SECP, in accordance with the provisioning policy duly approved by the Board of Directors of the Management Company.

3.2.4 Regular way contracts

All regular way purchases and sales of financial assets are recognised on the trade date i.e. the date on which the Fund commits to purchase or sell the asset. Regular way purchases / sales of assets require delivery of securities within two days from the transaction date as per the stock exchange regulations.

3.2.5 Derecognition

Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Fund has transferred substantially all risks and rewards of ownership. Any gain or loss on derecognition of financial assets is taken to the income statement.

3.3 Financial liabilities

All financial liabilities are recognised at the time when the Fund becomes a party to the contractual provisions of the instrument. These are initially recognised at fair values and subsequently stated at amortised cost.

A financial liability is derecognised when the obligation under the liability is discharged, cancelled or expired. Any gain or loss on derecognition of financial liabilities is taken to the income statement.

3.4 Offsetting of financial assets and financial liabilities

Financial assets and financial liabilities are offset and the net amount is reported in the statement of assets and liabilities when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

3.5 Provisions

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

3.6 Taxation

Current

Provision for current taxation is based on taxable income at the current rates of taxes after taking into account tax credits and rebates, if any. The charge for current tax is calculated using the prevailing tax rates.

The income of the Fund is exempt from income tax under clause 99 of Part I of the Second Schedule to the Income Tax Ordinance, 2001 subject to the condition that not less than 90 percent of its accounting income for the year, as reduced by capital gains, whether realised or unrealised, is distributed amongst the unit holders. Furthermore, for the purpose of determining distribution of at least 90 percent of the accounting income, the income distributed through bonus units shall not be taken into account.

The Fund is also exempt from the provisions of section 113 (minimum tax) under clause 11A of Part IV of the Second Schedule to the Income Tax Ordinance, 2001. Moreover, super tax introduced in the Finance Act, 2015 is also not applicable on funds (Section 4B of the Income Tax Ordinance, 2001).

Deferred

Deferred tax is accounted for using the balance sheet liability method in respect of all temporary differences arising from differences between the carrying amount of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of the taxable profit. The deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which the deductible temporary differences, unused tax losses and tax credits can be utilised. Deferred tax is calculated at the rates that are expected to apply to the period when the differences reverse based on enacted tax rates.

3.7 Distributions to unit holders

Distributions to the unit holders are recognised upon declaration and approval by the Board of Directors of the Management Company. Based on the Mutual Funds Association of Pakistan's (MUFAP) guidelines duly consented by the SECP, distribution for the year also includes a portion of income already paid on units redeemed during the year.

Distributions declared subsequent to the year end reporting date are considered as non-adjusting events and are recognised in the financial statements of the year in which such distributions are declared and approved by the Board of Directors of the Management Company.

3.8 Issue and redemption of units

Units issued are recorded at the offer price, determined by the Management Company for the applications received by the distributors during business hours on that date. The offer price represents the net asset value per unit as of the close of the business day plus the allowable sales load and any provision for duties and charges, if applicable. The sales load is payable to investment facilitators, distributors and the Management Company.

Units redeemed are recorded at the redemption price, applicable to units for which the distributors receive redemption applications during business hours of that day. The redemption price represents the net asset value per unit as of the close of the business day less any back-end load, any duties, taxes, and charges on redemption, if applicable.

3.9 Element of income / (loss) and capital gains / (losses) included in the prices of units issued less those in units redeemed

Element of income represents the difference between net asset value per unit on the issuance or redemption date, as the case may be, of units and the net asset value per unit at the beginning of the relevant accounting period. Further, the element of income is a transaction of capital nature and the receipt and payment of element of income is taken to unit holders' fund. However, to maintain the same ex-dividend net asset value of all units outstanding on the accounting date, net element of income contributed on issue of units lying in unit holders fund is refunded on units in the same proportion as dividend bears to accounting income available for distribution.

3.10 Net asset value per unit

The Net Asset Value (NAV) per unit, as disclosed in the statement of assets and liabilities, is calculated by dividing the net assets of the Fund by the number of units in circulation at the year end.

3.11 Revenue recognition

- Gains or losses arising on sale of investments classified as financial assets 'at fair value through profit or loss' are recognised in the income statement on the date when transaction takes place.

- Unrealised gains or losses arising on revaluation of securities classified as financial assets 'at fair value through profit or loss' are included in the income statement in the period in which they arise.

- Profit / mark-up on bank balances is recognised on a time proportion basis using the effective yield method.

- Income on government securities is recognised on a time proportion basis using the effective yield method.

- Dividend income is recognised when the Fund's right to receive dividend is established, i.e. on the date of commencement of book closure of the investee company / institution declaring the dividend.

3.12 Expenses

All expenses chargeable to the Fund including remuneration of the Management Company and Trustee and annual fee to the SECP are recognised in the Income Statement on an accrual basis.

3.13 Earnings / loss per unit

Earnings / loss per unit is calculated by dividing the net income / loss for the year after taxation of the Fund by the weighted average number of units outstanding during the year.

Earnings / loss per unit (EPU) has not been disclosed as, in the opinion of the management, the determination of cumulative weighted average number of outstanding units for calculating EPU is not practicable.

3.14 Foreign Currency Translation

Transactions denominated in foreign currencies are accounted for in Pakistani Rupees at the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year end exchange rates for monetary assets and liabilities denominated in foreign currencies are recognised in the income statement.

4 BANK BALANCES	**Note**	**2021**	**2020**
		-------------- **Rupees** ---------------	
In saving accounts	4.1	173,265,640	174,686,782
In current accounts		2,951,100	2,951,100
		176,216,740	177,637,882

4.1 These include a bank balance of Rs 84.90 million (June 30, 2020: Rs 79.67 million) maintained with JS Bank Limited (a related party) that carries profit at the rate of 7% (June 30, 2020: 6%) per annum and a balance of Rs 0.03 million (June 30, 2020: Rs 0.03 million) maintained with BankIslami Pakistan Limited (a related party) that carries profit at the rate of 6.5% (June 30, 2020: 8%) per annum. Other profit and loss sharing accounts of the Fund carry profit rates ranging from 5% to 7.4% per annum (June 30, 2020: 6% to 14.25% per annum).

5 INVESTMENTS

	Note	2021	2020
		---------------- Rupees ----------------	
Financial assets at 'fair value through profit or loss'			
Listed equity securities	5.1	2,036,912,325	1,699,863,249
Unlisted debt securities	5.2	-	-
Market Treasury Bills	5.3	-	-
		2,036,912,325	1,699,863,249
Financial assets at 'fair value through other comprehensive income'			
Listed debt securities	5.4	-	-
Unlisted debt securities	5.5	-	-
		-	-

5.1 Listed equity securities - 'at fair value through profit or loss'

Ordinary shares have a face value of Rs 10 each unless stated otherwise

Name of the investee company	As at July 1, 2020	Purchased during the year	Bonus / right issue during the year	Sold during the year	As at June 30, 2021	Balance as at June 30, 2021: Carrying value	Balance as at June 30, 2021: Market value	Balance as at June 30, 2021: Unrealised gain / (loss)	Market value as a percentage of net assets	Market value as a percentage of total invest-ments	Paid-up value of shares held as a percentage of total paid-up capital of the investee company
	---------- Number of shares ----------					---------- Rupees ----------			---------- % ----------		
Leasing Companies											
Orix Leasing Pakistan Limited	-	100,000	5,000	105,000	-	-	-	-	-	-	-
						-	-	-	-	-	-
Technology & Communication											
Pak Datacom Limited	-	5,000	-	5,000	-	-	-	-	-	-	-
						-	-	-	-	-	-
Fertilizers											
Engro Corporation Limited	313,460	2,200	-	118,300	197,360	57,842,025	58,144,230	302,205	2.79%	2.85%	0.03%
Fauji Fertilizer Bin Qasim Limited*	-	435,000	1,911	436,900	11	311	291	(20)	-	-	-
Fauji Fertilizer Company Limited	-	185,000	-	185,000	-	-	-	-	-	-	-
						57,842,336	58,144,521	302,185	2.79%	2.85%	0.03%
Commercial Banks											
Bank Al-Falah Limited	1,693,538	-	-	1,693,538	-	-	-	-	-	-	-
Bank Al-Habib Limited	-	444,500	-	9,900	434,600	32,158,024	30,474,152	(1,683,872)	1.46%	1.50%	0.04%
Bank of Punjab Limited	1,502,000	971,000	-	2,473,000	-	-	-	-	-	-	-
BankIslami Pakistan Limited (related party)	-	500,000	-	500,000	-	-	-	-	-	-	-
Faysal Bank Limited	235,500	-	-	235,500	-	-	-	-	-	-	-
Habib Bank Limited	716,600	644,922	-	363,222	998,300	109,935,865	122,161,971	12,226,106	5.86%	6.00%	0.07%
Habib Metropolitan Bank Limited	-	160,000	-	3,500	156,500	6,539,010	6,353,900	(185,110)	0.30%	0.31%	0.01%
JS Bank Limited (related party)	-	-	-	-	-	-	-	-	-	-	-
MCB Bank Limited	280,300	175,500	-	45,100	410,700	69,442,040	65,642,181	(3,799,859)	3.15%	3.22%	0.03%
Meezan Bank Limited*	236,300	-	80	236,380	-	-	-	-	-	-	-
United Bank Limited	649,200	558,400	-	242,000	965,600	113,133,851	117,996,320	4,862,469	5.66%	5.80%	0.09%
						331,208,790	342,628,524	11,419,734	16.43%	16.83%	0.24%
Insurance											
Adamjee Insurance Company Limited	1,042,500	-	-	1,042,500	-	-	-	-	-	-	-
Jubilee Life Insurance Company Limited	-	76,900	-	3,600	73,300	30,519,100	24,537,175	(5,981,925)	1.18%	1.20%	0.08%
						30,519,100	24,537,175	(5,981,925)	1.18%	1.20%	0.08%
Textile Spinning											
Unity Foods Limited*	-	1,050,000	-	1,049,500	500	12,272	22,260	9,988	-	-	-
						12,272	22,260	9,988	-	-	-
Textile Composite											
Interloop Limited	-	701,000	-	78,000	623,000	39,017,184	43,628,690	4,611,506	2.09%	2.14%	0.07%
Gul Ahmed Textile Mills Limited	-	287,500	-	287,500	-	-	-	-	-	-	-
Kohinoor Textile Mills Limited	364,000	-	-	364,000	-	-	-	-	-	-	-
Nishat Chunian Limited	1,062,000	-	-	1,062,000	-	-	-	-	-	-	-
Nishat Mills Limited	791,300	-	-	276,300	515,000	40,175,150	48,049,500	7,874,350	2.30%	2.36%	0.15%
						79,192,334	91,678,190	12,485,856	4.39%	4.50%	0.22%
Sugar & Allied Industries											
Al-Abbas Sugar Mills Limited (related party)	140,500	-	-	140,500	-	-	-	-	-	-	-
Shahtaj Sugar Mills Limited	1,197,442	200	-	3,000	1,194,642	133,784,851	65,705,310	(68,079,541)	3.15%	3.23%	9.95%
						133,784,851	65,705,310	(68,079,541)	3.15%	3.23%	9.95%

Name of the investee company	As at July 1, 2020	Purchased during the year	Bonus / right issue during the year	Sold during the year	As at June 30, 2021	Balance as at June 30, 2021			Market value as a percentage of		Paid-up value of shares held as a percentage of total paid-up capital of the investee company
						Carrying value	Market value	Unrealised gain / (loss)	net assets	total invest-ments	
	--------------------- Number of shares ---------------------					---------------- Rupees ----------------			------------ % ------------		
Cement											
Cherat Cement Company Limited	561,000	115,800	-	146,400	530,400	53,088,292	94,082,352	40,994,060	4.51%	4.62%	0.27%
D.G. Khan Cement Company Limited	253,000	70,000	-	123,600	199,400	19,948,308	23,513,248	3,564,940	1.13%	1.15%	0.05%
Fauji Cement Company Limited	-	700,000	-	700,000	-	-	-	-	-	-	-
Kohat Cement Limited	116,500	-	-	116,500	-	-	-	-	-	-	-
Lucky Cement Limited	141,500	25,000	-	37,210	129,290	62,323,386	111,634,158	49,310,772	5.35%	5.48%	0.04%
Maple Leaf Cement Factory Limited	1,102,000	195,000	-	287,300	1,009,700	28,904,824	47,435,706	18,530,882	2.27%	2.33%	0.09%
Pioneer Cement Limited	502,000	146,000	-	45,500	602,500	45,238,950	78,969,675	33,730,725	3.79%	3.88%	0.27%
						209,503,760	355,635,139	146,131,379	17.05%	17.46%	0.72%
Oil & Gas Marketing Companies											
Attock Petroleum Limited	40	-	-	40	-	-	-	-	-	-	-
Pakistan State Oil Company Limited	369,300	248,700	-	91,900	526,100	95,607,303	117,977,925	22,370,622	5.66%	5.79%	0.11%
Shell Pakistan Limited	-	290,000	145,000	290,000	-	-	-	-	-	-	-
Sui Northern Gas Pipelines Limited	339,500	-	-	339,500	-	-	-	-	-	-	-
						95,607,303	117,977,925	22,370,622	5.65%	5.79%	0.11%
Oil & Gas Exploration Companies											
Mari Petroleum Company Limited	44,974	28,940	-	8,394	65,520	90,947,765	99,878,033	8,930,268	4.79%	4.90%	0.05%
Oil and Gas Development Company Limited	1,138,489	-	-	380,639	757,850	82,605,650	72,018,486	(10,587,164)	3.45%	3.54%	0.02%
Pakistan Oilfields Limited	81,500	-	-	9,150	72,350	25,368,081	28,495,771	3,127,690	1.37%	1.40%	0.03%
Pakistan Petroleum Limited	1,550,490	-	-	535,390	1,015,100	88,090,378	88,141,133	50,755	4.23%	4.33%	0.04%
						287,011,874	288,533,423	1,521,549	13.84%	14.17%	0.14%
Automobile Parts & Accessories											
Agriautos Industries Limited											
(face value of Rs 5 per share)	119,600	400	-	26,900	93,100	16,966,237	25,545,709	8,579,472	1.22%	1.25%	0.32%
						16,966,237	25,545,709	8,579,472	1.22%	1.25%	0.32%
Pharmaceuticals											
Abbot Laboratories (Pakistan) Limited	80,500	10,150	-	90,650	-	-	-	-	-	-	-
AGP Limited	-	144,500	-	144,500	-	-	-	-	-	-	-
GlaxoSmithKline (Pakistan) Limited	191,600	-	-	191,600	-	-	-	-	-	-	-
Highnoon Laboratories Limited	31,170	15,700	3,872	10,250	40,492	19,934,516	24,295,200	4,360,684	1.16%	1.19%	0.11%
The Searle Company Limited	-	19,000	2,470	21,470	-	-	-	-	-	-	-
						19,934,516	24,295,200	4,360,684	1.16%	1.19%	0.11%
Chemicals											
Agritech Limited	605,138	-	-	-	605,138	2,832,046	4,127,041	1,294,995	0.20%	0.20%	0.15%
Archroma Pakistan Limited	4,700	5,000	-	9,700	-	-	-	-	-	-	-
Berger Paints Pakistan Limited	-	38,500	-	38,500	-	-	-	-	-	-	-
Dynea Pakistan Limited											
(face value of Rs 5 per share)	87,000	-	-	87,000	-	-	-	-	-	-	-
Engro Polymer and Chemicals Limited	-	835,000	-	83,500	751,500	33,393,227	35,500,860	2,107,633	1.70%	1.74%	0.08%
Ghani Global Holdings Limited	-	200,000	19,050	219,050	-	-	-	-	-	-	-
I.C.I. Pakistan Limited	52,300	2,700	-	19,800	35,200	24,582,613	30,581,760	5,999,147	1.47%	1.50%	0.04%
Nimir Industrial Chemicals Limited	9,500	50,000	-	59,500	-	-	-	-	-	-	-
Nimir Resins Limited											
(Formerly Descon Chemicals Limited)											
(face value of Rs 5 per share)	200,000	601,000	-	801,000	-	-	-	-	-	-	-
Sitara Chemical Industries Limited	-	30,800	-	30,800	-	-	-	-	-	-	-
Sitara Peroxide Limited	-	51,000	-	51,000	-	-	-	-	-	-	-
						60,807,886	70,209,661	9,401,775	3.37%	3.44%	0.27%
Automobile Assemblers											
Honda Atlas Cars (Pakistan) Limited	-	64,800	-	64,800	-	-	-	-	-	-	-
Indus Motor Company Limited	7,180	7,000	-	4,560	9,620	10,585,032	12,064,827	1,479,795	0.58%	0.59%	0.01%
Pak Suzuki Motor Company Limited	-	226,900	-	75,600	151,300	44,800,141	53,778,072	8,977,931	2.58%	2.64%	0.18%
						55,385,173	65,842,899	10,457,726	3.16%	3.23%	0.19%
Food And Personal Care Products											
At-Tahur Limited	75,000	845,000	-	372,000	548,000	10,101,482	12,768,400	2,666,918	0.61%	0.63%	0.31%
ZIL Limited	9,500	-	-	9,500	-	-	-	-	-	-	-
						10,101,482	12,768,400	2,666,918	0.61%	0.63%	0.31%
Glass And Ceramics											
Ghani Global Glass Limited	605,500	1,026,500	-	1,632,000	-	-	-	-	-	-	-
Shabbir Tiles and Ceramics Limited											
(face value of Rs 5 per share)	-	906,000	-	54,000	852,000	21,103,284	28,414,200	7,310,916	1.36%	1.39%	0.26%
Tariq Glass Industries Limited	410,550	385,000	-	419,250	376,300	37,978,801	40,030,794	2,051,993	1.92%	1.97%	0.27%
						59,082,085	68,444,994	9,362,909	3.28%	3.36%	0.53%

Name of the investee company	As at July 1, 2020	Purchased during the year	Bonus / right issue during the year	Sold during the year	As at June 30, 2021	Balance as at June 30, 2021			Market value as a percentage of		Paid-up value of shares held as a percentage of total paid-up capital of the investee company
						Carrying value	Market value	Unrealised gain / (loss)	net assets	total invest-ments	
	---------------------- Number of shares				----------------------	---------------- Rupees		----------------	------------ %		------------
Transport											
Pakistan International Bulk Terminal Limited	-	510,000	-	58,000	452,000	6,059,135	5,143,760	(915,375)	0.25%	0.25%	0.03%
Pakistan National Shipping Corporation Limited (related party)	-	10,000	-	10,000	-	-	-	-	-	-	-
						6,059,135	5,143,760	(915,375)	0.25%	0.25%	0.03%
Paper and Boards											
Century Paper and Board Mills Limited	731,000	23,200	146,200	518,500	381,900	23,102,614	46,618,533	23,515,919	2.23%	2.29%	0.22%
Cherat Packaging Limited	64,000	180,100	-	14,600	229,500	34,440,612	45,649,845	11,209,233	2.19%	2.24%	0.54%
Packages Limited	86,000	-	-	75,550	10,450	3,628,345	5,697,340	2,068,995	0.27%	0.28%	0.01%
						61,171,571	97,965,718	36,794,147	4.69%	4.81%	0.77%
Leather and Tanneries											
Service Industries Limited	-	49,500	48,000	5,050	92,450	39,327,780	54,326,394	14,998,614	2.60%	2.67%	0.20%
						39,327,780	54,326,394	14,998,614	2.60%	2.67%	0.20%
Engineering											
Aisha Steel Mills Limited	-	2,585,500	-	567,000	2,018,500	29,680,190	50,280,835	20,600,645	2.41%	2.47%	0.26%
Amreli Steels Limited	-	332,000	-	332,000	-	-	-	-	-	-	-
International Industries Limited	132,000	75,000	-	110,800	96,200	11,870,031	20,300,124	8,430,093	0.97%	1.00%	0.07%
International Steels Limited	-	127,500	-	11,100	116,400	9,219,897	10,872,924	1,653,027	0.52%	0.53%	0.03%
Mughal Iron and Steel Industries Limited	-	1,233,500	73,920	669,500	637,920	62,718,113	66,598,848	3,880,735	3.19%	3.27%	0.22%
						113,488,231	148,052,731	34,564,500	7.09%	7.27%	0.58%
Power Generation & Distribution											
K-Electric Limited (face value of Rs 3.5 per share)	2,947,000	-	-	2,947,000	-	-	-	-	-	-	-
Kot Addu Power Company Limited	287,000	1,096,500	-	339,500	1,044,000	39,276,696	46,301,400	7,024,704	2.22%	2.27%	0.12%
Lalpir Power Limited	230,500	-	-	230,500	-	-	-	-	-	-	-
Nishat Power Limited	-	40,000	-	40,000	-	-	-	-	-	-	-
The Hub Power Company Limited	702,337	332,000	-	116,137	918,200	70,041,908	73,152,992	3,111,084	3.50%	3.60%	0.07%
						109,318,604	119,454,392	10,135,788	5.72%	5.87%	0.19%
Miscellaneous											
Siddiqsons Tin Plate Limited	-	439,500	-	439,500	-	-	-	-	-	-	-
						-	-	-	-	-	-
Total value as at June 30, 2021						1,776,325,320	2,036,912,325	260,587,005			
Total value as at June 30, 2020						1,640,828,236	1,699,863,249	59,035,013			

5.1.1 Investments include the following shares which have been pledged with National Clearing Company of Pakistan Limited for guaranteeing settlement of the Fund's trades in accordance with Circular 11 dated October 23, 2007 issued by the Securities and Exchange Commission of Pakistan.

	2021	2020	2021	2020
	------- Number of shares	-------	--------------- Rupees	---------------
Commercial Banks				
Bank Alfalah Limited	-	1,000,000	-	33,570,000
Oil & Gas Marketing Companies				
Pakistan State Oil Company Limited	200,000	-	44,850,000	-
Power Generation and Distribution				
The Hub Power Company Limited	500,000	500,000	39,835,000	36,250,000

5.2 Unlisted debt securities - 'at fair value through profit or loss'

Name of the investee company	Note	As at July 1, 2020	Purchased during the year	Matured during the year	As at June 30, 2021	2021		
						Carrying value	Market value	Unrealised gain / (loss)
		------------- Number of Certificates			------------------	------------------ Rupees	--------------------	
Textile Composite								
Azgard Nine Limited (related party)								
Convertible PPTFC (22-10-2012)	5.2.1	6,420	-	-	6,420	-	-	-
Total as at June 30, 2021		6,420	-	-	6,420	-	-	-
Total as at June 30, 2020						-	-	-

5.2.1 These convertible privately placed term finance certificates (PPTFCs) were issued against the cumulative preference shares of Azgard Nine Limited on October 22, 2012 under the "Settlement Agreement" dated October 22, 2012 between the Management Company of the Fund and Azgard Nine Limited. Since these PPTFCs are received against non-performing security, therefore the management, as a matter of prudence had recognised above PPTFCs at nil value. In addition these PPTFCs have been classified as Non-performing by MUFAP. The carrying value of preference shares so converted into PPTFC was Rs. 42.65 million and provision held was Rs. 42.65 million. These convertible PPTFCs carry mark-up at the rate of 11% per annum with a tenor of 8 years (inclusive of a 2 year grace period for principal redemption) as per the terms and conditions. In case of default, the PPTFC Holders shall have the right to exercise the option to convert the PPTFCs into ordinary voting shares of Azgard Nine Limited as per the terms and procedures. During the year, a provision against these investments amounting to Rs. 1.23 million (June 30, 2020: nil) was reversed on account of receipt of profit against these PPTFCs.

5.3 Market Treasury Bills - 'at fair value through profit or loss'

Particulars	Issue date	Face value				Balance as at June 30, 2021			Market value as a percentage of	
		As at July 01, 2020	Purchased during the year	Sold / matured during the year	As at June 30, 2021	Carrying value	Market value	Unrealised gain / (loss)	net assets	total investments
		-- (Rupees)						--	------------ % ------------	
Market Treasury Bills - 3 Months										
Market treasury bills	9-Apr-2020	-	81,000,000	81,000,000	-	-	-	-	-	-
Total as at June 30, 2021						-	-	-		
Total as at June 30, 2020						-	-	-		

5.4 Listed debt securities - 'at fair value through other comprehensive income'

Name of the investee company	Note	As at July 1, 2020	Purchased during the year	Matured during the year	As at June 30, 2021	2021		
						Carrying value	Market value	Unrealised gain / (loss)
		------------- Number of Certificates			------------------	------------------ Rupees	--------------------	
Textile Composite								
Azgard Nine Limited (related party)	5.4.1	10,000	-	-	10,000	12,958,874	12,958,874	-
Less: Provision held						(12,958,874)	(12,958,874)	-
Total as at June 30, 2021						-	-	-
Total as at June 30, 2020						-	-	-

5.4.1 During the year 2013, the Fund alongwith other lenders, entered into a restructuring agreement in respect of outstanding liabilities of Azgard Nine Limited (ANL). In terms of the said restructuring, the Fund has acquired 605,138 ordinary shares of Agritech Limited which were previously owned by ANL, in order to partially settle the liabilities of ANL. ANL has defaulted in repayments in the past. Accordingly, the outstanding value of these securities are fully provided in the books of the Fund. During the year, the provision against these investments was reversed to an amount of Rs. 0.72 million (June 30, 2020: nil) on account of receipt of profit against these PPTFCs.

5.5 Unlisted debt securities - 'at fair value through other comprehensive income'

Name of the investee company	Note	As at July 1, 2020	Purchased during the year	Matured during the year	As at June 30, 2021	2021		
						Carrying value	Market value	Unrealised gain / (loss)
		------------- Number of Certificates				---- Rupees ----		
Azgard Nine Limited PPTFC (related party)	5.5.1	2,150	-	-	2,150	-	-	-
Total as at June 30, 2021						-	-	-
Total as at June 30, 2020						-	-	-

5.5.1 The Fund received 2,150 zero coupon Azgard Nine Limited (ANL) Privately Placed Term Finance Certificates (PPTFCs) against interest receivable on TFCs amounting to Rs. 10,750,000. These PPTFCs have a tenor of 5 years starting from March 31, 2012 and will mature on March 31, 2017 on semi annual repayments of principal. However, upto the period ended March 31, 2017, no principal repayment has been received by the Fund. These term finance certificates are secured by way of first ranking floating charge with 25% margin on all present and future fixed assets of ANL. ANL has a call option on the said facility on each principal repayment date after one year from the first day of disbursement. Since these PPTFCs are received against already defaulted securities and have non-performing status in MUFAP, therefore the management as a matter of prudence, has valued the said PPTFCs at zero.

5.6 Details of non-compliant investments

The Securities & Exchange Commission of Pakistan (SECP), vide its Circular 16 dated July 7, 2010, has prescribed certain disclosures for non-compliances, either with the minimum investment criteria specified for the category assigned to the Collective Investment Schemes or with the investment requirements of their constitutive documents.

Name of non-compliant investment	Note	Type of investments	Value of investment before provision	Provision held if any	Value of investment after provision	% of net assets	% of total investments
			---- Rupees ----			---- % ----	
Azgard Nine Convertable PPTFC	5.2.1	PPTFC	41,422,576	(41,422,576)	-	-	-
Azgard Nine TFC	5.4.1	TFC	12,958,874	(12,958,874)	-	-	-
Azgard Nine Zero Coupon PPTFC	5.5.1	PPTFC	-	-	-	-	-

		Note	2021	2020
			------------- Rupees	--------------
6	**DIVIDEND AND PROFIT RECEIVABLE**			
	Mark-up / return receivable on:			
	- Bank balances		1,453,786	1,029,715
	- Term finance certificates		906,103	906,103
	- Provision held against term finance certificates		(906,103)	(906,103)
			-	-
	Dividend receivable		-	916,310
			1,453,786	1,946,025
7	**ADVANCES AND DEPOSITS**			
	Security deposits with:			
	- Central Depository Company of Pakistan Limited (CDC)		100,000	100,000
	- National Clearing Company of Pakistan Limited (NCCPL)		2,500,000	2,500,000
	Advance tax	7.1	4,131,569	1,324,808
	Advance against initial public offer	7.2	26,791,883	-
			33,523,452	3,924,808

7.1 As per clause 47(B) of part IV of the Second Schedule to the Income Tax Ordinance, 2001, payments made to collective investment schemes (CISs) are exempt from withholding tax under section 151 and 150. However, withholding tax on dividend paid to the Fund was deducted by various withholding agents based on the interpretation issued by the FBR vide letter Circular 1(43) DG (WHT)/2008-VOL.II-66417-R dated May 12, 2015 which requires every withholding agent to withhold income tax at applicable rates in case a valid exemption certificate under section 159(1) issued by the concerned Commissioner of Inland Revenue (CIR) is not produced before him by the withholdee.

For this purpose, the Mutual Funds Association of Pakistan (MUFAP) on behalf of various mutual funds (including the Funds being managed by the Management Company) had filed a petition in the Honourable Sindh High Court (SHC) challenging the above mentioned interpretation of the Federal Board of Revenue (FBR) which was decided by the SHC in favour of the FBR. On January 28, 2016, the Board of Directors of the Management Company passed a resolution by circulation, authorising all CISs to file an appeal in the Honourable Supreme Court through their Trustees, to direct all persons being withholding agents, including share registrars and banks to observe the provisions of clause 47B of Part IV of the Second Schedule to the Income Tax Ordinance, 2001 without imposing any conditions at the time of making any payment to the CISs being managed by the Management Company. Accordingly, a petition was filed in the Supreme Court of Pakistan by the Funds together with other CISs (managed by the Management Company and other asset management companies) whereby the Supreme Court granted the petitioners leave to appeal from the initial judgment of the SHC. Pending resolution of the matter, the amount of withholding tax deducted on dividends has been shown as a receivable as at June 30, 2021 as, in the opinion of the management, the amount of tax deducted at source will be refunded.

7.2 This represents advance of Rs 21.44 million and Rs 5.35 million against subscription of shares in the pre-IPO of Citi Pharma Limited and Pakistan Aluminium Beverage Cans Limited respectively.

		Note	2021	2020
8	**PAYABLE TO JS INVESTMENTS LIMITED - MANAGEMENT COMPANY**		------------- Rupees	---------------
	Remuneration payable to the Management Company	8.1	3,565,896	2,830,061
	Sindh Sales Tax on remuneration payable to the Management Company	8.2	4,805,266	4,708,283
	Federal excise duty payable on remuneration of the Management Company	8.3	28,693,826	28,693,826
	Allocated expenses	8.4	178,293	141,504
	Selling and marketing expenses	8.5	9,073,185	4,413,559
			46,316,466	40,787,233

8.1 The Management Company has charged remuneration at the rate of 2% (June 30, 2020: 2%) of average annual net assets of the Fund. The remuneration is paid to the Management Company on a monthly basis in arrears.

8.2 The Provincial Government of Sindh has levied Sindh Sales Tax at the rate of 13% (June 30, 2020: 13%) on the remuneration of the Management Company through the Sindh Sales Tax on Services Act, 2011.

8.3 The Finance Act, 2013 enlarged the scope of Federal Excise Duty (FED) on financial services to include Asset Management Companies (AMCs) as a result of which FED at the rate of 16 percent on the remuneration of the Management Company and sales load was applicable with effect from June 13, 2013. The Management Company was of the view that since the remuneration was already subject to provincial sales tax, further levy of FED would result in double taxation which did not appear to be the spirit of the law. Hence, on September 4, 2013 a constitutional petition was filed with the Sindh High Court (SHC) by the Management Company together with various other asset management companies challenging the levy of FED.

With effect from July 1, 2016, FED on services provided or rendered by non-banking financial institutions dealing in services which are subject to provincial sales tax has been withdrawn by the Finance Act, 2016.

During the year ended June 30, 2017, the SHC passed an order whereby all notices, proceedings taken or pending, orders made, duty recovered or actions taken under the Federal Excise Act, 2005 in respect of the rendering or providing of services (to the extent as challenged in any relevant petition) were set aside. In response to this, the Deputy Commissioner Inland Revenue has filed a Civil Petition for leave to appeal in the Supreme Court of Pakistan which is pending adjudication.

In view of the above, the Fund has discontinued making further provision in respect of FED on remuneration of the Management Company and sales load with effect from July 01, 2016. However, as a matter of abundant caution the provision for FED made for the period from June 13, 2013 till June 30, 2016 amounting to Rs 28.69 million is being retained in these financial statements of the Fund as the matter is pending before the Supreme Court of Pakistan. Had the provision for FED not been made, the Net Asset Value of the Fund as at June 30, 2021 would have been higher by Rs. 2.56 (June 30, 2020: Rs. 2.44) per unit.

8.4 In accordance with Regulation 60 of the NBFC Regulations, the Management Company is entitled to charge fees and expenses related to registrar services, accounting, operation and valuation services, related to a Collective Investment Scheme (CIS).

The Management Company based on its discretion has currently fixed a maximum capping of 0.1% (June 30, 2020: 0.1%) of the average annual net assets of the scheme for allocation of such expenses to the Fund.

8.5 In accordance with Circular 11 dated July 5, 2019 with respect to charging selling and marketing expenses, the Management Company based on its discretion has charged selling and marketing expenses at 1.07% from July 1, 2020 to October 22, 2020 and 1.7% from October 23, 2020 to June 30, 2021 (June 30, 2020: 0.4% from July 1, 2019 to October 14, 2019 and 1.07% from October 15, 2019 to June 30, 2020) of the average annual net assets of the Fund for charging of selling and marketing expenses subject to not being higher than the actual expense. These expenses have also been approved by the Board of Directors of the Management Company.

	Note	2021	2020
		-------------- Rupees	---------------
9 PAYABLE TO DIGITAL CUSTODIAN COMPANY LIMITED (FORMERLY: MCB FINANCIAL SERVICES LIMITED) - TRUSTEE			
Remuneration payable to the Trustee		178,895	152,137
Sindh Sales Tax on remuneration of the Trustee	9.2	23,254	19,780
		202,149	171,917

9.1 According to the provisions of the Trust Deed of the Fund, the Trustee is entitled to monthly remuneration for services rendered to the Fund as follows:

On net assets:	Remuneration to Trustee
- up to Rs. 250 million	0.20% per annum
- from Rs. 250 million to Rs. 500 million	Rs. 500,000 plus 0.15% per annum on amount exceeding Rs. 250 million
- from Rs. 500 million to Rs. 2 billion	Rs. 875,000 plus 0.08% per annum on amount exceeding Rs. 500 million
- from Rs. 2 billion to Rs. 5 billion	Rs. 2,075,000 plus 0.06% per annum on amount exceeding Rs. 2 billion
- from Rs. 5 billion and above	Rs. 3,875,000 plus 0.05% per annum on amount exceeding Rs. 5 billion

9.2 The Provincial Government of Sindh has levied Sindh Sales Tax at the rate of 13% (June 30, 2020: 13% on the remuneration of Trustee through the Sindh Sales Tax on Services Act, 2011.

10 ANNUAL FEE PAYABLE TO THE SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN (SECP)

In accordance with the NBFC Regulations, a Collective Investment Scheme (CIS) classified as an Equity scheme is required to pay annual fee to the Securities and Exchange Commission of Pakistan (SECP) at the rate of 0.02% (June 30, 2020: 0.02%) of daily net assets of the Fund.

	Note	2021	2020
		-------------- Rupees	---------------
11 ACCRUED EXPENSES AND OTHER LIABILITIES			
Provision for Sindh Workers' Welfare Fund (SWWF)	11.1	29,987,123	19,931,016
Zakat payable		35,336	1,965,497
Capital gain tax payable		554,624	34,817
Withholding tax		166,701	8,531,648
Auditors' remuneration		532,794	532,794
Payable against purchase of securities		484,446	130,610
Other payables		114,599	111,487
		31,875,623	31,237,869

11.1 As a consequence of the 18th amendment to the Constitution of Pakistan, in May 2015 the Sindh Workers' Welfare Fund Act, 2014 (SWWF Act) had been passed by the Government of Sindh as a result of which every industrial establishment located in the Province of Sindh, the total income of which in any accounting year is not less than Rs 0.50 million, was required to pay Sindh Workers' Welfare Fund (SWWF) in respect of that year a sum equal to two percent of such income. The matter was taken up by MUFAP with the Sindh Revenue Board (SRB) collectively on behalf of various asset management companies and their CISs whereby it was contested that mutual funds should be excluded from the ambit of the SWWF Act as these were not industrial establishments but were pass through investment vehicles and did not employ workers. The SRB held that mutual funds were included in the definition of financial institutions as per the Financial Institution (Recovery of Finances) Ordinance, 2001 and were, hence, required to register and pay SWWF under the SWWF Act. Thereafter, MUFAP had taken up the matter with the Sindh Finance Ministry to have CISs / mutual funds excluded from the applicability of SWWF. In view of the above developments regarding the applicability of SWWF on CISs / mutual funds, MUFAP recommended that, as a matter of abundant caution, provision in respect of SWWF should be made on a prudent basis with effect from the date of enactment of the SWWF Act, 2014 (i.e. starting from May 21, 2015). The Funds have accordingly made provision in respect of SWWF as recommended by MUFAP.

'Subsequent to the year ended June 30, 2021, SRB through its letter dated August 12, 2021 has intimated MUFAP that the mutual funds do not qualify as Financial Institutions / Industrial Establishments and are therefore, not liable to pay the SWWF contributions. This development was discussed at MUFAP level and has also been taken up with the SECP and all the Asset Management Companies, in consultation with SECP, have reversed the cumulative provision for SWWF recognised in the financial statements of the Funds, for the period from May 21, 2015 to August 12, 2021, on August 13, 2021. The SECP has given its concurrence for prospective reversal of provision for SWWF. Accordingly, going forward, no provision for SWWF would be recognised in the financial statements of the Fund.

'Had the provision for SWWF not been recorded in these financial statements of the Fund, the net assets value of the Fund as at June 30, 2021 would have been higher by Rs 2.68 per unit (June 30, 2020: Rs 1.70 per unit).

12 CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments outstanding as at June 30, 2021 and June 30, 2020.

13 NUMBER OF UNITS IN ISSUE

	2021	2020
	------------ (Rupees)	------------
Total units in issue at July 1	11,749,474	9,465,115
Add: units issued during the year	3,308,471	6,957,646
Less: units redeemed during the year	(3,866,994)	(4,673,287)
Total units in issue as at June 30	11,190,951	11,749,474

14 PROFIT / MARK-UP INCOME

Profit / mark-up income on:		
- Market Treasury Bills	336,491	3,906,391
- Bank balances	10,462,124	26,393,525
	10,798,615	30,299,916

		2021	2020
		------------ (Rupees) ------------	
15	**AUDITORS' REMUNERATION**		
	Audit fee	440,000	440,000
	Fee for the review of half yearly financial statements	240,000	240,000
	Report on statements of net income and gains	25,000	25,000
	Out of pocket expenses	75,805	75,805
	Sindh sales tax	62,464	62,464
		843,269	843,269

16 TAXATION

The income of the Fund is exempt from income tax under clause (99) of Part I of the Second Schedule to the Income Tax Ordinance, 2001 subject to the condition that not less than 90% of the accounting income for the year as reduced by capital gains, whether realised or unrealised, is distributed amongst the unit holders as cash dividend. Furthermore, as per Regulation 63 of the Non-Banking Finance Companies and Notified Entities Regulations, 2008, the Fund is required to distribute not less than 90% of its accounting income for the year derived from sources other than capital gains as reduced by such expenses as are chargeable thereon to the unit holders. Since the management has distributed the required minimum percentage of income earned by the Fund for the year ended June 30, 2021 to the unit holders in the manner as explained above, no provision for taxation has been made in these financial statements during the year.

The Fund is also exempt from the provisions of Section 113 (minimum tax) under clause 11A of Part IV of the Second Schedule to the Income Tax Ordinance, 2001. Furthermore, super tax introduced in Finance Act, 2015 is also not applicable on funds as Section 4B of Income Tax Ordinance, 2001.

		Note	2021	2020
			-------------- Rupees ---------------	
17	**CASH AND CASH EQUIVALENTS**			
	Bank balances	4	176,216,740	177,637,882

18 TOTAL EXPENSE RATIO

The annualised total expense ratio (TER) of the Fund for the year ended June 30, 2021 is 4.80% (June 30, 2020: 4.06%) which includes 0.8% representing government levies on the Fund such as sales tax, Sindh Workers' Welfare Fund, annual fee payable to the SECP, etc. This ratio is within the maximum limit of 4.5% (excluding government levies) prescribed under the NBFC Regulations for a collective investment scheme categorised as an "Equity scheme".

19 TRANSACTIONS WITH CONNECTED PERSONS / OTHER RELATED PARTIES

Connected persons / related parties of the Fund include JS Investments Limited (JSIL) being the Management Company of the Fund, Digital Custodian Company Limited (formerly: MCB Financial Services Limited) being the Trustee of the Fund, JS Bank Limited (JSBL-which is the holding company of the Management Company - holding 84.56% shares of JS Investments Limited) being the Holding Company of JSIL, Jahangir Siddiqui and Company Limited (JSCL which is holding 75.02% shares of JS Bank Limited) being the Holding Company of JSBL, JS Global Capital Limited (JSGCL which is a fellow subsidiary of JSBL - 83.53% shares held by JS Bank Limited) being the fellow subsidiary of JSBL, and other associated companies of JSBL, JSIL and their subsidiaries, Key Management Personnel of the above entities and other funds being managed by JSIL and includes entities holding 10% or more in the units of the Fund as at June 30, 2021. It also includes staff retirement benefit funds of the above connected persons / related parties.

19.1 Transactions are executed on arm's length basis and essentially comprise sale and redemption of units, fee on account of managing the affairs of the Fund, other charges allocated to the Fund, sale and purchase of investments and distribution payments to connected persons. The transactions with connected persons are in the normal course of business, at contracted rates and at terms determined in accordance with market rates.

19.2 Remuneration of the Management Company and the Trustee is determined in accordance with the provisions of the NBFC Regulations and the Trust Deed. Allocated expenses are charged to the Fund by the Management Company subject to maximum prescribed total expense ratio.

The details of transactions during the current year and balances at year end with connected persons / related parties other than investments which have been disclosed in notes 5.2, 5.4 and 5.5 to the financial statements are as follows:

19.3 Details of transactions with connected persons / related parties during the year are as follows:

	2021	2020
	-------------- Rupees	---------------
JS Investments Limited - Management Company		
Remuneration to the Management Company	41,858,615	30,763,100
Sindh sales tax on remuneration to the Management Company	5,441,620	3,999,203
Issue of units: 1,362,401 (2020: 67,159)	252,609,219	9,709,893
Redemption of units: 1,971,206 (2020: Nil)	362,609,219	-
Allocated expenses	2,093,406	1,538,142
Selling and marketing expenses	31,718,395	14,031,618
Sales load paid	179,932	30,838
Digital Custodian Company Limited (formerly: MCB Financial Services Limited) - Trustee		
Remuneration of the Trustee	2,120,040	1,705,509
Sindh sales tax on remuneration of the Trustee	275,605	221,716
JS Global Capital Limited (JSBL - Parent Company of JSIL holds 83.53%)		
Brokerage commission	639,966	759,766
JS Bank Limited (JSBL holds 84.56% of JSIL Shares)		
Mark-up on bank balances	6,673,489	20,161,526
Bank charges	1,261	3,858
BankIslami Pakistan Limited		
Return on bank balances	1,591	24,120
JS Fund of Funds (Fund Under JSIL Management)		
Issue of units: 481,861 (2020: 3,392,657)	87,000,000	510,715,404
Redemption of units: 308,069 (2020: 2,017,186)	57,400,000	292,333,911
EFU Life Assurance Limited		
Issue of units: nil (2020: 601,211)	-	100,067,368

	2021	2020
	------------- Rupees ---------------	
Future Trust		
Issue of units: Nil (2020: 20,697)	-	2,992,333
Redemption of units: 207,903 (2020: 30,082)	35,992,333	5,000,000
Key Management Personnel of the Management Company		
Issue of units: 10,062 (2020: 16,094)	1,717,755	2,094,616
Redemption of units: 52,455 (2020: 14,584)	8,670,059	2,204,645
Dividend paid	-	694
Al Abbas Sugar Mills Limited *		
Dividend income	4,706,750	6,884,500
Sale of 140,500 (2020: nil) securities	43,556,000	-
Pakistan National Shipping Corporation Limited *		
Dividend income	11,250	-
Purchase of 10,000 (2020: nil) securities	850,000	-
Sale of 10,000 (2020: nil) securities	922,800	-

* These are transactions involving shares of related parties held as part of portfolio of the Fund.

19.4 Details of balances with connected persons / related parties as at year end	2021	2020
	-------------- Rupees ---------------	
JS Investments Limited - Management Company		
Remuneration payable to the Management Company	3,565,896	2,830,061
Sindh sales tax payable on remuneration of the Management Company	4,805,266	4,708,283
FED payable on remuneration of the Management Company	28,693,826	28,693,826
Allocated expenses	178,293	141,504
Selling and marketing expenses	9,073,185	4,413,559
Units held 1,362,255 (June 30, 2020: 1,971,060)	253,937,890	287,893,019
Digital Custodian Company Limited (formerly: MCB Financial Services Limited) - Trustee		
Remuneration payable of the Trustee	178,895	152,137
Sales tax payable on remuneration of the Trustee	23,254	19,780
JS Global Capital Limited (JSBL - Parent Company of JSIL holds 83.53%)		
Brokerage commission payable*	11,021	187,109
JS Bank Limited - Parent Company of JSIL (JSBL holds 84.56% of JSIL Shares)		
Bank balances	84,898,262	79,674,610
Profit receivable	793,544	1,148,699
BankIslami Pakistan Limited		
Bank balances	27,631	26,040

	2021	2020
	------------- Rupees ---------------	
JS Fund of Funds		
(Fund Under JSIL Management)		
Units held 1,584,777 (June 30, 2020: 1,410,985)	295,418,328	206,088,529
EFU Life Assurance Limited		
Units held 639,351 (June 30, 2020: 639,351)	119,181,379	93,383,575
Future Trust		
Units held: 399,526 (June 30, 2020: 607,429)	74,475,573	88,721,041
Al Abbas Sugar Mills Limited		
Shares outstanding: nil (2020: 140,500)	-	36,893,895
Key Management Personnel of the Management Company		
Units held: 351 (June 30, 2020: 43,626)	65,460	6,371,986
Other parties with 10% or more than 10% of investment		
Units held: 1,155,217 (June 30, 2020: nil)	215,344,009	-

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

20 FINANCIAL INSTRUMENTS BY CATEGORY

	2021			
	At amortised cost	At fair value through profit or loss	At fair value through other comprehensive income	Total
	---------- (Rupees) ----------			
Financial assets				
Bank balances	176,216,740	-	-	176,216,740
Investments	-	2,036,912,325	-	2,036,912,325
Dividend and profit receivable	1,453,786	-	-	1,453,786
Advance and deposits	29,391,883	-	-	29,391,883
	207,062,409	2,036,912,325	-	2,243,974,734
Financial liabilities				
Payable to JS Investments Limited - Management Company	46,316,466	-	-	46,316,466
Payable to Digital Custodian Company Limited (Formerly: MCB Financial Services Limited) - Trustee	202,149	-	-	202,149
Unclaimed dividend	83,208,839	-	-	83,208,839
Accrued expenses and other liabilities	1,131,839	-	-	1,131,839
	130,859,293	-	-	130,859,293

	2020			
	At amortised cost	At fair value through profit or loss	At fair value through other comprehensive income	Total
	-- (Rupees) --			
Financial assets				
Bank balances	177,637,882	-	-	177,637,882
Investments	-	1,699,863,249	-	1,699,863,249
Dividend and profit receivable	1,946,025	-	-	1,946,025
Advance and deposits	2,600,000	-	-	2,600,000
	182,183,907	1,699,863,249	-	1,882,047,156
Financial liabilities				
Payable to JS Investments Limited - Management Company	40,787,233	-	-	40,787,233
Payable to Digital Custodian Company Limited (Formerly: MCB Financial Services Limited) - Trustee	171,917	-	-	171,917
Unclaimed dividend	94,789,204	-	-	94,789,204
Accrued expenses and other liabilities	774,891	-	-	774,891
	136,523,245	-	-	136,523,245

21 FINANCIAL INSTRUMENTS - FAIR VALUES AND RISK MANAGEMENT

Risk management framework

The Fund’s objective in managing risk is the creation and protection of unit holders’ value. Risk is inherent in the Fund’s activities, but it is managed through monitoring and controlling activities which are primarily set up to be performed based on limits established by the Management Company, the Fund's constitutive documents and the Regulations and directives of the SECP. These limits reflect the business strategy and market environment of the Fund as well as the level of the risk that the Fund is willing to accept. The Board of Directors of the Management Company supervises the overall risk management approach within the Fund. The Fund is exposed to market risk, credit risk and liquidity risk.

The audit committee oversees how management monitors compliance with the Fund's risk management policies and procedures and reviews the adequacy of the risk management framework in relation to the risks faced by the Fund. The audit committee is assisted in its oversight role by internal audit. Internal audit undertakes regular reviews of risk management controls and procedures and the results of which are reported to the audit committee.

Asset purchases and sales are determined by the Fund’s Investment Manager, who has been authorised to manage the distribution of the assets to achieve the Fund’s investment objectives. Compliance with the target asset allocations and the composition of the portfolio is monitored by the Investment Committee. In instances where the portfolio has diverged from target asset allocations, the Fund’s Investment Manager is obliged to take actions to rebalance the portfolio in line with the established targets, within prescribed time limits.

21.1 Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate as a result of changes in market prices.

The Management Company manages market risk by monitoring exposure on marketable securities by following the internal risk management policies and investment guidelines approved by the Investment Committee.

Market risk comprises three types of risk: currency risk, interest rate risk and price risk.

21.1.1 Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate as a result of changes in foreign exchange rates. At present, the Fund is not exposed to currency risk as all the transactions are carried out in Pakistani Rupees.

21.1.2 Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate as a result of changes in market interest rates. The Fund is mainly exposed to interest rate risk on balances held with bank. The investment Committee of the Fund reviews the portfolio of the Fund on a regular basis to ensure that risk is managed within the applicable limits.

a) Sensitivity analysis for variable rate instrument

Presently, the Fund holds balances with bank which expose the Fund to cash flow interest rate risk. In case of a 100 basis points increase / decrease in applicable rates on the last repricing date with all other variables held constant, the net income / loss for the year and net assets of the Fund would have been higher by Rs 2.07 million (2020: Rs 1.75 million).

b) Sensitivity analysis for fixed rate instrument

As at the reporting date, the Fund does not hold any fixed rate instruments that may expose the Fund to fair value interest risk.

The composition of the Fund's investment portfolio may change over time. Accordingly, the sensitivity analysis prepared as at June 30, 2021 is not necessarily indicative of the impact on the Fund's net assets of future movements in interest rates.

Yield / interest rate sensitivity position for on-balance sheet financial instruments is based on the earlier of contractual repricing or maturity date and for off-balance sheet financial instruments is based on settlement date.

	2021					
	Effective yield / interest rate	Exposed to yield / interest risk			Not exposed to yield / interest rate risk	Total
		Upto three months	More than three months and up to one year	More than one year		
	-------- % --------	---------- (Rupees) ----------				
On-balance sheet financial instruments						
Financial assets						
Bank balances	5% to 7.4%	173,265,640	-	-	2,951,100	176,216,740
Investments		-	-	-	2,036,912,325	2,036,912,325
Dividend and profit receivable		-	-	-	1,453,786	1,453,786
Advance and deposits		-	-	-	29,391,883	29,391,883
Sub total		173,265,640	-	-	2,070,709,094	2,243,974,734
Financial liabilities						
Payable to JS Investments Limited - Management Company		-	-	-	46,316,466	46,316,466
Payable to Digital Custodian Company Limited (Formerly: MCB Financial Services Limited) - Trustee		-	-	-	202,149	202,149
Unclaimed dividend		-	-	-	83,208,839	83,208,839
Accrued expenses and other liabilities		-	-	-	1,131,839	1,131,839
Sub total		-	-	-	130,859,293	130,859,293
On-balance sheet gap (a)		173,265,640	-	-	1,939,849,801	2,113,115,441
Off-balance sheet financial instrument		-	-	-	-	-
On-balance sheet gap (b)		-	-	-	-	-
Total interest rate sensitivity gap (a + b)		173,265,640	-	-		
Cumulative interest rate sensitivity gap		173,265,640	173,265,640	173,265,640		

	2020					
	Effective yield / interest rate	Exposed to yield / interest risk			Not exposed to yield / interest rate risk	Total
		Upto three months	More than three months and upto one year	More than one year		
		--	(Rupees)	--		
On-balance sheet financial instruments						
Financial assets						
Bank balances	6% to 14.25%	174,686,782	-	-	2,951,100	177,637,882
Investments		-	-	-	1,699,863,249	1,699,863,249
Dividend and profit receivable		-	-	-	1,946,025	1,946,025
Advance and deposits		-	-	-	2,600,000	2,600,000
Sub total		174,686,782	-	-	1,707,360,374	1,882,047,156
Financial liabilities						
Payable to JS Investments Limited - Management Company		-	-	-	40,787,233	40,787,233
Payable to Digital Custodian Company Limited (Formerly: MCB Financial Services Limited) - Trustee		-	-	-	171,917	171,917
Unclaimed dividend		-	-	-	94,789,204	94,789,204
Accrued expenses and other liabilities		-	-	-	774,891	774,891
Sub Total		-	-	-	136,523,245	136,523,245
On-balance sheet gap		174,686,782	-	-	1,570,837,129	1,745,523,911
Off-balance sheet financial instrument		-	-	-	-	-
On-balance sheet gap (b)		-	-	-	-	-
Total interest rate sensitivity gap (a+ b)		174,686,782	-	-		
Cumulative interest rate sensitivity gap		174,686,782	174,686,782	174,686,782		

21.1.3 Price risk

Price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate as a result of changes in market prices (other than those arising from interest rate risk or currency risk) whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market.

The Fund has exposure to equity price risk arising from the Fund's investments in equity securities. The Fund manages its price risk arising from investment in the equity securities by diversifying its portfolio within the eligible limits prescribed in the Fund's Constitutive Documents, the NBFC Regulations and circulars issued by the SECP from time to time.

The table below summarises the sensitivity of the Fund's net assets attributable to unit holders to the equity price movements as at June 30, 2021. The analysis is based on the assumption that the PSX index had increased or decreased by 1%, with all other variables held constant.

At June 30, 2021, the fair value of equity securities exposed to price risk are concentrated in the sectors disclosed in note 5.1.

	2021	2020
Effect due to increase / decrease in KSE 100 index	-------------Rupees-------------	
Investment and net assets	20,369,123	16,998,632
Income statement	20,369,123	16,998,632

21.2 Credit risk

Credit risk represents the risk of a loss if counterparties fail to perform as contracted and arises principally from bank balances, dividend and mark-up receivable and advances and deposits.

21.2.1 Exposure to credit risk

The maximum exposure to credit risk as at June 30, 2021 was as follows:

	2021		2020	
	Balance as per statement of assets and liabilities	Maximum exposure	Balance as per statement of assets and	Maximum exposure
	-- (Rupees)	--		
Bank balances	176,216,740	176,216,740	177,637,882	177,637,882
Investments	2,036,912,325	-	1,699,863,249	-
Dividend and profit receivable	1,453,786	1,453,786	1,946,025	1,946,025
Advance and deposits	29,391,883	29,391,883	2,600,000	2,600,000
	2,243,974,734	207,062,409	1,882,047,156	182,183,907

Difference in the balance as per the statement of assets and liabilities and maximum exposure is due to the fact that investments in listed equity securities of Rs 2,036.912 million (2020: Rs 1,699.863 million) are not exposed to credit risk.

21.2.2 Credit quality of balances held by the Fund in bank accounts

	-----------------------June 30, 2021-----------------------		
Name of bank	Rating Agency	Latest available published rating	Percentage
JS Bank Limited	PACRA	AA-	48.18%
Soneri Bank Limited	PACRA	AA-	28.90%
NIB Bank Limited*	PACRA	A	-
Samba Bank Limited	VIS	AA	0.01%
BankIslami Limited	PACRA	A+	0.02%
U Microfinance Bank Limited	PACRA	A	22.81%
Sindh Bank Limited	VIS	A+	0.01%
Telenor Microfinance Bank Limited	PACRA	A+	0.01%
Dubai Islami Bank Limited	VIS	AA	0.01%
United Bank Limited	VIS	AAA	0.04%
Faysal Bank Limited	PACRA	AA	0.01%
			100.00%

** Nil figures due to rounding off*

Name of bank	June 30, 2020		
	Rating Agency	Latest available published rating	Percentage
JS Bank Limited	PACRA	AA-	47.21%
Soneri Bank Limited	PACRA	AA-	28.98%
NIB Bank Limited*	PACRA	A	-
Samba Bank Limited	VIS	AA	0.01%
BankIslami Limited	PACRA	A+	0.02%
U Microfinance Bank Limited	VIS	A	23.73%
Sindh Bank Limited	VIS	A+	0.01%
Telenor Microfinance Bank Limited	PACRA	A+	0.01%
Dubai Islami Bank Limited	VIS	AA	0.01%
United Bank Limited	VIS	AAA	0.01%
Faysal Bank Limited	PACRA	AA	0.01%
			100.00%

** Nil figures due to rounding off*

21.2.3 Concentration of credit risk

Concentration of credit risk exists when changes in economic or industry factors similarly affect the groups of counterparties whose aggregate credit exposure is significant in relation to the Fund's total credit exposure. The Funds' portfolio of financial instruments is mainly held with various banks having reasonably high credit rating. Further investments in listed equity securities are not exposed to credit risk.

21.3 Liquidity risk

Liquidity risk is the risk that the Fund may not be able to generate sufficient cash resources to settle its obligations in full as they fall due or can only do so on the terms that are materially disadvantageous to the Fund.

The Fund is exposed to daily cash redemptions, if any, at the option of unit holders. The Fund's approach to managing liquidity is to ensure, as far as possible, that the Fund will always have sufficient liquidity to meet its liabilities when due under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Fund's reputation. Its policy is therefore to invest the majority of its assets in investments that are traded in an active market and can be readily disposed and are considered readily realisable.

In addition, the Fund has the ability to borrow, with prior approval of the Trustee, for meeting redemption. The maximum amount available to the Fund from borrowings is limited to the extent of 10% of net assets at the time of borrowing with repayments within 90 days of such borrowings. However, no borrowings were obtained by the Fund during the current year.

In order to manage the Fund's overall liquidity, the Fund may withhold daily redemption requests in excess of ten percent of units in issue and such requests would be treated as redemption requests qualifying for being processed on the next business day. Such procedure would continue until the outstanding redemption requests come down to a level below ten percent of the units then in issue. The Fund did not withhold any redemptions during the year.

The table below indicates the Fund's financial instruments into relevant maturity groupings based on the remaining period at the reporting date to the contractual maturity dates. However, the assets and liabilities that are receivable / payable on demand including bank balances have been included in the maturity grouping of one month:

	2021					
	Within 1 month	1 to 3 months	3 to 12 months	1 to 5 years	Financial instruments with no fixed maturity	Total
	------------------------------ Rupees ------------------------------					
Financial assets						
Bank balances	176,216,740	-	-	-	-	176,216,740
Investments	-	-	-	-	2,036,912,325	2,036,912,325
Dividend and profit receivable	1,453,786	-	-	-	-	1,453,786
Advance and deposits	29,391,883	-	-	-	-	29,391,883
	207,062,409	-	-	-	2,036,912,325	2,243,974,734
Financial liabilities						
Payable to JS Investments Limited - Management Company	46,316,466	-	-	-	-	46,316,466
Payable to Digital Custodian Company Limited (Formerly: MCB Financial Services Limited) - Trustee	202,149	-	-	-	-	202,149
Unclaimed dividend	83,208,839	-	-	-	-	83,208,839
Accrued expenses and other liabilities	1,131,839	-	-	-	-	1,131,839
	130,859,293	-	-	-	-	130,859,293
Net assets	76,203,116	-	-	-	2,036,912,325	2,113,115,441

	2020					
	Within 1 month	1 to 3 months	3 to 12 months	1 to 5 years	Financial instruments with no fixed maturity	Total
	------------------------------ Rupees ------------------------------					
Financial assets						
Bank balances	177,637,882	-	-	-	-	177,637,882
Investments	-	-	-	-	1,699,863,249	1,699,863,249
Dividend and profit receivable	1,946,025	-	-	-	-	1,946,025
Advance and deposits	2,600,000	-	-	-	-	2,600,000
	182,183,907	-	-	-	1,699,863,249	1,882,047,156
Financial liabilities						
Payable to JS Investments Limited - Management Company	40,787,233	-	-	-	-	40,787,233
Payable to Digital Custodian Company Limited (Formerly: MCB Financial Services Limited) - Trustee	171,917	-	-	-	-	171,917
Unclaimed dividend	94,789,204	-	-	-	-	94,789,204
Accrued expenses and other liabilities	774,891	-	-	-	-	774,891
	136,523,245	-	-	-	-	136,523,245
Net assets	45,660,662	-	-	-	1,699,863,249	1,745,523,911

21.4 Unit holders' fund risk management

The unit holders' fund is represented by redeemable units. These units are entitled to distributions and to payment of a proportionate share, based on the Fund's net asset value per unit on the redemption date. The relevant movements are shown on the 'Statement of Movement in unit holders' fund'.

The Fund's objective when managing unit holder's funds are to safeguard its ability to continue as a going concern so that it can continue to provide returns to unit holders' and to maintain a strong base of assets under management.

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

The Fund meets the requirements of sub-regulation 54(3a) which requires that the minimum size of an Open End Scheme shall be one hundred million rupees at all times during the life of the scheme.

In accordance with the risk management policies stated in note 21, the Fund endeavours to invest the subscriptions received in appropriate investments while maintaining sufficient liquidity to meet redemptions, such liquidity being augmented by short-term borrowings or disposal of investments where necessary.

22 FAIR VALUE OF FINANCIAL INSTRUMENTS

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Consequently, differences can arise between carrying values and the fair value estimates.

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

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

22.1 Fair value hierarchy

International Financial Reporting Standard 13, 'Fair Value Measurement' requires the Fund to classify assets using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

- Level 1: Fair value measurements using quoted price (unadjusted) in an active market for identical assets or liabilities.

- Level 2: Fair value measurements using inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

- Level 3: Fair value measurement using inputs for the asset or liability that are not based on observable market data (i.e. unobservable inputs).

As at June 30, 2021 and June 30, 2020, the Fund held the following financial instruments measured at fair value:

	2021			
ASSETS	**Level 1**	**Level 2**	**Level 3**	**Total**
	---- Rupees ----			
Financial assets 'at fair value through profit or loss'				
Listed equity securities	2,036,912,325	-	-	2,036,912,325
	2,036,912,325	-	-	2,036,912,325

	2020			
ASSETS	**Level 1**	**Level 2**	**Level 3**	**Total**
	---- Rupees ----			
Financial assets 'at fair value through profit or loss'				
Listed equity securities	1,699,863,249	-	-	1,699,863,249
	1,699,863,249	-	-	1,699,863,249

23 PARTICULARS OF INVESTMENT COMMITTEE AND FUND MANAGER

Details of the members of investment committee of the Fund are as follows:

S. No.	Name	Designation	Experience in years	Qualification
1	Mr. Iffat Zehra Mankani	Chief Executive Officer	20	MBA
2	Mr. Khawar Iqbal	Director Finance & Company Secretary	28	MBA
3	Mr. Zahid Ullah Khan	Chief Investment officer / Fund Manager	18	MBA
4	Mr. Syavash Pahora	Head of Research	4	BSC

24 PATTERN OF UNIT HOLDING

Category	As at June 30, 2021			
	Number of unit holders	Number of units held	Net assets value of the amount invested	Percentage of total investment (%)
Individuals	18,577	5,684,295	1,059,598,962	50.79%
Associated Companies and Directors	6	3,986,124	743,046,033	35.62%
Insurance companies	10	288,145	53,712,579	2.57%
Bank / Development Financial Institutions	32	30,824	5,745,845	0.28%
Non Banking Financial Companies	17	10,146	1,891,297	0.09%
Retirement Funds	10	574,965	107,178,167	5.14%
Others	89	616,452	114,911,682	5.51%
	18,741	11,190,951	2,086,084,565	100%

Category	As at June 30, 2020			
	Number of unit holders	Number of units held	Net assets value of the amount invested	Percentage of total investment (%)
Individuals	18,731	5,984,893	874,128,053	50.94%
Associated Companies and Directors	4	2,658,647	388,310,615	22.63%
Insurance companies	10	288,145	42,085,287	2.45%
Bank / Development Financial Institutions	32	30,824	4,502,009	0.26%
Non Banking Financial Companies	17	10,146	1,481,875	0.09%
Retirement funds	9	175,374	25,614,308	1.49%
Others	93	2,601,445	379,955,990	22.14%
	18,896	11,749,474	1,716,078,137	100.00%

25 LIST OF TOP TEN BROKERS BY PERCENTAGE OF COMMISSION PAID

2021		2020	
Name of broker	Percentage of commission paid	Name of broker	Percentage of commission paid
JS Global Capital Limited	14.63%	JS Global Capital Limited	13.26%
Growth Securities (Private) Limited	8.32%	Multiline Securities (Private) Limited	9.28%
Intermarket Securities (Private) Limited	7.92%	Intermarket Securities (Private) Limited	6.68%
Inter Securities Private Limited	5.91%	Next Capital (Private) Limited	5.36%
Topline Securities (Private) Limited	5.40%	Optimus Capital Management (Private) Limited	5.31%
Nael Capital (Private) Limited	4.66%	Topline Securities (Private) Limited	5.18%
BMA Capital Management Limited	4.57%	Growth Securities (Private) Limited	4.92%
Next Capital (Private) Limited	4.00%	Nael Capital (Private) Limited	4.83%
Fawad Securities (Private) Limited	3.86%	Sherman Securities (Private) Limited	4.55%
Adam Scurities (Private) Limited	3.44%	Arif Habib Securities Limited	4.21%

26 ATTENDANCE AT THE MEETINGS OF THE BOARD OF DIRECTORS OF THE MANAGEMENT COMPANY

The 154th, 155th, 156th, 157th and 158th meetings of the Board of Directors were held on August 18, 2020, October 20, 2020, December 24, 2020, February 19, 2021 and April 23, 2021 respectively. Information in respect of attendance by the directors and other persons in the meetings is given below:

		Date			Meetings held on				
S.no.	Name of Directors	Joined during the year	Resigned during the year	Meetings attended	August 18, 2020	October 20, 2020	December 24, 2020	February 19, 2021	April 23, 2021
1	Mr. Kamran Jafar	N/A	18-Jan-21	3	a	a	a	-	-
2	Mr. Hasnain Raza Nensey*	N/A	15-Apr-21	4	a	a	a	a	-
3	Mr. Suleman Lalani	9-Sep-20	N/A	2	-	-	-	a	a
4	Ms. Iffat Zehra Mankani*	15-Apr-21	N/A	1	-	-	-	-	a
5	Mr. Asif Reza Sana	N/A	N/A	4	a	a	a	-	a
6	Mr. Babar Wajid	N/A	2-Dec-20	2	a	a	-	-	-
7	Mr. Hasan Shahid	N/A	N/A	5	a	a	a	a	a
8	Mr. Tahir Ali Sheikh	N/A	30-Jun-21	5	a	a	a	a	a
9	Ms. Aisha Fariel Salauddin	N/A	N/A	5	a	a	a	a	a
10	Mr. Imran Haleem Shaikh	15-Jan-21	N/A	2	-	-	-	a	a
11	Mr. Tauqir Haider Rizvi	N/A	7-Aug-20	-	-	-	-	-	-
12	Mr. Zahid Ullah Khan	18-Mar-21	N/A	1	-	-	-	-	a
					7	**7**	**6**	**6**	**8**

* Ms. Iffat Zehra Mankani replaced Mr. Hasnain Raza Nensay from the Board as the Chief Executive officer.

27 CORRESPONDING FIGURES

Corresponding figures have been re-classified, re-arranged or additionally incorporated in these financial statements, wherever necessary to facilitate comparison and to conform with changes in presentation in the current year. No significant rearrangements or reclassifications were made in these financial statements.

28 GENERAL

28.1 Figures have been rounded off to the nearest rupee.

28.2 Impact of COVID-19

The COVID – 19 pandemic has taken a toll on all economies and emerged as a contagion risk around the globe, including Pakistan. To reduce the impact on businesses and economies in general, regulators / governments across the globe have introduced a host of measures on both the fiscal and economic fronts. The Securities and Exchange Commission of Pakistan (SECP) had provided certain time bound relaxations to CISs operating in Pakistan in order to provide temporary relaxation against covid pandemic. All of the relaxations provided have expired prior to June 30, 2021.

The Management Company is closely monitoring the situation and has invoked required actions to ensure safety and security of the staff and an uninterrupted service to the customers. Business Continuity Plans (BCP) for respective areas are in place and tested. The Management Company has significantly enhanced monitoring for all cyber security risk during these times from its information security protocols. The remote work capabilities were enabled for critical staff and related risk and control measures were assessed to make sure they are fully protected using virtual private network ("VPN") connections. Further, the Management Company has also ensured that its remote access systems are sufficiently resilient to any unwanted cyber-attacks.

The Management Company has made an assessment of COVID - 19 on the credit risk and liquidity risk and believes that there is no significant impact on the Fund.

29 DATE OF AUTHORISATION FOR ISSUE

These financial statements were authorised for issue on August 21, 2021 by Board of Directors of the Management Company.

For JS Investments Limited
(Management Company)

Chief Executive Officer	**Chief Financial Officer**	**Director**

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

(i) THE MEMBERS OF THE INVESTMENT COMMITTEE

Following are the members of Investment Committee of the Fund:

Ms. Iffat Zehra Mankani - Chief Executive Officer
Mr. Khawar Iqbal - CFO & Company Secretary
Mr. Zahid Ullah Khan - Chief Investment Officer / Head
Mr. Syavash Pahore - Head Of Research

MS. IFFAT ZEHRA MANKANI - CHIEF EXECUTIVE OFFICER

Ms. Iffat Mankani has joined JS Investments Limited in April 2021. She brings with her over 20 years of global experience in both public and private markets across multiple asset classes. During her 11 years working in capital markets in Pakistan, she held various senior strategy and research roles, both on the buy and sell-side of the industry, including the National Investment Trust, JS Investments Limited and BMA Asset Management Company Limited amongst others.

Working as a sell side analyst, Iffat was frequently quoted in the financial press, and was well-known for her accuracy as a strategist. In her buy-side roles as Chief Investment Officer at JS Investments (2005-2007) and BMA Asset Management (2007-2011), she led the successful implementation of a disciplined asset and risk allocation process, resulting in consistent top quartile performance for funds under management. These included some pioneering products in the industry, such as the asset allocation fund, capital protected fund, index fund, an offshore fund and separately managed accounts.

In her most recent role, Iffat was working in the Deals Advisory team at PwC Canada, where she made significant contributions in the space of complex financial instruments and private debt valuations amongst others, helping to steer the business toward sustainable growth. Moreover, she also held diversified roles in the risk management groups of leading Canadian Banks (Bank of Montreal and CIBC) associated with their quants and trading risk oversight teams. In addition to making numerous value additions in her role as a Risk Manager of equity, fixed income and structured product desk, she also spearheaded bank wide regulatory and infrastructure projects and initiatives.

Iffat holds a Master of Finance from Rotman School of Management (University of Toronto) and Master of Business Administration from the Institute of Business Administration, Karachi.

MR. MUHAMMAD KHAWAR IQBAL, DIRECTOR OF FINANCE & COMPANY SECRETARY

With over more than 28 years of diversified experience, Mr. Muhammad Khawar Iqbal is currently serving as "Director Finance & Company Secretary" in JS Investments Limited, where he joined in May 2005 as Manager Finance.

He also served as Chief Financial Officer of the Company from 2012 to 2019.

Throughout his career Mr. Iqbal has implemented a system of continuous review and introduced changes to bring in efficiencies, simplifications and improvement in the overall quality of his departmental deliverables.

His role encompasses a wide range of matters ranging from financial management, reporting, internal control, compliance with laws applicable to the Company and other secretarial matters.

Mr. Khawar holds Masters Degree in Business Administration and Economics.

MR. ZAHID ULLAH KHAN - CHIEF INVESTMENT OFFICER / HEAD

Mr. Zahid Ullah Khan has been associated with the JS Group and the capital markets on the buy side of more than 17 years. Prior to joining JS Investments as the Chief Investment Officer in September 2016, Mr. Khan was at JS Bank since 2012, where he served as a Senior Vice President for the bank's risk management function. His core responsibilities included development of various risk management frameworks, modeling term structure of interest rates, engineering tailor-made interest rate products for corporate clientele, and devising efficient mechanisms for various equity based margin trading products.

Prior to his role at JS Bank, Mr. Khan was associated with JS Group as Senior Vice President in a technical role where he developed and deployed a High Frequency Trading (HFT) platform for equities. This project involved extensive development of an in-house market-price-of-risk arbitrage model dependent on instantaneous futures market rates. Mr. Khan also advised group companies on buy side risk management and for launching ETFs and Market Making initiatives on the asset management and brokerage side. His other assignments also included research work on various green field projects in the private equity space. Prior to joining JS Bank, Mr. Khan also served as a consultant senior fund manager for JS Investments from 2010 to 2012.

Mr. Khan started his career with ABAMCO Limited (now JS Investments Limited) in 2004 as a research analyst, and covered Cement and Banking sectors along with developing interest rate models on the fixed income side. He was additionally given the responsibility to develop and launch new products for the growing AMC. During his tenure at ABAMCO Limited, Mr. Khan developed the first proprietary free float-adjusted market capitalization index in Pakistan and launched the first Open end index fund based on that index. He also carries to his credit the launch of first Open end Fund of Funds scheme with an elaborate asset allocation strategy, a Capital Protected fund and several other in-house initiatives. In 2005, he was promoted as a fund manager, and managed JS Value Fund, JS A30 Index Fund, JS Growth Fund, and JS Fund of Funds, with a combined fund size of around PKR 10 billion.

Mr. Zahid holds a Masters degree in Business Administration from Lahore University of Management Sciences (Class of 2000); a Masters degree in Economics from Lahore University of Management Sciences (Class of 2004); and a Masters degree in Finance from London Business School (Class of 2007).

MR. SYAVASH PAHORE - HEAD OF RESEARCH

Mr. Syavash Pahore joined JS Investments Ltd. in April 2018 as SMA Fund Manager and is currently working as the Head of Research. Prior to his joining at JS Investments Ltd. Mr. Pahore was associated with Elixir Securities as a Research Analyst and he had started off his career from Optimus Capital Management as a Research Analyst in August 2016.

Mr. Pahore has a Bachelor of Arts in Finance, Accounting and Management from The University of Nottingham.

(ii) MEETINGS OF AUDIT COMMITTEE

Name of Directors	Meetings attended	Meetings held on			
		17 August 2020	19 October 2020	18 February 2021	22 April 2021
Mr. Asif Reza Sana	3	1	1	-	1
Mr. Hasan Shahid	4	1	1	1	1
Ms. Aisha Fariel Salahuddin	4	1	1	1	1
		3	**3**	**2**	**3**

(iii) MEETINGS OF HUMAN RESOURCE AND REMUNERATION COMMITTEE

Name of Members	Meetings attended	Meetings held on 17 Febrauary 2021
Ms. Aisha Fariel Salahuddin	1	1
Mr. Suleman Lalani	1	1
Mr. Hasnain Raza Nensey	1	1
		3

(iv) RATING OF THE MANAGEMENT COMPANY

Pakistan Credit Rating Agency has assigned JS Investments' Management Quality Rating of "AM2"(AM-Two) with a "stable" outlook. The rating denotes High Management Quality.

SUPPLEMENTARY NON FINANCIAL INFORMATION AS REQUIRED UNDER CLAUSE 38A (g) OF THE NBFC & NE REGULATION

Summary of Actual Proxy voted by JS Growth Fund

	Resolutions	For	Against	Abstain
Number	6	6	Nil	N/A
(% ages)	100	100	-	-

Note:

The Proxy voting policy of the Collective Investment Scheme (CIS) is available on the website of JS Investments Limited, the Company and detailed information regarding actual proxies voted by the Company in respect of the CIS is also available without charge, upon request, to all unit holders.

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PRINTED MATTER

JS Investments Limited

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SB-5 Abdullah Haroon Road,Saddar,
Karachi-75600

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Fax: (92-21)35165540
E-mail:info@jsil.com
Website: www.jsil.com

JS Islamic Dedicated Equity Fund

Annual Report 2021

JS investments

Managing Mutual Funds Better!

CONTENTS

VISION

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

MISSION

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

BROAD POLICY OBJECTIVES

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

ORGANIZATION

Management Company	JS Investments Limited 19th Floor, The Centre, Plot # 28, SB-5 Abdullah Haroon Road, Saddar, Karachi-75600 Tel: (92-21) 111-222-626 Fax: (92-21) 35165540 E-mail:info@jsil.com Website: www.jsil.com	
Board of Directors	Mr. Suleman Lalani	Chairman
	Ms. Iffat Zehra Mankani	Chief Executive Officer
	Mr. Hasan Shahid	Non-Executive Director
	Mr. Asif Reza Sana	Independent Director
	Ms. Aisha Fariel Salahuddin	Independent Director
	Mr. Zahid Ullah Khan	Non-Executive Director
	Mr. Imran Haleem Shaikh	Non-Executive Director
	Mr. Mirza Muhammad Sadeed Hassan Barlas*	Non-Executive Director
Audit Committee	Mr. Asif Reza Sana	Chairman
	Ms. Aisha Farial Salahuddin	Member
	Mr. Hasan Shahid	Member
Director Finance & Company Secretary	Mr. Muhammad Khawar Iqbal	
Chief Financial Officer	Mr. Zafar Iqbal Ahmed	
Trustee	Central Depository Company of Pakistan Limited CDC House, 99-B, Block 'B', S.M.C.H.S., Main Sharah-e-Faisal, Karachi-74400 Pakistan. Tel: (92-21) 111-111-500 Fax: (92-21) 34326040	
Auditors	KPMG Taseer Hadi & Co. Chartered Accountants	
Legal Adviser	Bawaney & Partners	
Shariah Advisors	Al – Hilal Shariah Advisors (Pvt) Limited	

* *Mr. Mirza Muhammad Sadeed Hassan Barlas has been appointed as Director of JS Investments Limited w.e.f August 09, 2021 in*

Directors' Report to the Unit Holders

The Board of Directors of JS Investments Limited, the Management Company of **JS Islamic Dedicated Equity Fund** (the Fund), is pleased to present the Annual Report for the year ended June 30, 2021.

Economic Review:

Despite innumerable challenges, Pakistan's economy is moving progressively on a sustainable growth path. Before the COVID-19 pandemic hit Pakistan's economy, the reforms had laid the base for an economic recovery as was visible in 2H FY19 figures, however, it was brought to a halt due to the incidence of the coronavirus pandemic. Pakistan did much better in coping up with the pandemic compared to many countries and as a result GDP growth came in at 3.94% for FY21; sharply recovering from the FY20 decline of 0.5%. The rebound in GDP growth was underpinned by a recovery in industrial sector growth from an FY20 contraction of 3.8% to an FY21 expansion of 3.6%. Similarly, the services sector grew 4.4% in FY21, after constricting by 0.6% in the preceding year.

Inflation is still one of the bigger issues that our economy faces today. Headline CPI and core CPI averaged 8.9% and 6.6% respectively. The latter remained below 7%, allowing the SBP to accommodate growth by continuing to maintain a dovish monetary policy stance. It is also pertinent to mention that inflation all over the world remained volatile mainly due to supply-side disruptions in commodities due to the COVID-19 pandemic.

The SBP also maintained its policy of a flexible exchange rate regime. The rupee appreciated by 9.4% against the greenback; largely a consequence of the current account surplus reported during the period. As a result, SBP reserves rose 54% to USD 17.8 bn while total liquid FX reserves rose 36% to USD 24.8 bn. The import cover has remained steady at 5 months despite a rise in imports as a result of a rebound in economic activity.

Equity Market Review:

The KSE100 index rose 37.6% in FY21 while the KSE30 and KMI 30 indices rose 27.6% and 39.3% respectively. The stellar returns are mostly due to COVID-induced market decline in the preceding year which was recovered in the current fiscal year.

Technology & Communication returned 294% during the year while Glass & Ceramics rose 171%. Refinery, Engineering, Auto Assemblers, Paper & Board and Cement were the other sectors that gained the most during the period. The biggest underperforming sectors were Food & Personal Care, Oil & Gas Exploration and Fertilizer with a return of -3.2%, -0.4% and 1.8% respectively.

The dominant theme during the fiscal year was high beta pro-cyclical stocks that tend to benefit from economic expansion, higher large-scale manufacturing growth and higher demand from housing in particular. The incumbent government's focus on promoting housing and water conservation (through construction of dams) has led to a sharp rally in construction sector related stocks.

On the other hand, traditional blue-chip companies sharply underperformed. The same earnings stability that helped prop up valuations during the FY17 – FY19 recession led to a lack of interest in these stocks when corporate earnings growth concerns were at the forefront.

Traded value improved significantly on the bourse. KSE 100 average traded value rose from PKR 6.1 bn in FY20 to PKR 13.2 bn in FY21, a historic increase of 116%. Traded value has improved significantly on the back of the sharpest rebound in equities since 2017.

Review of Fund Performance

The Fund return was 30.96% for the year ended June 30, 2021 against benchmark return of 39.32%. Net Assets moved from PKR. 12.99 million to PKR. 49.07 million as at June 30, 2021.

Asset Manager Rating

The Pakistan Credit Rating Agency Limited (PACRA) has affirmed JS Investments' Management Quality Rating of "AM2"(AM-Two) with a "stable" outlook. The rating denotes High Management Quality.

Auditors

The external auditors of the Fund Messrs KPMG Taseer Hadi & Co, Chartered Accountants retired. The Board of Directors, upon recommendation of the Audit Committee of the Board has approved the appointment of Messrs A.F Ferguson Chartered Accountants, as the Fund's auditors for the ensuing year ending June 30, 2022.

Shariah Advisors

Messrs Al-Hilal Shariah Advisors (Pvt.) Limited, completed its tenure. The Board of Directors of JS Investment Limited, the Management Company of the Fund, upon recommendation of the Audit Committee has approved the appointment of Al-Hilal Shariah Advisors for the ensuing year ending June 30, 2022.

Board of Directors

During the period Ms. Iffat Zehra Mankani has joined as the Chief Executive Officer of the Company in place of Mr. Hasnain Raza Nensey. In addition to that Syed Tauqir Haider Rizvi, Mr. Babbar Wajid, Mr. Kamran Jafar and Mr. Tahir Ali Sheikh have resigned from the Board whereas, Mr. Suleman Lalani, Mr. Imran Haleem Shaikh, Mr. Zahid Ullah Khan and Mr. Mirza M. Sadeed H. Barlas were appointed as Directors on their places respectively.

Additional Matters

a. Annexed to the Annual Report is Fund Manager's Report giving description of principal risks and uncertainties with reasonable indication of future prospects of profit.
b. The Pattern of Unit holding as at June 30, 2021 is disclosed in Annexure 1 of the published financial statements.
c. The system of internal control is sound in design and has been effectively implemented and monitored.
d. A performance table / key financial data is annexed to this annual report.

Significant Matters

- Subsequent to the year ended June 30, 2021, Sindh Revenue Board (SRB) through its letter dated August 12, 2021, has intimated MUFAP that the mutual funds do not qualify as Financial Institution/ Industrial Establishment and are, therefore, not liable to pay the Sindh Workers Welfare Fund (SWWF) contributions. This development was discussed at the MUFAP level and has also been taken up with the Securities and Exchange Commission of Pakistan (SECP) and all the Asset Management Companies, in consultation with SECP, have reversed the cumulative provision for SWWF recognized in the financial statements of the Funds on August 13, 2021. The SECP has given its concurrence for prospective reversal of provision for SWWF, Accordingly, going forward, no provision for SWWF would be recognized in the financial statement of the Fund.

- The Board approved addition of the note 12.1 related to the prospective reversal of SWWF in the financial statements of Fund on September 22, 2021.

- Due to the enactment of the Sindh Trusts Act, 2020 (as amended vide Sindh Trusts (Amended) Act, 2021) ("the Act"), the Trusts including Collective Investment Schemes, Private Funds etc, being Specialized Trusts are required to be registered with the Assistant Director of Industries and Commerce (Trust Wing), Government of Sindh under Section 12A of the Act. For this purpose, Re-Stated Trust Deeds of all Funds have been executed between the Management Company and the Trustees and all the relevant Trust Deeds along with necessary documents have been submitted with Assistant Director of Industries and Commerce (Trust Wing), Government of Sindh.

Acknowledgment

The directors express their gratitude to the Securities and Exchange Commission of Pakistan and Central Depository Company of Pakistan Limited (CDC) for their valuable support, assistance and guidance. The Board also thanks the employees of the Management Company for their dedication and hard work and the unit holders for their confidence in the Management.

The Directors' Report was initially approved by the Board of Directors of Management Company on August 21, 2021 and further amended on September 22, 2021 to incorporate the subsequent event as disclosed in above significant matter related to reversal of SWWF provisioning.

Karachi: **Director** **Chief Executive Officer**

شراکت داروں کے لیے ڈائریکٹرز رپورٹ

جے ایس انویسٹمنٹس لمیٹڈ کے بورڈ آف ڈائریکٹرز، JS اسلامک ڈیڈیکیٹڈ ایکیویٹی فنڈ (دی فنڈ) کی مینجمنٹ کمپنی نے 30 جون 2021 کوختم ہونے والے سال کے لیے سالانہ رپورٹ پیش کرتے ہوئے خوشی محسوس کرتے ہیں۔

معاشی جائزہ

لاتعداد چیلنجز کے باوجود، پاکستان کی معیشت ترقی کی راہ پر مستحکم نمو کی طرف بڑھ رہی ہے۔کووڈ-19 کی وباء کے پاکستانی معیشت پر حملے سے پہلے اصلاحات کے ذریعے معاشی بحالی کا آغاز ہوگیا تھا جس کا اندازہ مالی سال 19 کی دوسری ششماہی سے ہوتا ہے، تاہم کرونا وائرس کی وبا پھیلنے کے سبب بحالی کا عمل رک گیا۔ پاکستان نے کئی دوسرے ممالک کے مقابلے میں وباء سے نمٹنے کیلئے بہتر اقدامات کئے جس کے نتیجے میں مالی سال 21 کے لئے جی ڈی پی کی شرح نمو مالی سال 20 میں %0.5 کی کمی سے بحالی کے بعد %3.94 ہوگئی۔ جی ڈی پی کی نمو کے دوبارہ بڑھنے کی وجہ مالی سال 20 میں صنعتی شعبے کے %3.8 سکڑاؤ سے مالی سال 21 میں %3.6 اضافہ تھی۔اسی طرح خدمات کے شعبہ میں گزشتہ سال کے %0.6 سکڑاؤ کے بعد مالی سال 21 میں %4.4 پھیلاؤ آیا۔

افراط زر آج بھی ہماری معیشت کو درپیش سب سے بڑے مسائل میں سے ایک ہے۔ بلند ترین سی پی آئی اور بنیادی سی پی آئی بالترتیب %8.9 اور %6.6 ہیں۔موخرالذکر کے %7 سے کم رہنے کے سبب اسٹیٹ بینک آف پاکستان کو اپنی نرم مانیٹری پالیسی برقرار رکھنے میں مدد ملی۔ یہ کہنا بھی ضروری ہے کہ دنیا بھر میں افراط زر میں اتار چڑھاؤ کی کیفیت جاری ہے جس کی وجہ کووڈ - 19 کی وباء سے اشیاء کی سپلائی کے مرحلے میں بڑی رکاوٹیں پیدا ہونا تھی۔

اسٹیٹ بینک آف پاکستان نے لچکدار شرح تبادلہ کی پالیسی کا سلسلہ بھی برقرار رکھا۔گرین بیک کے مقابلے میں روپے کی قیمت میں %9.4 بہتری آئی جو اس مدت کے دوران میں اضافی کرنٹ اکاؤنٹ کے سبب ممکن ہوئی۔اس کے نتیجے میں اسٹیٹ بینک آف پاکستان کے ذخائر %54 اضافے کے ساتھ 17.8 بلین امریکی ڈالر ہوگئے جب کہ کل لیکویڈ غیر ملکی زرِمبادلہ (FX) کے ذخائر %36 اضافے کے ساتھ 24.8 بلین امریکی ڈالر ہوگئے۔معاشی سرگرمیوں کے دوبارہ بڑھنے کے نتیجے میں درآمدات میں اضافے کے باوجود درآمدات کا کور 5 ماہ تک مستحکم رہا۔

ایکیویٹی مارکیٹ کا جائزہ

مالی سال 21 میں KSE 100 انڈیکس میں %37.6 جبکہ KSE 30 اور KMI 30 انڈیکسز میں بالترتیب %27.6 اور %39.3 کا اضافہ ہوا۔شاندار منافع زیادہ تر پچھلے سال کووڈ کی وجہ سے مارکیٹ میں کمی کے سبب ہے جو رواں مالی سال میں بحال کیا گیا تھا۔

سال کے دوران ٹیکنالوجی اور کمیونیکیشن نے %294 کا منافع دیا جبکہ گلاس اور سرامکس میں %171 کا اضافہ ہوا۔اس مدت کے دوران ریفائنری، انجینئرنگ، آٹو اسمبلرز، پیپر اینڈ بورڈ اور سیمنٹ وہ دیگر شعبے تھے جن میں سب سے زیادہ اضافہ ہوا۔فوڈ اینڈ پرسنل کیئر، آئل اینڈ گیس اور ایکسپلوریشن اینڈ فرٹیلائزرز سب سے زیادہ کم کارکردگی کا مظاہرہ کرنے والے تھے جن میں بالترتیب %3.2-، %0.4- اور %1.8 کا منافع ہوا۔

مالی سال کے دوران غالب موضوع high beta pro-cyclical اسٹاک تھا جس کو معاشی پھیلاؤ، بڑے پیمانے کی مینوفیکچرنگ میں بڑے اضافے اور خاص طور پر ہاؤسنگ کی جانب سے زیادہ طلب سے فائدہ ہوا۔موجودہ حکومت کے ہاؤسنگ اور پانی کے ذخائر میں اضافہ (ڈیمز کی تعمیر کے ذریعے) پر خصوصی توجہ نے تعمیراتی شعبہ سے متعلق اسٹاکس میں تیزی سے اضافہ کیا ہے۔

دوسری طرف روایتی مستحکم کمپنیز کی کارکردگی میں معمولی سی کمی دیکھنے میں آئی۔آمدنی کا جو استحکام مالی سال 17 - مالی سال 19 کی کساد بازاری کے دوران میں اقدار کو سہارا دینے میں معاون رہا، اسی کے سبب ان اسٹاکس میں عدم دلچسپی پیدا ہوئی جب کارپوریٹ آمدنی میں اضافہ سے متعلق تشویش نمایاں رہی۔

بازار حصص میں تجارتی ولیوم میں نمایاں بہتری آئی۔KSE 100 میں ٹریڈنگ کی اوسط ولیوم مالی سال 20 کے 6.1 بلین پاکستانی روپے سے بڑھ کر مالی سال 21 میں %116 کے تاریخی اضافے کے ساتھ 13.2 بلین پاکستانی روپے ہوگئی۔تجارتی ولیوم میں اس نمایاں اضافے کا سبب 2017 سے ایکویٹیز میں تیزی سے دوبارہ اضافہ ہونا تھا۔

فنڈ کی کارکردگی کا جائزہ

30 جون 2021 کو ختم ہونے والے سال کے لیے فنڈ کا منافع %39.32 اپنے بنچ مارک منافع کے مقابلے میں %30.96 رہا۔30 جون 2021 کو خالص اثاثہ جات 12.99 ملین روپے سے 49.07 ملین روپے پر پہنچ گئے۔

ایسیٹ مینجر ریٹنگ

پاکستان کریڈٹ ریٹنگ ایجنسی لمیٹڈ (PACRA) نے جے ایس انویسٹمنٹس لمیٹڈ کو "AM2" (اے ایم ٹو) کی مینجمنٹ کوالٹی ریٹنگ "stable" امکانات کے ساتھ تفویض کی ہے۔یہ ریٹنگ مینجمنٹ کے اعلی معیار کی نشاندہی کرتی ہے۔

آڈیٹرز

بیرونی آڈیٹرز میسرز کے پی ایم جی تاثیر ہادی اینڈ کو، چارٹرڈ اکاؤنٹنٹس ریٹائر ہوگئے۔ بورڈ آف ڈائریکٹرز نے، آڈٹ کمیٹی کی تجویز پر، میسرز اے ایف فرگوسن، چارٹرڈ اکاؤنٹنٹس کی 30 جون 2022 کو ختم ہونے والے سال کے لیے تقرری کی منظوری دی۔

شریعہ ایڈوائزرز

میسرز ال۔ہلال شریعہ ایڈوائزرز (پرائیوٹ) لمیٹڈ نے اپنی مدت مکمل کی۔ JS انویسٹمنٹس لمیٹڈ کے بورڈ آف ڈائریکٹرز، فنڈ کی مینجمنٹ کمپنی نے، آڈٹ کمیٹی کی تجویز پر ال۔ہلال شریعہ ایڈوائزرز کو 30 جون 2022 کو ختم ہونے والے اگلے سال کے لیے تقرری کی منظوری دی۔

بورڈ آف ڈائریکٹرز

مدت کے دوران، محترمہ عفت زہرہ منکانی نے جناب حسنین رضا نینسی کی جگہ کمپنی کی چیف ایگزیکیٹو آفیسر کی حیثیت سے شمولیت اختیار کی۔ اس کے علاوہ جناب سید توقیر حیدر رضوی، جناب بابر واجد اور جناب کامران جعفر بورڈ سے مستعفی ہوگئے جبکہ جناب سلیمان لالانی، جناب حلیم شیخ، جناب زاہداللہ خان اور جناب مرزا ایم ساد یداپیچ برلاس کو بالترتیب ان کی جگہ ڈائریکٹر مقرر کیا گیا۔

اضافی معاملات

ا۔ سالانہ رپورٹ کے ساتھ فنڈ مینیجر رپورٹ منسلک ہے، جس میں مرکزی خطرات اور منافع جات کے مستقبل کے امکانات کی مناسب علامت کے ساتھ ہیجان کی کیفیت کی وضاحت کی ہے۔
ب۔ شائع ہونے والے مالیاتی گوشوارے کے ضمیمہ 1 میں 30 جون 2021 کو یونٹ ہولڈنگ کے نمونہ کی تشہیر ہوئی۔
ج۔ اندرونی کنٹرول کا نظام ساخت کے اعتبار سے مضبوط ہے اور اس پر موثر اطلاق اور نگرانی کی جاتی ہے۔
د۔ کارکردگی کا ٹیبل / اہم مالیاتی معلومات اس سالانہ رپورٹ کے ضمیمہ میں دی گئی ہیں۔

اہم معاملات

- 30 جون 2021 کو ختم ہونے والے سال کے بعد، سندھ ریونیو بورڈ (ایس۔آر۔بی) نے 12 اگست 2021 کے اپنے خط کے ذریعے ایم یو ایف اے پی کو آگاہ کیا ہے کہ میوچل فنڈز مالیاتی ادارے / صنعتی ادارے کے طور پر اہل نہیں ہیں اور اس وجہ سے وہ سندھ ورکرز ویلفیئر فنڈ (SWWF) کی شراکت ادائیگی کے ذمہ دار نہیں ہیں۔ اس ترقی پر MUFAP کی سطح پر تبادلہ خیال کیا گیا اور اسے سیکیورٹیز اینڈ ایکسچینج کمیشن آف پاکستان (SECP) کے ساتھ بھی اٹھایا گیا ہے اور ایس ای سی پی کے ساتھ مشاورت کے ساتھ تمام اثاثہ جات مینجمنٹ کمپنیوں نے فنڈ کے SWWF کو 13 اگست 2021 کے مالی بیانات میں تسلیم شدہ مجموعی فراہمی کو الٹ دیا ہے۔ ایس ای سی پی نے ڈبلیو ڈبلیو ایف کی فراہمی کی ممکنہ الٹ پلٹ کے لئے اپنی رضامندی دی ہے، اس کے مطابق، آگے بڑھتے ہوئے فنڈ کے مالی بیان میں ڈبلیو ڈبلیو ایف کے لئے کوئی شق تسلیم نہیں کی جائے گی۔
- 22 ستمبر 2021 کو بورڈ نے مالیاتی بیانات میں (SWWF) کے ممکنہ الٹ سے متعلق نوٹ 12.1 شامل کرنے کی منظوری دی۔

۔ سندھ ٹرسٹس ایکٹ 2020 . (ترمیم شدہ بذریعہ سندھ ٹرسٹس (ترمیم شدہ) ایکٹ 2021 ("دی ایکٹ") کے نفاذ سے ٹرسٹس بشمول اجتماعی انویسٹمنٹ اسکیمز، پرائیویٹ فنڈز وغیرہ کو ایکٹ کے سیکشن 12 A کے تحت خصوصی ٹرسٹس ہونے کی بناء پر اسسٹنٹ ڈائریکٹر آف انڈسٹریز اینڈ کامرس (ٹرسٹ ونگ)، حکومت سندھ کے ساتھ رجسٹر ہونا لازمی ہے۔ اس مقصد کیلئے مینجمنٹ کمپنیز کے درمیان تمام فنڈز کی دوبارہ تشکیل کی گئی ٹرسٹ ڈیڈز مکمل کر لی گئی ہیں اور ٹرسٹیز ار تمام متعلقہ ٹرسٹ ڈیڈز مع ضروری دستاویزات اسسٹنٹ ڈائریکٹر آف انڈسٹریز اینڈ کامرس (ٹرسٹ ونگ)، حکومت سندھ کے پاس جمع کرادی گئی ہیں۔

اظہارِ تشکر

ڈائریکٹرز بیش قدر معاونت، مدد اور رہنمائی پر سیکیوریٹیز اینڈ ایکسچینج کمیشن آف پاکستان (SECP) اور سینٹرل ڈپازٹری کمپنی آف پاکستان لمیٹڈ (CDCPL) سے اظہارِ تشکر کرتے ہیں۔ بورڈ لگن اور محنت پر مینجمنٹ کمپنی کے ملازمین اور انتظامیہ پر اعتماد پر یونٹ ہولڈرز کا بھی شکریہ ادا کرتا ہے۔

ڈائریکٹروں کی رپورٹ کو ابتدائی طور پر 21 اگست 2021 کو مینجمنٹ کمپنی کے بورڈ آف ڈائریکٹرز نے منظور کیا 22 ستمبر 2021 کو مزید ترمیم کی تا کہ بعد کے ایونٹ کو شامل کیا جا سکے جیسا کے مذکورہ بالا اہم معاملے میں ظاہر کی گیا ہے جو کہ SWWF پروویژننگ سے متعلق ہے۔

چیف ایگزیکیٹو آفیسر ڈائریکٹر

کراچی:

Fund Manager Report
Annual Report 2021

JS Islamic Dedicated Equity Fund (JS IDEF)

- **Description of the Collective Investment Scheme category and type**
  Shariah Compliant Dedicated Equity Scheme / Open end

- **Statement of Collective Investment Scheme's investment objective**
  The objective of JS Islamic Dedicated Equity Fund (JSIDEF) is to provide other 'Fund of Funds' schemes a Shariah compliant avenue for taking exposure in Shariah Compliant Equities.

- **Explanation as to whether the Collective Investment Scheme has achieved its stated objective**
  The collective investment scheme achieved its stated objective.

- **Statement of benchmark(s) relevant to the Collective Investment Scheme**
  KMI30 Index

- **Comparison of the Collective Investment Scheme's performance during the period compared with the said benchmarks**

	Jul-20	Aug-20	Sep-20	Oct-20	Nov-20	Dec-20	Jan-21	Feb-21	Mar-21	Apr-21	May-21	Jun-21	FY21
JSIDEF	8.98%	4.03%	-1.68%	0.59%	1.80%	7.53%	4.19%	0.90%	-4.10%	-1.51%	7.88%	-0.38%	30.96%
Benckmark	14.75%	4.03%	-1.39%	-1.92%	4.44%	7.31%	4.29%	2.77%	-4.25%	-2.14%	10.17%	-2.70%	39.32%
Diff.	**-5.77%**	**0.00%**	**-0.29%**	**2.51%**	**-2.64%**	**0.21%**	**-0.11%**	**-1.87%**	**0.15%**	**0.63%**	**-2.30%**	**2.32%**	**-8.36%**

- **Description of the strategies and policies employed during the period under review in relation to the Collective Investment Scheme's performance**

  As of June 2021 the fund had high exposure towards Oil & Gas Exploration, Cement and Glass & Ceramics while the remaining exposure was in a diversified pool of stocks.

  Sector allocations were decided based upon the country's improving macroeconomic outlook and significant growth potential in the economy. Individual stock selection and allocation within these sectors varied during the year based upon the investment case for or against a stock and its relative price at a particular point in time.

- **Disclosure of the Collective Investment Scheme's asset allocation as at the date of the report and particulars of significant changes in asset allocation since the last report (if applicable)**

	Jun-21	Jun-20
Cash	12.73%	3.22%
Equity	72.32%	41.78%
Other including receivables	14.95%	55.00%
Total	**100.00%**	**100.00%**

- **Analysis of the Collective Investment Scheme's performance**

	Fund		Fund	BM
Information Ratio	(0.14)	Beta	0.8	1.0
Correlation	0.95	Largest Month Gain	10.6%	23.3%
Standard Deviation*	23.3%	Largest Month Loss	-27.7%	-24.2%
Expense Ratio**	5.02%	% Positive Months	51.2%	46.3%

* Since inception
** This includes 0.87% government levy, Sindh Worker's Welfare Fund and SECP fee. Selling & Marketing Expense PKR 0.

- **Based on changes in total NAV and NAV per unit since the last review period or since commencement (in the case of newly established Collective Investment Scheme)**

	Net Assets Excluding JSIL FoFs (PKR mn)	NAV per Unit (PKR)
30-Jun-21	0	77.74
30-Jun-20	(0)	59.36

- **Disclosure of the markets that the Collective Investment Scheme has invested in:**

The fund invests in shariah compliant equity securities listed on the Pakistan Stock Exchange (PSX). PSX has a market capitalization of ~$51 billion with 30+ sectors.

- **Disclosure on distribution (if any), comprising:-**
- Particulars of income distribution or other forms of distribution made and proposed during the period; and
- Statement on effects on the NAV before and after distribution is made

Distribution

NIL

NAV per unit as on June 30, 2021	
Cum NAV (PKR)	77.74
Ex-NAV (PKR)	77.74

- **Description and explanation of any significant changes in the state of affairs of the Collective Investment Scheme during the period and up till the date of the manager's report, not otherwise disclosed in the financial statements**
There were no significant changes in the state of affairs during the year under review.

- **Breakdown of unit holdings by size**

Fund Name	Ranges			Number of Folios
JS Islamic Dedicated Equity Fund	0.0001	to	9,999.9999	-
	10,000.0000	to	49,999.9999	-
	50,000.0000	to	99,999.9999	1
	100,000.0000	to	499,999.9999	2
	500,000.0000	&	above	-
			Total	**3**

- **Disclosure on unit split (if any), comprising:-**
The Fund has not carried out any unit split exercise during the year.

- **Disclosure of circumstances that materially affect any interests of the unit holders**
Investment is subject to market risk.

- **Disclosure if the Asset Management Company or its delegate, if any, receives any soft commission (i.e. goods and services) from its broker(s) or dealer(s) by virtue of transactions conducted by the Collective Investment Scheme, disclosure of the following:-**

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

Performance Table

		Years			
		2021	2020	2019	2018
Net assets - Rupees in '000'	Rs.	49,068	12,994	23,142	1,248,709
Net income / loss - Rupees in '000'	Rs.	11,863	(789,852)	(71,541)	(36,353)
Total return of the Fund	%	30.96	(18.18)	(25.87)	(2.13)
Annual dividend distribution	%	-	-	-	-
Capital Growth	%	30.96	(18.18)	(25.87)	(2.13)
Average annual return					
- One Year	%	30.96	(18.18)	(25.87)	(2.13)
- Two Years	%	6.39	(22.03)	(14.00)	(2.13)
- Three Years	%	(4.36)	(15.39)	(14.00)	(2.13)
NAV per unit	Rs.	77.74	59.36	72.55	97.87
Highest offer price per unit	Rs.	82.80	89.86	104.74	105.59
Lowest offer price per unit	Rs.	62.20	53.11	75.01	98.00
Year-end offer price per unit	Rs.	80.38	61.38	75.01	101.19
Highest repurchase price per unit	Rs.	80.08	89.69	101.30	102.12
Lowest repurchase price per unit	Rs.	60.16	53.11	72.55	94.78
Year-end repurchase price per unit	Rs.	77.74	59.36	72.55	97.87
Interim distribution	Rs.	-	-	-	-
Announcement date					
Final distribution	Rs.	-	-	-	-
Announcement date		-	-	-	-
Total distribution as % of par value	%	**-**	**-**	**-**	**-**

Notes

- JS Islamic Dedicated Equity Fund was launched on March 21, 2018.
- Units have par value of Rs. 100/- each.
- Investment portfolio composition of the Fund is disclosed in note 6 of the financial statements.
- The income distribution have been shown against The year to which they relate although these were declared & distributed subsequently to the year end.

Disclaimer

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

بِسْمِ اللّٰهِ الرَّحْمٰنِ الرَّحِيْمِ

Al-Hilal
Shariah Advisors

September 14, 2021

The purpose of this report is to provide an opinion on the Shariah Compliance of the Fund's investment and operational activities with respect to Shariah guidelines provided.

It is the core responsibility of the Management Company to operate the Fund and invest the amount of money in such a manner which is in compliance with the Shariah principles as laid out in the Shariah guidelines. In the capacity of the Shariah Advisor, our responsibility lies in providing Shariah guidelines and ensuring compliance with the same by review of activities of the fund. We express our opinion based on the review of the information, provided by the management company, to an extent where compliance with the Shariah guidelines can be objectively verified.

Our review of Fund's activities is limited to enquiries of the personnel of Management Company and various documents prepared and provided by the management company.

Keeping in view the above; we certify that:

We have reviewed all the investment and operational activities of the fund including all transactions and found them to comply with the Shariah guidelines. On the basis of information provided by the management company, all operations of the fund for the year ended June 30, 2021 comply with the provided Shariah guidelines. Therefore, it is resolved that investments in JS Islamic Dedicated Equity Fund (JS-IDEF) managed by JS Investments Limited are halal and in accordance with Shariah principles.

May Allah (SWT) bless us and forgive our mistakes and accept our sincere efforts in accomplishment of cherished tasks and keep us away from sinful acts.

For and on behalf of Shariah Supervisory Council of Al-Hilal Shariah Advisors (Pvt.) Limited.

Mufti Irshad Ahmad Aijaz
Member Shariah Council

Faraz Younus Bandukda, CFA
Chief Executive

Al-Hilal Shariah Advisors (Pvt) Limited

807 8th Floor Horizon Tower, Khayban-e-Saadi, Block - 3 Clifton, Karachi, Pakistan. Tel :+92-21-35305931-37, Web: www.alhilalsa.com

STATEMENT OF COMPLIANCE WITH SHARIAH PRINCIPLES

JS Islamic Dedicated Equity Fund (the Fund) has fully complied with Shariah Principles specifi¬ed in the Trust Deed and in the guidelines issued by the Shariah Advisors for its operations, investments, bank accounts and placements made during the year ended June 30, 2021. The Shariah Advisors has also confi¬rmed that the transactions were observed to be compliant with the guidelines laid down by Shariah Advisors.

Iffar Zehra Mankani
Chief Executive Officer

Karachi: September 24, 2021

Independent Reasonable Assurance Report to the Unit Holders on the Statement of Compliance with Shariah Principles

We were engaged by the Board of Directors of JS Investments Limited, Management Company of **JS Islamic Dedicated Equity Fund** (the Fund), to report on Fund's Compliance with the Shariah principles as set out in the annexed statement prepared by the management company for the year ended 30 June 2021, in the form of an independent reasonable assurance conclusion about whether the annexed statement presents fairly the status of the Fund's compliance with Shariah principles specified in the Trust Deed and the guidelines issued by the Shariah Advisor, in all material respects.

Applicable Criteria

The criteria against which the subject matter information (the Statement) is assessed comprise of Shariah principles specified in the Trust Deed and the guidelines issued by the Shariah Advisor.

The above criteria were evaluated for their implementation on the financial statements of the Fund for the year ended 30 June 2021.

Responsibilities of the Management Company

The management company of the Fund is responsible for preparation of the annexed statement that is free from material misstatement and for the information contained therein.

This responsibility includes designing, implementing and maintaining internal controls relevant to the preparation of the annexed statement that is free from material misstatement, whether due to fraud or error. The management company is also responsible to ensure that the financial arrangements and transactions having Shariah implications entered into by the Fund in substance and in their legal form are in compliance with the Shariah principles specified in the Trust Deed and guidelines issued by the Shariah Advisor.

Our Independence and Quality Control

We have complied with the independence and other ethical requirements of the Code of Ethics for Chartered Accountants issued by the Institute of Chartered Accountants of Pakistan, which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behavior.

The firm applies International Standard on Quality Control 1 "Quality Control for Firms That Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements" and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Our responsibilities

Our responsibility is to examine the annexed statement and to report thereon in the form of an independent reasonable assurance conclusion based on the evidence obtained. We conducted our engagement in accordance with International Standard on Assurance Engagements (ISAE) 3000 (Revised), Assurance Engagements Other Than Audits or Reviews of Historical Financial Information issued by the International Auditing and Assurance Standards Board. That standard requires that we plan and perform our procedures to obtain reasonable assurance about whether the annexed statement presents fairly the status of the Fund's compliance with the Shariah principles specified in the Trust Deed and the guidelines issued by the Shariah Advisor, in all material respects. The procedures selected depend on our judgment, including the assessment of the risks of material non-compliances with Shariah principles and guidelines whether due to fraud or error. In making those risk assessments, we have considered internal control relevant to financial arrangements and transactions having Shariah implications, in order to design assurance procedures that are appropriate in the circumstances, but not for the purposes of expressing a conclusion as to the effectiveness of the Fund's internal control. Reasonable assurance is less than absolute assurance.

The procedures performed included performing tests of controls for making investments and maintaining bank accounts in accordance with the Shariah principles specified in the Trust Deed and the guidelines issued by the Shariah Advisor.

Conclusion

Our conclusion has been formed on the basis of, and is subject to, the matters outlined in this report. We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion.

In our opinion, the annexed statement, for the year ended 30 June 2021, presents fairly the status of the Fund's compliance with the Shariah principles specified in the Trust Deed and the guidelines issued by the Shariah Advisor, in all material respects.

Date: 30 September 2021

Karachi

KPMG Taseer Hadi & Co.
Chartered Accountants

CENTRAL DEPOSITORY COMPANY OF PAKISTAN LIMITED

Head Office:
CDC House, 99-B, Block 'B'
S.M.C.H.S., Main Shahra-e-Faisal
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TRUSTEE REPORT TO THE UNIT HOLDERS

JS ISLAMIC DEDICATED EQUITY FUND

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

We, Central Depository Company of Pakistan Limited, being the Trustee of JS Islamic Dedicated Equity Fund (the Fund) are of the opinion that JS Investments Limited being the Management Company of the Fund has in all material respects managed the Fund during the year ended June 30, 2021 in accordance with the provisions of the following:

(i) Limitations imposed on the investment powers of the Management Company under the constitutive documents of the Fund;

(ii) The pricing, issuance and redemption of units are carried out in accordance with the requirements of the constitutive documents of the Fund; and

(iii) The Non-Banking Finance Companies (Establishment and Regulations) Rules, 2003, the Non-Banking Finance Companies and Notified Entities Regulations, 2008 and the constitutive documents of the Fund.

Badiuddin Akber
Chief Executive Officer
Central Depository Company of Pakistan Limited

Karachi, September 17, 2021

INDEPENDENT AUDITOR'S REPORT

To the Unit Holders of JS Islamic Dedicated Equity Fund

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of JS Islamic Dedicated Equity Fund ("the Fund"), which comprise the statement of assets and liabilities as at 30 June 2021, income statement, statement of comprehensive income, statement of movement in unit holders' fund, cash flow statement for the year then ended, and notes to the financial statements, including summary of significant accounting policies and other explanatory information.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Fund as at 30 June 2021, and of its financial performance and its cash flows for the year then ended in accordance with accounting and reporting standards as applicable in Pakistan.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) as applicable in Pakistan. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Fund in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) as adopted by the Institute of Chartered Accountants of Pakistan together with the ethical requirements that are relevant to our audit of the financial statements in Pakistan and we have fulfilled our other ethical responsibilities in accordance with the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current year. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these mattes.

Following is the key audit matter:

No.	Key Audit Matter(s)	How the matter was addressed in our audit
1	*Investments – Valuation of investments* Refer note 4.1 and 6 to the financial statements for accounting policies and details of investments. As at 30 June 2021, the Fund has investments classified as "Fair value through profit or loss" amounting to Rs. 37.661 million in aggregate representing 77% of net assets value of the Fund. We identified valuation of investments as a key audit matter because of its significance in relation to the net asset value of the fund.	Our audit procedures included the following: • obtaining an understanding of and testing the design and operating effectiveness of the key controls for the valuation of investments; and • assessing, on a sample basis, whether investments were valued at fair value based on the rates quoted by Pakistan Stock Exchange (PSX).

Other Information

Management is responsible for the other information. The other information comprises the information included in the annual report, but does not include the financial statements and our auditors' report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Board of Directors for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting and reporting standards as applicable in Pakistan, and for such internal control as Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, Management is responsible for assessing the Fund's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Fund or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are responsible for overseeing the Fund's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs as applicable in Pakistan will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs as applicable in Pakistan, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.

- Conclude on the appropriateness of Management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Fund to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with thea Board of Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Board of Directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the Board of Directors, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interes t benefits of such communication.

Report on Other Legal and Regulatory Requirements

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

The engagement partner responsible on the audit resulting in this independent auditor's report is Amyn Pirani.

Date: September 30, 2021

Karachi

KPMG Taseer Hadi & Co.
Chartered Accountants

FINANCIAL STATEMENTS

Statement of Assets and Liabilities

As at 30 June 2021

	Note	30 June 2021	30 June 2020
		-----------Rupees-----------	
Assets			
Bank balances	5	**6,631,909**	533,443
Investments	6	**37,661,239**	6,571,929
Deposits and other receivable	7	**7,683,724**	8,461,429
Deferred formation cost	8	**100,395**	161,907
Total assets		**52,077,267**	15,728,708
Liabilities			
Payable to the Management Company (Wakeel)	9	**2,389,489**	2,300,500
Remuneration payable to the Trustee	10	**9,918**	1,538
Annual fee payable to the Securities and Exchange Commission of Pakistan (SECP)	11	**10,510**	153,407
Accrued expenses and other liabilities	12	**599,307**	278,945
Total liabilities		**3,009,224**	2,734,390
Contingencies and commitments	14		
Net assets		**49,068,043**	12,994,318
Unit holders' funds		**49,068,043**	12,994,318
		--------Number of units--------	
Number of units in issue		**631,153**	218,924
		-----------Rupees-----------	
Net assets value per unit		**77.74**	59.36

The annexed notes from 1 to 24 and annexure form an integral part of these financial statements.

For JS Investments Limited
(Management Company)

Chief Executive Officer | **Chief Financial Officer** | **Director**

Income Statement
For the year ended 30 June 2021

	Note	30, June 2021	30, June 2020
		-----------Rupees-----------	
Income			
Gain / (loss) on sale of investments at fair value through profit or loss - net		**6,938,305**	(782,984,956)
Net Unrealised appreciation on re-measurement of investments 'at fair value through profit or loss'	6.2	**6,115,178**	348,008
Dividend income	18	**1,066,677**	18,554,438
Profit on bank balances		**420,276**	14,506,127
Liability no longer payable reversed by the Fund		**-**	2,262,820
Other Income		**-**	813,890
Total Income		**14,540,436**	(746,499,673)
Expenses			
Remuneration of the Management Company (Wakeel)	9.1	**1,050,789**	15,339,865
Sindh sales tax on the Management Company's (Wakeel) remuneration		**136,609**	1,994,189
Remuneration of the Trustee	10	**105,190**	1,131,912
Sindh sales tax on Trustee remuneration		**13,674**	147,149
Annual fee to the Securities and Exchange Commission of Pakistan (SECP)	11	**10,535**	153,432
Amortization of deferred formation cost	8	**61,511**	62,610
Bank and settlement charges		**5,087**	28,096
Securities transactions cost		**593,562**	18,917,147
Auditors' remuneration	17	**302,575**	250,750
Listing fees		**25,000**	20,000
SECP Supervisory fee		**2,500**	1,999
Selling and marketing expense	9.3	**-**	3,067,970
Accounting and operational charges	9.2	**52,537**	766,992
Shariah advisory fee		**18,283**	146,737
CDC custodian charges		**17,229**	495,881
Provision for Sindh Workers' Welfare Fund	12.1	**242,109**	-
Charity	18	**39,900**	828,079
Total Expenses		**2,677,090**	43,352,808
Taxation	15	**-**	-
Net income / (loss) for the year		**11,863,346**	(789,852,481)
Allocation of net income for the year:			
- Net Income for the year		**11,863,346**	-
- Income already paid on units redeemed		**(5,074,308)**	-
Accounting income available for distribution		**6,789,038**	-
Accounting income available for distribution:			
- Relating to capital gains		**13,053,483**	-
- Excluding capital gains		**(6,264,445)**	-
		6,789,038	-

The annexed notes from 1 to 24 and annexure form an integral part of these financial statements.

For JS Investments Limited
(Management Company)

Chief Executive Officer	**Chief Financial Officer**	**Director**

Statement of Comprehensive Income
For the year ended 30 June 2021

	30, June 2021	30, June 2020
	-----------Rupees-----------	
Net income / (loss) for the year	**11,863,346**	(789,852,481)
Other comprehensive income for the year	**-**	-
Total comprehensive income for the year	**11,863,346**	(789,852,481)

The annexed notes from 1 to 24 and annexure form an integral part of these financial statements.

For JS Investments Limited
(Management Company)

Chief Executive Officer **Chief Financial Officer** **Director**

Cash Flow Statement

For the year ended on 30 June 2021

	30, June 2021	30, June 2020
	-----------Rupees-----------	
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income for the year after taxation	**11,863,346**	(789,852,481)
Adjustments for:		
Interest on bank balances	**(420,276)**	(14,506,127)
Loss on sale of investments at fair value through profit and loss - net	**(6,938,305)**	782,984,956
Unrealised loss / income on revaluation of investments at fair value through profit and loss - net	**(6,115,178)**	(348,008)
Dividend Income on investments at fair value through profit or loss	**(1,066,677)**	(17,726,359)
Reversal of liability no longer payable	**-**	(2,262,820)
Amortisation of deferred formation cost	**61,511**	62,610
Other income	**-**	(813,890)
	(2,615,579)	(42,462,119)
(Increase) / Decrease in assets		
Other Receivable	**2,972**	(8,008)
Security deposit to National Clearing Company of Pakistan Limited	**-**	(2,500,000)
Receivable from management company	**813,890**	-
	816,862	(2,508,008)
Increase / (decrease) in liabilities		
Payable to the Management Company (Wakeel)	**88,989**	1,456,703
Remuneration payable to Trustee	**8,380**	(63,466)
Annual fee payable to Securities and Exchange Commission of Pakistan	**(142,897)**	(645,029)
Accrued expenses and other liabilities	**320,362**	(13,886)
	274,834	734,322
Mark-up on bank profit received	**393,784**	14,858,138
Dividend received	**1,054,012**	17,726,359
Income tax (deducted at source)	**-**	(670,916)
Net cash flows from operating activities	**(76,087)**	(12,322,224)
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of investments	**(91,440,048)**	(5,744,841,598)
Sale of investments	**73,953,650**	4,976,932,803
Payment made upon exercise of right shares	**(549,427)**	-
	(18,035,825)	(767,908,795)
CASH FLOWS FROM FINANCING ACTIVITIES		
Amount received on issuance of units	**69,338,187**	6,185,018,049
Amount paid on the redemption of units	**(45,127,809)**	(5,405,313,216)
Net cash flows from financing activities	**24,210,378**	779,704,833
Increase / (decrease) in cash and cash equivalents during the year	**6,098,466**	(526,186)
Cash and cash equivalents at beginning of the year	**533,443**	1,059,629
Cash and cash equivalents at end of the year	**6,631,909**	533,443

The annexed notes from 1 to 24 and annexure form an integral part of these financial statements.

For JS Investments Limited
(Management Company)

Chief Executive Officer | **Chief Financial Officer** | **Director**

Statement of Movement in Unit Holders'

For the year ended on 30 June 2021

	2021			2020		
	Capital value	**Undistributed income / (loss)**	**Net asset**	Capital value	Undistributed income / (loss)	Net asset
	(Rupees)					
Net assets at the beginning of the year	**910,741,533**	**(897,747,214)**	**12,994,319**	131,036,700	(107,894,733)	23,141,967
Issuance of 1,049,374 units (2020: 75,341,727 units)						
- Capital value	**62,290,841**	**-**	**62,290,841**	5,465,912,417	-	5,465,912,417
- Element of income	**7,047,346**	**-**	**7,047,346**	719,105,632	-	719,105,632
Total proceeds on issuance of units	**69,338,187**	**-**	**69,338,187**	6,185,018,049	-	6,185,018,049
Redemption of 637,145 units (2020: 75,441,790 units)						
- Capital value	**(37,820,927)**	**-**	**(37,820,927)**	(5,473,171,815)	-	(5,473,171,815)
- Element of income	**(2,232,574)**	**(5,074,308)**	**(7,306,879)**	67,858,599		67,858,599
Total payments on redemption of units	**(40,053,501)**	**(5,074,308)**	**(45,127,809)**	(5,405,313,216)		(5,405,313,216)
Total comprehensive income for the period	**-**	**11,863,346**	**11,863,346**	-	(789,852,481)	(789,852,481)
Net assets at the end of the period	**940,026,219**	**(890,958,176)**	**49,068,043**	910,741,533	(897,747,214)	12,994,319
Undistributed income brought forward:						
- Realized loss at beginning of the period		**(898,095,221)**			(67,757,290)	
- Unrealized loss at beginning of the period		**348,008**			(40,137,443)	
		(897,747,214)			(107,894,733)	
Accounting income available for distribution						
- Relating to capital gains		13,053,483			-	
- Excluding capital gains		(6,264,445)			-	
Total comprehensive loss for the year					(789,852,481)	
Undistributed loss at end of the period		**(890,958,176)**			(897,747,214)	
Represented by:						
Realized loss at the end of the year		**(891,306,184)**			(898,095,221)	
Unrealized loss at the end of the year		**348,008**			348,008	
		(890,958,176)			(897,747,214)	
			(Rupees)			(Rupees)
Net assets value per unit at beginning of the year			**59.36**			72.55
Net assets value per unit at end of the year			**77.74**			59.36

The annexed notes from 1 to 24 and annexure form an integral part of these financial statements.

For JS Investments Limited
(Management Company)

Chief Executive Officer | **Chief Financial Officer** | **Director**

Notes to the Financial Statements
For the year ended on 30 June 2021

1 LEGAL STATUS AND NATURE OF BUSINESS

1.1 JS Islamic Dedicated Equity Fund ("the Fund") was established under the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (NBFC Rules) as an open-end unit trust scheme. The Fund is governed under Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 and Non-Banking Finance Companies and Notified Entities Regulations, 2008. JS Investments Limited is the Management company (Wakeel) of the Fund, and Central Depository Company Limited is the Trustee. The Trust Deed was executed on 25 January 2018 and was approved by the Securities and Exchange Commission of Pakistan (SECP) on 16 January 2018.

1.2 Being an Islamic Fund, all the activities of the Fund are undertaken in accordance with the Islamic Shariah rules and principles. The Management Company (Wakeel) has appointed a Shariah Supervisory Council whose advice is followed to ensure that activities of the Fund are in compliance with Shariah.

1.3 The Fund is an open end mutual fund categorized as "Equity Scheme" and is listed on the Pakistan Stock Exchange. The objective of JS Islamic Dedicated Equity Fund is to provide other 'Fund of Funds' schemes a Shariah Compliant avenue for taking exposure in Shariah Complaint Equities. Only other Fund of Funds' schemes may submit applications for the Purchase of units of the JS Islamic Dedicated Equity Fund. The Fund is not actively marketed to retail or institutional investors. The Fund is required to maintain at least 70% of its net assets invested in listed equity securities.

1.4 Regulation 54(3a) of the NBFC and Notified Entities Regulations 2008 requires that the net assets of an open ended scheme shall be one hundred million rupees at all times during the lifetime of the scheme. However, Securities and Exchange Commission of Pakistan vide its approval letter of 05 March 2018 has exempted the Fund from having a minimum fund size of Rs. 100 million, as is applicable to other open-end collection investment schemes. Moreover, as per clause 3.18 offering document, there shall be no minimum fund size requirement for the Fund. The Fund will not be actively marketed to retail or institutional investors, therefore, the Fund size may decline to zero when there are no "Fund-of-Funds" invested in the Fund.

1.5 The Management Company (Wakeel) of the Fund has obtained a license to act as an Asset Management Company from Securities and Exchange Commission of Pakistan (SECP). Registered office of JS Investments Limited is situated at The Centre,19th Floor, Plot No.28 SB-5, Abdullah Haroon Road, Saddar Karachi-74400.

1.6 Title to the assets of the Fund is held in the name of Central Depository Company of Pakistan Limited as a trustee of the Fund.

1.7 The JCR-VIS Credit Rating Company Limited has maintained asset manager rating of the Management Company (Wakeel) of the Fund to the scale AM2' (stable outlook) dated 1 September 2020.

1.8 Due to the enactment of the Sindh Trusts Act, 2020 (as amended vide Sindh Trusts (Amended) Act, 2021), the Trusts including Collective Investment Schemes, private Funds etc, being Specialized Trusts are required to be registered with the Assistant Director of Industries and Commerce (Trust Wing), Government of Sindh under Section 12A of the Sindh Trusts Act, 2020. For this purpose, Re-Stated Trust Deeds of all Funds have been executed between the Management Company and the Trustees and all the relevant Trust Deeds alongwith necessary documents have been submitted with Assistant Director of Industries and Commerce (Trust Wing), Government of Sindh

2 BASIS OF PREPARATION

The transactions undertaken by the Fund are in accordance with the process prescribed under the Shariah guidelines issued by the Shariah Supervisory Council. However, these transactions are recorded and presented in accordance with substance and the accounting frame work as explained below.

2.1 Statement of compliance

These financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan. The accounting and reporting standards applicable in Pakistan comprise of:

- International Financial Reporting Standards (IFRS Standards) issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017;
- Provisions of and directives issued under the Companies Act, 2017 along with part VIIIA of the repealed Companies Ordinance, 1984; and
- Non-Banking Finance Companies (Establishment and Regulations) Rules, 2003 (the NBFC Rules), Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the NBFC Regulations).

Where provisions of and directives issued under the Companies Act, 2017, part VIIIA of the repealed Companies Ordinance, 1984, the NBFC Rules and the NBFC Regulations differ from the IFRS Standards, the provisions of and directives issued under the Companies Act, 2017, part VIIIA of the repealed Companies Ordinance, 1984, the NBFC Rules and the NBFC Regulations have been followed.

2.2 Basis of measurement

These financial statements have been prepared under the historical cost convention, except that investments are measured at fair value.

2.3 Functional and presentation currency

These financial statements are presented in Pak Rupees, which is the fund's functional and presentation currency. All amount have been rounded off to the nearest of rupees, unless otherwise indicated.

2.4 Critical accounting estimates and judgments

In preparing these financial statements, management has made judgement, estimates and assumptions that affect the application of the Fund's accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revision to estimates are recognized prospectively. Information about judgements made in applying accounting policies that have the most significant effects on the amount recognized in the financial statements to the carrying amount of the assets and liabilities and assumptions and estimation uncertainties that have a significant risk resulting in a material adjustment in the subsequent year relates to;

(a) Classification of financial assets (Note 4.1.1)
(b) Valuation and impairment of financial assets (Note 4.1.5)
(c) Provisions (Note 4.10)
(d) Element of income (Note 4.8)
(e) Taxation (Note 4.9)

3 CHANGES IN ACCOUNTING STANDARDS, INTERPRETATION AND AMENDMENTS TO PUBLISHED APPROVED ACCOUNTING STANDARDS

3.1 New accounting standards, amendments and IFRS interpretations that are effective for the year ended 30 June 2021

There are certain other new and amended standards, interpretations and amendments that are mandatory for the Fund's accounting periods beginning on or after 1 July 2020 but are considered not to be relevant or do not have any significant effect on the Fund's operations and therefore are not detailed in these financial statements.

3.2 New accounting standards, amendments and IFRS interpretations that are not yet effective

The following International Financial Reporting Standards (IFRS Standards) as notified under the Companies Act, 2017 and the amendments and interpretations thereto will be effective for accounting periods beginning on or after 01 July 2021:

- Interest Rate Benchmark Reform - Phase 2 which amended IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16 is applicable for annual financial periods beginning on or after 1 January 2021, with earlier application permitted. The amendments introduce a practical expedient to account for modifications of financial assets or financial liabilities if a change results directly from IBOR reform and occurs on an 'economically equivalent' basis. In these cases, changes will be accounted for by updating the effective interest rate. A similar practical expedient will apply under IFRS 16 for lessees when accounting for lease modifications required by IBOR reform. The amendments also allow a series of exemptions from the regular, strict rule around hedge accounting for hedging relationships directly affected by the interest rate benchmark reforms. The amendments apply retrospectively with earlier application permitted. Hedging relationships previously discontinued solely because of changes resulting from the reform will be reinstated if certain conditions are met.

COVID-19-Related Rent Concessions (Amendment to IFRS 16) - the International Accounting Standards Board (the Board) has issued amendments to IFRS 16 (the amendments) to provide practical relief for lessees in accounting for rent concessions. The amendments are effective for periods beginning on or after 1 June 2020, with earlier application permitted. Under the standard's previous requirements, lessees assess whether rent concessions are lease modifications and, if so, apply the specific guidance on accounting for lease modifications. This generally involves remeasuring the lease liability using the revised lease payments and a revised discount rate. In light of the effects of the COVID-19 pandemic, and the fact that many lessees are applying the standard for the first time in their financial statements, the Board has provided an optional practical expedient for lessees. Under the practical expedient, lessees are not required to assess whether eligible rent concessions are lease modifications, and instead are permitted to account for them as if they were not lease modifications.

- The practical expedient introduced in the 2020 amendments only applied to rent concessions for which any reduction in lease payments affected payments originally due on or before 30 June 2021. In light of persistence of economic challenges posed by the COVID-19 pandemic, the Board has extended the practical expedient for COVID-19 related rent concessions by one year i.e. permitting lessees to apply it to rent concessions for which any reduction in lease payments affects only payments originally due on or before 30 June 2022.

- Rent concessions are eligible for the practical expedient if they occur as a direct consequence of the COVID-19 pandemic and if all the following criteria are met:

  - the change in lease payments results in revised consideration for the lease that is substantially the same as, or less than, the consideration for the lease immediately preceding the change;

  - any reduction in lease payments affects only payments originally due on or before 30 June 2022; and

  - there is no substantive change to the other terms and conditions of the lease.

- Onerous Contracts - Cost of Fulfilling a Contract (Amendments to IAS 37) effective for the annual periods beginning on or after 1 January 2022 amends IAS 1 by mainly adding paragraphs which clarifies what comprises the cost of fulfilling a contract, Cost of fulfilling a contract is relevant when determining whether a contract is onerous. An entity is required to apply the amendments to contracts for which it has not yet fulfilled all its obligations at the beginning of the annual reporting period in which it first applies the amendments (the date of initial application). Restatement of comparative information is not required, instead the amendments require an entity to recognize the cumulative effect of initially applying the amendments as an adjustment to the opening balance of retained earnings or other component of equity, as appropriate, at the date of initial application.

- The following annual improvements to IFRS Standards 2018-2020 are effective for annual reporting periods beginning on or after 1 January 2022:

  - IFRS 9 – The amendment clarifies that an entity includes only fees paid or received between the entity (the borrower) and the lender, including fees paid or received by either the entity or the lender on the other’s behalf, when it applies the ‘10 per cent’ test in paragraph B3.3.6 of IFRS 9 in assessing whether to derecognize a financial liability.

  - IFRS 16 – The amendment partially amends Illustrative Example 13 accompanying IFRS 16 by excluding the illustration of reimbursement of leasehold improvements by the lessor. The objective of the amendment is to resolve any potential confusion that might arise in lease incentives.

  - IAS 41 – The amendment removes the requirement in paragraph 22 of IAS 41 for entities to exclude taxation cash flows when measuring the fair value of a biological asset using a present value technique.

- Property, Plant and Equipment: Proceeds before Intended Use (Amendments to IAS 16) effective for annual periods beginning on or after 1 January 2022 clarifies that sales proceeds and costs of items produced while bringing an item of property, plant and equipment to the location and condition necessary for it to be capable of operating in the manner intended by management e.g. when testing etc., are recognized in profit or loss in accordance with applicable Standards. The entity measures the cost of those items applying the measurement requirements of IAS 2. The standard also removes the requirement of deducting the net sales proceeds from cost of testing. An entity shall apply those amendments retrospectively, but only to items of property, plant and equipment that are brought to the location and condition necessary for them to be capable of operating in the manner intended by management on or after the beginning of the earliest period presented in the financial statements in which the entity first applies the amendments. The entity shall recognize the cumulative effect of initially applying the amendments as an adjustment to the opening balance of retained earnings (or other component of equity, as appropriate) at the beginning of that earliest period presented.

- Reference to the Conceptual Framework (Amendments to IFRS 3) - Reference to the Conceptual Framework, issued in May 2020, amended paragraphs 11, 14, 21, 22 and 23 of and added paragraphs 21A, 21B, 21C and 23A to IFRS 3 . An entity shall apply those amendments to business combinations for which the acquisition date is on or after the beginning of the first annual reporting period beginning on or after 1 January 2022. Earlier application is permitted if at the same time or earlier an entity also applies all the amendments made by Amendments to References to the Conceptual Framework in IFRS Standards, issued in March 2018.

- Classification of liabilities as current or non-current (Amendments to IAS 1) amendments apply retrospectively for the annual periods beginning on or after 1 January 2023. These amendments in the standards have been added to further clarify when a liability is classified as current. The standard also amends the aspect of classification of liability as non-current by requiring the assessment of the entity's right at the end of the reporting period to defer the settlement of liability for at least twelve months after the reporting period. An entity shall apply those amendments retrospectively in accordance with IAS 8.

- Disclosure of Accounting Policies (Amendments to IAS 1 and IFRS Practice Statement 2) – the Board has issued amendments on the application of materiality to disclosure of accounting policies and to help companies provide useful accounting policy disclosures. The key amendments to IAS 1 include:

  - requiring companies to disclose their material accounting policies rather than their significant accounting policies;

  - clarifying that accounting policies related to immaterial transactions, other events or conditions are themselves immaterial and as such need not be disclosed; and

  - clarifying that not all accounting policies that relate to material transactions, other events or conditions are themselves material to a Fund's financial statements.

- The Board also amended IFRS Practice Statement 2 to include guidance and two additional examples on the application of materiality to accounting policy disclosures. The amendments are effective for annual reporting periods beginning on or after 1 January with earlier application permitted.

- Definition of Accounting Estimates (Amendments to IAS 8) – The amendments introduce a new definition for accounting estimates clarifying that they are monetary amounts in the financial statements that are subject to measurement uncertainty.

- The amendments also clarify the relationship between accounting policies and accounting estimates by specifying that a Fund develops an accounting estimate to achieve the objective set out by an accounting policy. The amendments are effective for periods beginning on or after 1 January 2023, and will apply prospectively to changes in accounting estimates and changes in accounting policies occurring on or after the beginning of the first annual reporting period in which the Fund applies the amendments.

- Deferred Tax related to Assets and Liabilities arising from a Single Transaction (Amendments to IAS 12) – The amendments narrow the scope of the initial recognition exemption (IRE) so that it does not apply to transactions that give rise to equal and offsetting temporary differences. As a result, companies will need to recognise a deferred tax asset and a deferred tax liability for temporary differences arising on initial recognition of a lease and a decommissioning provision. For leases and decommissioning liabilities, the associated deferred tax asset and liabilities will need to be recognised from the beginning of the earliest comparative period presented, with any cumulative effect recognised as an adjustment to retained earnings or other components of equity at that date. The amendments are effective for annual reporting periods beginning on or after 1 January 2023 with earlier application permitted.

- Sale or Contribution of Assets between an Investor and its Associate or Joint Venture (Amendments to IFRS 10 and IAS 28) – The amendment amends accounting treatment on loss of control of business or assets. The amendments also introduce new accounting for less frequent transaction that involves neither cost nor full step-up of certain retained interests in assets that are not businesses. The effective date for these changes has been deferred indefinitely until the completion of a broader review.

Above amendments are not likely to have any material effect on the Fund's financial statements.

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

4.1 Financial assets

4.1.1 Classification

On initial recognition, a financial asset is classified as measured at: amortised cost FVOCI or FVTPL.
A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

- it is held within a business model whose objective is to hold assets to collect contractual cash flows; and

- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

All financial assets not classified as measured at amortised cost as described above are measured at FVTPL. On initial recognition, the Fund may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Business model assessment

The Fund makes an assessment of the objective of a business model in which an asset is held at a portfolio level because this best reflects the way the business is managed and information is provided to management. The information considered includes:

- the stated policies and objectives for the portfolio and the operation of those policies in practice. In particular, whether management's strategy focuses on earning contractual interest revenue, maintaining a particular interest rate profile or realising cash flows through the sale of the assets;

- how the performance of the portfolio is evaluated and reported to the Fund's management;

- the risks that affect the performance of the business model (and the financial assets held within that business model) and its strategy for how those risks are managed;

- how managers of the business are compensated (e.g. whether compensation is based on the fair value of the assets managed or the contractual cash flows collected); and

- the frequency, volume and timing of sales in prior periods, the reasons for such sales and its expectations about future sales activity. However, information about sales activity is not considered in isolation, but as part of an overall assessment of how the Fund's stated objective for managing the financial assets is achieved and how cash flows are realised.

Financial assets that are held for trading or managed and whose performance is evaluated on a fair value basis are measured at FVTPL because they are neither held to collect contractual cash flows nor held both to collect contractual cash flows and to sell financial assets.

Assessment of whether contractual cash flows are solely payments of principal and interest

For the purposes of this assessment on debt securities, 'principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as markup margin.

In assessing whether the contractual cash flows are SPPI, the Fund considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making the assessment, the Fund considers:

- contingent events that would change the amount and timing of cash flows;
- leverage features;
- prepayment and extension terms;
- terms that limit the Fund's claim to cash flows from specified assets (e.g. non-recourse loans); and
- features that modify consideration of the time value of money (e.g. periodical reset of interest rates).

The Fund has determined that it has two business models.

- Held-to-collect business model: this includes cash and cash equivalents and debt securities. These financial assets are held to collect contractual cash flow.

- Other business model: this includes equity securities. These financial assets are managed and their performances is evaluated, on a fair value basis, with frequent sales taking place.

Reclassifications

Financial assets are not reclassified subsequent to their initial recognition, except in the period after the Fund changes its business model for managing financial assets.

4.1.2 Regular way contracts

Regular purchases and sales of financial assets are recognised on the trade date - the date on which the Fund commits to purchase or sell the asset.

4.1.3 Initial recognition and measurement

Financial assets are initially recognised at fair value plus transaction costs except for financial assets carried at fair value through profit or loss. Financial assets carried at fair value through profit or loss are initially recognised at fair value and transaction costs are expensed in the income statement.

4.1.4 Subsequent measurement

The following accounting policies apply to the subsequent measurement of financial assets:

Financial assets at FVTPL	These assets are subsequently measured at fair value. Net gains and losses, including any markup or dividend income, are recognised in income statement.
Financial assets at amortized cost	These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Markup income, foreign exchange gains and losses and impairment are recognised in income statement.

The fair value of financial assets are determined as follows:

a) Basis of valuation of equity securities

The equity securities are valued on the basis of closing quoted market prices available at the Pakistan Stock Exchange.

4.1.5 Impairment of financial assets

Financial assets at amortised cost

The Fund assesses at each reporting date whether there is an objective evidence that the financial asset or a group of financial assets is impaired. If such an indication exists, the recoverable amount of such asset is estimated. An impairment loss is recognised whenever the carrying amount of an asset exceeds its recoverable amount. In relation to the impairment of financial assets, IFRS 9 requires an expected credit loss model. The expected credit loss model requires an entity to account for expected credit losses and changes in those expected credit losses at each reporting date to reflect changes in credit risk since initial recognition.

4.1.6 Derecognition

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

4.1.7 Offsetting of financial assets and financial liabilities

Financial assets and financial liabilities are offset and the net amount is reported in the Statement of Assets and Liabilities when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

4.1.8 Cash and cash equivalents

Cash and cash equivalents comprise of deposits and current accounts maintained with banks. Cash equivalents are short term highly liquid investments that are readily convertible to known amounts of cash, are subject to an insignificant risk of changes in value, and are held for the purpose of meeting short term cash commitments rather than for investments and other purposes.

4.1.9 Trade date accounting

All regular way purchases and sales of investments are recognised on the trade date, i.e. the date on which commitment to purchase / sale is made by the Fund. Regular way purchases or sales of investment require delivery of securities within two days after transaction date as required by stock exchange regulations.

4.2 Financial liabilities

All financial liabilities are recognised at the time when the Fund becomes a party to the contractual provisions of the instrument. They are initially recognized at fair value and subsequently stated at amortised cost. A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expired.

4.3 Dividend distribution

Distributions declared subsequent to the year end reporting date are considered as non-adjusting events and are recognised in the financial statements of the period in which such distributions are declared. Based on MUFAP's guidelines (duly consented upon by SECP) distributions for the year is deemed to comprise of the portion of amount of income already paid on units redeemed and the amount of cash distribution for the year.

The distribution per unit is announced based on units that were held for the entire period. The rate of distribution is adjusted for the effect of refund of capital if any based on the period of investment made during the year. Resultantly, the rate of distribution per unit may vary depending on the period of investment.

4.4 Deferred formation cost

This represents expenses incurred in connection with the incorporation, establishment and registration of the Fund as per NBFC Regulations. As per offering document, these expenses are being amortised to the income statement over a period of not less than five years or maturity of relevant Allocation Plan, whichever is earlier (refer note 8).

4.5 Issue and redemption of units

Units issued are recorded at the offer price, determined by the Management Company for the applications received by the distributors / Management Company during business hours on that day. The offer price represents the net assets value per unit as of the close of the business day plus the allowable sales load, provision for transaction costs and any provision for duties and charges, if applicable. The sales load is payable to the investment facilitators, distributors and the Management Company.

Units redeemed are recorded at the redemption price, applicable to units for which the distributors receive redemption applications during business hours of that day. The redemption price represents the net assets value per unit as of the close of the business day less any back-end load, any duties, taxes, charges on redemption and any provision for transaction costs, if applicable.

4.6 Net assets value per unit

The net assets value per unit disclosed in the statement of assets and liabilities is calculated by dividing the net assets of the Fund by the number of units in issue at the year end.

4.7 Revenue recognition

- Realised gains / (losses) arising on sale of investments are included in the Income Statement on the date at which transactions take place.

- Unrealised appreciation / (diminution) arising on re-measurement of investments classified as financial assets 'at fair value through profit or loss ' are included in the income statement in the period in which they arise.

- Profit on bank deposits, term deposit receipts, mark-up / return on investments in debt securities and income from government securities is recognised using the effective yield method.

4.8 Element of income / loss and capital gains / losses in prices of units sold less those in units

Element of Income represents the difference between net assets value on the issuance or redemption date, as the case may be, of units and the Net asset Value (NAV) at the beginning of the relevant accounting period.

Element of Income is a transaction of capital nature and the receipt and payment of element of income is taken to unit holders' fund; however, to maintain same ex-dividend net asset value of all units outstanding on accounting date, net element of income contributed on the issue of units lying in unit holders fund is refunded on units (refund of capital) in the same proportion as dividend bears to accounting income available for distribution. As per the guidelines provided by MUFAP (MUFAP Guidelines consented upon by SECP) the refund of capital is made in the form of additional units at zero price. Income already paid on redemption of units during the year are taken separately in the statement of movement in unitholders' fund.

MUFAP, in consultation with the SECP, has specified methodology for determination of income paid on units redeemed (income already paid) during the year under which such income is paid on gross element received and is calculated from the latest date at which the Fund achieved net profitability during the year. The income already paid (Element of Income) on redemption of units during the year are taken separately in statement of movement in unitholders' fund.

4.9 Taxation

The income of the Fund is exempt from income tax under clause 99 of Part I of the Second Schedule to the Income Tax Ordinance, 2001 subject to the condition that not less than ninety percent of its accounting income for the year, as reduced by capital gains, whether realised or unrealised, is distributed among the unit holders, provided that for the purpose of determining distribution of not less than 90% of its accounting income for the year, the income distributed through bonus units shall not be taken into account.

The Fund is also exempt from the provisions of section 113 (minimum tax) under clause 11A of Part IV of the Second Schedule to the Income Tax Ordinance, 2001.

4.10 Provisions

Provisions are recognised when the Fund has a legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and reliable estimate of the amount can be made. Provision are reviewed at each balance sheet date and are adjusted to reflect the current best estimate.

4.11 Dividend distribution

Distributions declared subsequent to the year end reporting date are considered as non-adjusting events and are recognised in the financial statements of the period in which such distributions are declared. Based on MUFAP's guidelines (duly consented upon by SECP) distributions for the year is deemed to comprise of the portion of amount of income already paid on units redeemed and the amount of cash distribution for the year.

The distribution per unit is announced based on units that were held for the entire period. The rate of distribution is adjusted for the effect of refund of capital if any based on the period of investment made during the year. Resultantly, the rate of distribution per unit may vary depending on the period of investment.

4.12 Other assets

Other assets are stated at cost less impairment losses, if any.

4.13 Earnings per unit (EPU)

Earnings Per Unit (EPU) has not been disclosed as in the opinion of the management, determination of weighted average units for calculating EPU is not practicable.

5 BANK BALANCES

	Note	2021	2020
		(Rupees)	
Profit and loss sharing (PLS) accounts	5.1	**6,579,447**	520,757
Current Account		**52,462**	12,686
		6,631,909	533,443

5.1 This includes balance of Rs. 16,813 (2020: Rs. 34,932) with Bank Islami Pakistan Limited (a related party). The balance carry profit at 6.50% (2020: 6%) per annum. Other PLS accounts of the Fund carry profit at rates ranging between 5% to 6.50% (2020: 5.5% to 7.50%) per annum. Above balances are held with Islamic Banks / Islamic window operations of conventional Bank.

6 INVESTMENTS

	Note	2021	2020
		(Rupees)	
At fair value through profit and loss			
Listed equity securities	6.1	**37,661,239**	6,571,929

6.1 Listed equity securities
(face value of Rs. 10/- each unless stated otherwise)

Sectors/ Companies	Number of Shares: Holding at start of the year	Purchased during the year	Bonus / right issue during the year	Sold during the year	Holding at end of the year	Carrying value (before revaluation) as at 30 June 2021	Market value as at 30 June 2021	Unrealised appreciation / diminution	Percentage of net assets	Percentage of investee capital
						(Rupees)				
CEMENT										
Pioneer Cement Limited	-	36,000	-	21,598	14,402	1,235,262	1,887,670	652,408	3.85	0.01
D G Khan Cement Company Limited	4,000	8,700	-	6,367	6,333	657,510	746,787	89,277	1.52	0.00
Lucky Cement Limited	500	4,000	-	2,289	2,211	1,358,172	1,909,066	550,894	3.89	0.00
Cherat Cement Company Limited	4,000	20,000	-	13,826	10,174	1,253,712	1,804,664	550,952	3.68	0.01
Maple Leaf Cement Factory Limited	12,500	30,300	-	23,100	19,700	676,542	925,506	248,964	1.89	0.00
						5,181,198	**7,273,693**	**2,092,495**	**14.83**	**0.02**
TEXTILE COMPOSITE										
Nishat Mills Limited	-	20,000	-	14,861	5,139	468,926	479,469	10,543	0.98	0.00
Interloop Limited	-	35,000		16,000	19,000	1,217,500	1,330,570	113,070	2.71	0.00
						1,686,426	**1,810,039**	**123,613**	**3.69**	**-**

Sectors/ Companies	Number of Shares: Holding at start of the year	Purchased during the year	Bonus / right issue during the year	Sold during the year	Holding at end of the year	Carrying value (before revaluation) as at 30 June 2021	Market value as at 30 June 2021	Unrealised appreciation / diminution	Percentage of net assets	Percentage of investee capital
						(Rupees)				
COMMERCIAL BANKS										
Meezan Bank Limited	4,200	10,000	-	14,200	-	-	-	-	-	-
POWER GENERATION & DISTRIBUTION COMPANIES										
Hub Power Company Limited	7,500	66,700	-	47,865	26,335	2,152,568	2,098,109	(54,459)	4.28	0.00
Nishat Chunian Power Limited	-	146,000	-	70,935	75,065	1,217,495	1,127,476	(90,019)	2.30	0.02
						3,370,063	**3,225,585**	**(144,478)**	**6.58**	**0.02**
OIL AND GAS MKTG. COMPANIES										
Shell Pakistan Limited	-	7,900	2,973	7,327	3,546	578,080	621,259	43,179	1.27	0.00
Pakistan State Oil Company Limited	2,500	21,900		13,336	11,064	2,103,649	2,481,102	377,453	5.06	0.00
Sui Northern Gas Pipelines Limited	2,500	1,000	-	2,095	1,405	77,576	68,255	(9,321)	0.14	0.00
						2,759,305	**3,170,616**	**411,311**	**6.47**	**-**
OIL AND GAS EXPLORATION COMPANIES										
Mari Petroleum Company Limited	200	3,000	-	1,905	1,295	1,968,426	1,974,085	5,659	0.04	0.00
Pakistan Oilfields Limited.	500	5,710	-	2,882	3,328	1,245,693	1,310,766	65,073	0.03	0.00
Oil & Gas Development Company Limited	7,000	31,300	-	31,264	7,036	785,897	668,631	(117,266)	0.01	0.00
Pakistan Petroleum Limited	8,000	37,900	-	34,741	11,159	1,058,808	968,936	(89,872)	0.02	0.00
						5,058,824	**4,922,418**	**(136,406)**	**0.10**	**0.00**
FERTILIZERS										
Engro Fertilizers Limited	4,000	15,000	-	19,000	-	-	-	-	-	-
Fauji Fertilizer Company Limited	2,000	22,900	-	24,900	-	-	-	-	-	-
Engro Corporation Limited	1,600	8,800	-	10,400	-	-	-	-	-	-
						-	**-**	**-**	**-**	**-**
PHARMACEUTICALS										
The Searle Company Limited	-	7,700	546	8,226	20	4,646	4,852	206	0.01	0.00
Highnoon laboratories Limited	330	3,800	208	2,045	2,293	1,261,838	1,375,800	113,962	2.80	0.01
IBL HealthCare Ltd	-	20,000		20,000	-	-	-	-	-	-
						1,266,484	**1,380,652**	**114,168**	**2.81**	**0.01**
CHEMICALS										
Berger Paints Pakistan Limited	-	14,500	-	14,500		-	-	-	-	-
Ittehad Chemicals Limited	-	25,500	-	25,500		-	-	-	-	-
Engro Polymer & Chemicals Limited	-	36,500	-	16,398	20,102	851,749	949,618	97,869	1.94	0.00
Pakistan Refinery Limited	-	98,000	-	98,000	-	-	-	-	-	-
Sitara Peroxide Limited	-	47,000	-	47,000	-	-	-	-	-	-
ICI Pakistan Limited	400	2,050	-	1,284	1,166	892,511	1,013,021	120,510	2.06	0.00
						1,744,260	**1,962,639**	**218,379**	**4.00**	**-**
TECHNOLOGY & COMMUNICATIONS										
Systems Limited	-	10,100	-	10,100	-	-	-	-	-	-
ENGINEERING										
Aisha Steel Mills Limited.	-	38,000	-	38,000	-	-	-	-	0.00	0.00
International Steels Limited.	-	26,000	-	15,124	10,876	728,799	1,015,927	287,128	2.07	0.00
Mughal Iron & Steel Industries	-	32,000	1,993	14,542	19,451	1,537,113	2,030,687	493,574	4.14	0.01
						2,265,912	**3,046,614**	**780,702**	**6.21**	**0.01**
GLASS & CERAMICS										
Shabbir Tiles & Ceramics Limited (Face value Rs.5 each)	-	100,000	-	-	100,000	2,408,000	3,335,000	927,000	6.80	0.03
Tariq Glass Industries Limited	3,500	-	-	3,500	-	-	-	-	-	-
						2,408,000	**3,335,000**	**927,000**	**6.80**	0.00
Paper and Board										
Packages Limited	1,000	5,050	-	4,425	1,625	716,657	885,950	169,293	1.81	0.00
Century Paper & Board Mills Limited	-	40,600	5,600	32,926	13,274	1,164,030	1,620,357	456,327	3.30	0.01
Security Papers Ltd	-	11,000	-	11,000	-	-	-	-	-	0.00
Cherat Packaging Ltd	-	8,100	-	4,079	4,021	768,119	799,817	31,698	1.63	0.01
						2,648,806	**3,306,124**	**657,318**	**6.74**	**0.02**
AUTOMOBILE ASSEMBLER										
Honda Atlas Cars Pakistan Limited	700	7,200	-	7,900	-	-	-	-	-	-
Pak Suzuki Motors Co. Ltd	-	9,300	-	5,000	4,300	1,517,838	1,528,392	10,554	3.11	0.01
						1,517,838	**1,528,392**	**10,554**	**3.11**	**0.01**

Sectors/ Companies	Holding at start of the year	Purchased during the year	Bonus / right issue during the year	Sold during the year	Holding at end of the year	Carrying value (before revaluation) as at 30 June 2021	Market value as at 30 June 2021	Unrealised appreciation / diminution	Percentage of net assets	Percentage of investee capital
	Number of Shares					---- (Rupees) ----				
AUTOMOBILE AND PARTS										
Agriauto Industries Limited (Face value Rs.5 each)	-	6,200	-	3,163	3,037	646,945	833,322	186,377	1.70	0.01
FOOD & PERSONAL CARE PRODUCT										
Unity Foods Limited	-	76,500		34,583	41,917	**992,000**	**1,866,145**	**874,145**	**3.80**	-
MISCELLANEOUS										
Siddiqsons Tin Plate limited	-	70,000	-	70,000	-	-	-	-	-	-
Investments at fair value through Profit and Loss as at 30 June 2021						**31,546,061**	**37,661,239**	**6,115,178**		
Investments at fair value through profit and loss as at 30 June 2020						6,223,922	6,571,929	348,007		

6.1.1 Above investments include shares with market value aggregating to Rs.33.699 million (June 30, 2020: Rs.2.942) which have been pledged with the National Clearing Company of Pakistan Limited (NCCPL) as collateral for guaranteeing the settlement of the fund's trades in accordance with Circular No. 11 dated 23 October 2007 issued by the SECP.

Following shares have been pledged with National Clearing Company of Pakistan Limited (NCCPL):

	2021 (Number of Shares)	**2021 Market Value (Rupees)**
Century Paper & Board Mills Limited	**9,000**	**1,098,630**
Cherat Cement Company Limited	**8,297**	**1,471,722**
D.G. Khan Cement Company Limited	**4,541**	**535,475**
Engro Polymer & Chemicals Limited	**14,000**	**661,360**
The Hub Power Company Limited	**18,500**	**1,473,895**
Mari Petroleum Company Limited	**14,351**	**21,876,521**
Nishat Mills Limited	**4,100**	**382,530**
Pakistan Oilfields Limited	**8,000**	**3,150,880**
Pak Suzuki Motor Company Limited	**8,000**	**2,843,520**
Shell Pakistan Limited	**1,168**	**204,634**
	89,957	**33,699,167**

6.2 Net Unrealised appreciation on re-measurement of investments 'at fair value through profit or loss' - net

	Note	**2021**	2020
Market value	*6.1*	**37,661,239**	6,571,929
Carrying value	*6.1*	**(31,546,061)**	(6,223,922)
		6,115,178	348,007

7 DEPOSITS AND OTHER RECEIVABLES

Security Deposit with National Clearing Company (Private) Limited	*7.1*	**2,500,000**	2,500,000
Accrued return on Bank Balances		**55,631**	29,139
Income tax recoverable	*7.2*	**5,010,392**	5,010,392
Security Deposit with Central Depository Company of Pakistan Limited		**100,000**	100,000
Receivable from the Management Company (Wakeel)		-	813,890
Dividend receivable		**12,665**	-
Other receivable		**5,036**	8,008
		7,683,724	8,461,429

7.1 This represents deposit with NCCPL in respect of trading of listed securities.

7.2 This represents withholding tax deducted by certain investee companies on dividends and profit on bank balances. The management is in the process of recovering this amount from the tax authorities.

8 DEFERRED FORMATION COST

	2021	2020
	(Rupees)	
Unamortised cost at the start of the year	**161,907**	224,517
Amortised to the income statement during the year	**(61,511)**	(62,610)
Unamortised cost at end of the year	**100,395**	161,907

8.1 As per the offering document all preliminary and floatation expenses of the Fund including expenses incurred in connection with the establishment and authorization of the Fund, including execution and registration of the Constitutive Documents, issue, legal costs, printing, circulation and publication of the Offering Document, and all expenses incurred for announcing the Fund and other expenses during and up to the Initial Offering Period (IOP) subject to a maximum of one percent (1%) of pre-IOP capital of the Fund or Rupees five million, whichever is lower, shall be borne and reimbursed by the Fund to the Management Company (Wakeel) subject to the audit of expenses. Such Formation Cost shall be amortized over a period of not less than five years effective from 20 March 2018.

9 PAYABLE TO MANAGEMENT COMPANY (WAKEEL)

	Note	2021	2020
		(Rupees)	
Remuneration payable to the Management Company (Wakeel)	9.1	**87,713**	13,608
Sindh sales tax payable on Management Company's (Wakeel) remuneration		**11,394**	1,769
Accounting and Operational Charges allocated to the Fund payable	9.2	**4,384**	680
Selling and Marketing Expenses payable	9.3	**2,284,218**	2,284,218
Shariah Advisory fee payable		**1,780**	225
		2,389,489	2,300,500

9.1 Under the provision of the Non-Banking Finance Companies and Notified Entities Regulations 2008, the Management Company (Wakeel) is entitled to remuneration for services rendered to the Fund up to a maximum of 2% per annum based on the average monthly net assets of the Fund. Management Company has charged remuneration at the rate of 2% per annum based on the daily net assets of the Fund during the year ended 30 June 2021 (2020: 2% per annum).

9.2 Under clause 60(s) of the NBFC Regulations, 2008 the Management Company is allowed to charge fees and expenses relating to registrar services, accounting, operation and valuation services related to the CIS up to the actual expenses.

9.3 SECP vide its Circular 40/2016 dated 30 December 2016,amended through Circular No. 11 of 2019 dated 5 June 2019, according to which the Management Company may charge selling and marketing expenses to all types of open end mutual funds except for Fund of Funds against the cost pertaining to opening and maintenance of all branches in all cities subject to not being higher than actual expenses.Above expenses represents the selling and marketing expenses charged to the Fund in the previous years and not yet paid. In the current year, no such allocation was made.

10 REMUNERATION PAYABLE TO THE TRUSTEE

Central Depository Company of Pakistan Limited (the Trustee) is entitled to a daily remuneration for services rendered to the Fund under the provisions of the trust deed as follows:

- up to rupees one billion	0.2% per annum of the daily net assets.
- exceeding rupees one billion	Rs. 2,000,000 plus 0.1% per annum of the daily net assets of the Fund exceeding rupees one billion.

Details are as follows:

	2021	2020
	(Rupees)	
Trustee remuneration	**8,777**	1,361
Sindh sales tax payable on Trustee remuneration	**1,141**	177
	9,918	1,538

11 ANNUAL FEE OF SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN (SECP)

SECP annual fee is at 0.02% of average daily Net Assets of the Fund.

12 ACCRUED EXPENSES AND OTHER LIABILITIES

	Note	2021	2020
		(Rupees)	
Auditors' remuneration	*17*	**273,500**	250,750
Haram income payable to charitable trust	*18*	**43,221**	3,442
Provision for Sindh Workers' Welfare Fund	*12.1*	**242,109**	-
Other liabilities		**40,477**	24,753
		599,307	278,945

12.1 PROVISION FOR SINDH WORKERS' WELFARE FUND

As a consequence of the 18th amendment to the Constitution of Pakistan, in May 2015 the Sindh Workers' Welfare Fund Act, 2014 (SWWF Act) had been passed by the Government of Sindh as a result of which every industrial establishment located in the Province of Sindh, the total income of which in any accounting year is not less than Rs. 0.50 million, was required to pay Sindh Workers' Welfare Fund (SWWF) in respect of that year a sum equal to two percent of such income. The matter was taken up by MUFAP with the Sindh Revenue Board (SRB) collectively on behalf of various asset management companies and their CISs whereby it was contested that mutual funds should be excluded from the ambit of the SWWF Act as these were not industrial establishments but were pass through investment vehicles and did not employ workers. The SRB held that mutual funds were included in the definition of financial institutions as per the Financial Institution (Recovery of Finances) Ordinance, 2001 and were, hence, required to register and pay SWWF under the SWWF Act. Thereafter, MUFAP had taken up the matter with the Sindh Finance Ministry to have CISs/mutual funds excluded from the applicability of SWWF. In view of the above developments regarding the applicability of SWWF on CISs / mutual funds, MUFAP recommended that, as a matter of abundant caution, provision in respect of SWWF should be made on a prudent basis with effect from the date of enactment of the SWWF Act, 2014 (i.e. starting from May 21, 2015). The Funds have accordingly made provision in respect of SWWF as recommended by MUFAP.

Subsequent to the year ended June 30, 2021, Sindh Revenue Board (SRB) through its letter dated August 12, 2021, has intimated MUFAP that the mutual funds do not qualify as Financial Institution/ Industrial Establishment and are, therefore, not liable to pay the Sindh Workers Welfare Fund (SWWF) contributions. This development was discussed at the MUFAP level and has also been taken up with the Securities and Exchange Commission of Pakistan (SECP) and all the Asset Management Companies, in consultation with SECP, have reversed the cumulative provision for SWWF recognized in the financial statements of the Funds on August 13, 2021. The SECP has given its concurrence for prospective reversal of provision for SWWF, Accordingly, going forward, no provision for SWWF would be recognized in the financial statement of the Fund.

Had the provision not being made, the Net Asset Value per unit as at June 30, 2021would have been higher by Re. 0.38 (2020: Nil) per unit.

13 TOTAL EXPENSE RATIO

Securities and Exchange Commission of Pakistan (SECP) vide it's directive No. SCD/PRDD/Direction/18/ 2016 dated 20 July 2016, require the Collective Investment Schemes (CISs) to disclose Total Expense Ratio (TER) in the periodic financial statements of CIS / the Fund. TER of the Fund for the year ended 30 June 2021 is 4.16% (2020: 4.5%) which excludes 0.86% (2020: 0.64%) representing government levy, Workers Welfare Fund and SECP fee. As per NBFC Regulation the total expense ratio of the Equity Scheme shall be capped up to 4.5% (excluding the Government levies).

14 CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments as at the year end.

15 TAXATION

The Funds income is exempt from Income Tax as per Clause 99 of Part I of the Second Schedule of the Income Tax Ordinance, 2001 subject to the condition that not less than 90% of the accounting income for the year as reduced by capital gains whether realised or unrealised is distributed amongst the unit holders, provided that for the purpose of determining distribution of not less than 90% of its accounting income for the year, the income distributed through bonus units shall not be taken into account. Furthermore, as per Regulation 63 of the Non-Banking Finance Companies and Notified Entities Regulations, 2008, the Fund is required to distribute 90% of the net accounting income other than capital gains to the unit holders. As the Fund has not earned distributable income during the year, therefore, no provision for taxation has been recorded in these financial statements.

16 NUMBER OF UNITS IN ISSUE

As at 30 June 2021: 631,153 units (2020: 218,924) at par value of Rs. 100 each were in issue.

	2021	2020
	(Number of units)	
Units in Issue at 1 July	**218,924**	318,987
Issued during the year	**1,049,374**	75,341,727
Redemptions during the year	**(637,145)**	(75,441,790)
Total units in issue as of 30 June	**631,153**	218,924

17 AUDITORS' REMUNERATION

Annual audit fee	**135,000**	125,000
Fee for the review of the half yearly financial statements	**67,500**	62,500
Other certifications	**25,000**	25,000
Out of pocket expenses	**75,075**	38,250
	302,575	250,750

18 DIVIDEND INCOME

According to the instructions of the Shariah Supervisory Council, if any income is earned by the Fund from the investments whereby a portion of income of such investees has been derived from prohibited sources, such proportion of income of the Fund should be donated to charitable purposes. During the current year, the Non Shariah Compliant income amounting to Rs. 39,900 (2020: Rs. 828,079) was deducted from the Dividend Income of the Fund (a portion of dividend income, rest of which is considered as halal). This will be distributed for charity with the approval of Shariah Supervisory Council.

19 RECONCILIATION OF LIABILITIES ARISING OUT OF FINANCING ACTIVITIES

	Receivable against issuance of units	Payable against redemption of units	Total
	----------	(Rupees)	----------
Opening balance as at 1 July 2020	-	-	-
Receivable against issuance of units	69,338,187	-	69,338,187
Payable against redemption of units	-	(45,127,809)	(45,127,809)
	69,338,187	(45,127,809)	24,210,378
Amount received on issuance of units	(69,338,187)	-	(69,338,187)
Amount paid on redemption of units	-	45,127,809	45,127,809
	(69,338,187)	45,127,809	(24,210,378)
Closing balance as at 30 June 2021	-	-	-

20 TRANSACTIONS WITH RELATED PARTIES / CONNECTED PERSONS

Related party / connected person include JS Investments Limited (JSIL) being the Management Company, Central Depository Company of Pakistan Limited being the Trustee, Jahangir Siddiqui and Co. Limited being the holding company of JS Bank Limited (JSBL- which is the holding company of the Management Company, JS Global Capital Limited (which is a fellow subsidiary of JSBL and other associated companies of the Management Company and its subsidiaries, Key Management Personnel of the Management Company and other funds being managed by the Management Company and includes entities holding 10% or more in the units of the fund as at 30 June 2021. It also includes the staff retirement benefits of the above related parties / connected persons.

20.1 Details of transactions with related parties / connected persons during the year

	Note	Year Ended June 30 **2021**	2020
		(Rupees)	
JS Investments Limited - Management Company			
Remuneration to the Management Company	*20.4*	**1,050,789**	15,339,865
Sindh sales tax on Management Company's remuneration *		**136,609**	1,994,189
Accounting and Operational Charges	*20.4*	**52,537**	766,992
Selling and Marketing Expenses	*9.3*	**-**	5,330,790
Shariah Advisory fee		**18,283**	146,737
Formation Cost	*8*	**61,511**	62,610
Central Depository Company of Pakistan Limited (trustee)			
Remuneration to the Trustee	*20.4*	**105,190**	1,131,912
Sales tax on Trustee remuneration **		**13,674**	147,149
CDC Custodian, Transc & Connection Fee Exp.		**17,229**	495,881

	Note	Year Ended June 30 2021	2020
		(Rupees)	
Bank Islami Pakistan Limited			
(JSCL - Ultimate Parent Company holds 21.26%)			
Return on bank balances		**5,189**	72,283
Bank Charges		**-**	1,030
JS Global Capital Limited			
Fellow subsidiary of JSBL			
Brokerage Expense	*20.3*	**19,389**	1,728,727
JS Islamic Hybrid Fund Of Funds - Mufeed			
(Fund Under JSIL management)			
Issue of units: Nil (2020:217,172)		**-**	15,978,269
Redemption of units: Nil (2020:415,850)		**-**	35,971,496
JS Islamic Hybrid Fund Of Funds - Munafa			
(Fund Under JSIL management)			
Issue of units: Nil (2020:1,928)		**-**	139,000
Redemption of units: Nil (2020:32,208)		**-**	2,242,824
JS Islamic Hybrid Fund Of Funds - Mutanasib			
(Fund Under JSIL management)			
Issue of units: Nil (2020:258,630)		**-**	27,129,212
Redemption of units 25,366 (2020:92,286)		**1,830,524**	57,940,632
JS Islamic Hybrid Fund Of Funds - Mustahkem			
(Fund Under JSIL management)			
Issue of units: Nil (2020:1,096)	*20.5*	**-**	90,000
Redemption of units 1,096 (2020:Nil)	*20.5*	**69,872**	-
JS Islamic Hybrid Fund Of Funds - JSIAAP-2			
(Fund Under JSIL management)			
Redemption of units: Nil (2020:38,546)	*20.5*	**-**	2,960,298
JS Islamic Hybrid Fund Of Funds 2 - JSICPAP-1			
(Fund Under JSIL management)			
Issue of units: Nil (2020:4,806,442)	*20.5*	**-**	420,419,441
Redemption of units: Nil (2020:4,806,442)	*20.5*	**-**	393,537,401

	Note	Year Ended June 30 2021	2020
		(Rupees)	
JS Islamic Hybrid Fund Of Funds 2 - JSICPAP-2 (Fund Under JSIL management)			
Issue of units: Nil (2020:8,728,759)	20.5	-	754,677,893
Redemption of units: Nil (2020:8,728,759)	20.5	-	710,113,647
JS Islamic Hybrid Fund Of Funds 2 - JSICPAP-3 (Fund Under JSIL management)			
Issue of units: Nil (2020:13,856,510)	20.5	-	1,158,934,428
Redemption of units (2020:13,856,510)	20.5	-	1,018,358,247
JS Islamic Hybrid Fund Of Funds 2 - JSICPAP-4 (Fund Under JSIL management)			
Issue of units: Nil (2020: 11,604,657)	20.5	-	951,536,356
Redemption of units: Nil (2020:11,604,657)	20.5	-	789,642,931
JS Islamic Hybrid Fund Of Funds 2 - JSICPAP-5 (Fund Under JSIL management)			
Issue of units: Nil (2020: 11,072,579)	20.5	-	882,130,316
Redemption of units: Nil (2020:11,072,579)	20.5	-	762,646,209
JS Islamic Hybrid Fund Of Funds 3 - JSICPAP-6 (Fund Under JSIL management)			
Issue of units: Nil (2020:9,141,735)	20.5	-	730,591,520
Redemption of units: Nil (2020:9,141,735)	20.5	-	628,349,436
JS Islamic Hybrid Fund Of Funds 3 - JSICPAP-7 (Fund Under JSIL management)			
Issue of units: Nil (2020:8,683,693)	20.5	-	694,316,929
Redemption of units: Nil (2020:8,683,693)	20.5	-	618,153,863
JS Islamic Hybrid Fund Of Funds - JSICPAP-8 (Fund Under JSIL management)			
Issue of units: Nil (2020:6,045,335)	20.5	-	506,929,613
Redemption of units: Nil (2020:6,045,335)	20.5	-	384,914,762
JS Islamic Hybrid Fund Of Funds 3 - JSICPAP-9 (Fund Under JSIL management)			
Issue of units: 1,049,374 (2020: Nil)		**69,338,186**	-
Redemption of units: 610,683 (2020: Nil)		**43,228,559**	-

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		Note	Year Ended June 30 2021	2020
20.2	**Details of balances with related parties / connected persons as at period end**		**(Rupees)**	
	JS Investments Limited - Management Company			
	Remuneration payable to the Management Company	*9.1*	**87,713**	13,608
	Sindh sales tax payable on Management Company's remuneration *		**11,394**	1,769
	Accounting and Operational Charges payable to Management Company	*9.2*	**4,384**	680
	Selling and Marketing charges payable to Management Company	*9.3*	**2,284,218**	2,284,218
	Shariah Advisory fee payable		**1,780**	225
	Receivable from Management Company		**-**	813,890
	Central Depository Company of Pakistan Limited (trustee)			
	Remuneration payable to the Trustee	*10*	**8,777**	1,361
	Sales tax payable on Trustee remuneration **		**1,141**	177
	CDC Custodian, Transc & Connect Fee Payable		**652**	553
	CDC Security Deposit		**100,000**	100,000
	JS Global Capital Limited			
	Brokerage Payable		**-**	240
	Bank Islami Pakistan Limited (JSCL - Ultimate Parent Company holds 21.26%)			
	Bank balance		**16,813**	34,932
	Profit receivable		**-**	64
	JS Islamic Hybrid Fund Of Funds - Mufeed (Fund Under JSIL Management)			
	Units outstanding 51,484 (June 30, 2020:51,484)		**4,002,403**	3,056,118
	CDC-TRUSTEE JSIHFOF 3 - JSICPAP-9 Fund Under JSIL Management			
	Units outstanding 438,691 (June 30, 2020:Nil)		**34,103,822**	-
	JS Islamic Hybrid Fund of Funds - Mutanasib Fund Under JSIL Management			
	Units outstanding 140,978 (June 30, 2020:166,344)		**10,959,636**	9,874,176
	JS Islamic Hybrid Fund of Funds - Mutahkem (Fund Under JSIL Management)			
	Units outstanding Nil (June 30, 2020:1,096)		**-**	65,040

* Paid / payable to the Management for onward payment to the Government.
** Paid / payable to the Trustee for onward payment to the Government.

20.3 The amount of brokerage expense represents the amount of expense incurred and not the purchase or sale value of securities transacted through them.

20.4 Remuneration payable to the Management Company and the Trustee has been determined in accordance with the provisions of NBFC Regulations and the Trust Deed respectively.

20.5 Purchase and redemption of the Fund's unit by the related parties / connected persons are recorded at the applicable net asset value per unit. Other transactions are at agreed rates.

21 FINANCIAL INSTRUMENTS - FAIR VALUES AND RISK MANAGEMENT

The Fund has exposure to the following risks from financial instruments:

- credit risk (refer note 21.1)
- liquidity risk (refer note 21.2)
- market risk (refer note 21.3)

Risk management framework

The Management Company's (Wakeel) Board of directors has overall responsibility for the establishment and oversight of the Fund's risk management framework.

Risk is inherent in the Fund's activities, but it is managed through monitoring and controlling activities which are primarily setup to be performed based on limits established by the management company (Wakeel), Fund's constitutive documents and the regulations and directives of the SECP. The policies are established to identify and analyse the risks faced by the Fund, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Fund's activities.

The audit committee oversees how management monitors compliance with the Fund's risk management policies and procedures and reviews the adequacy of the risk management framework in relation to the risks faced by the Fund. The audit committee is assisted in its oversight role by internal audit. Internal audit undertakes regular reviews of risk management controls and procedures, the results of which are reported to the audit committee.

Asset purchases and sales are determined by the Fund’s Investment Manager, who has been authorised to manage the distribution of the assets to achieve the Fund’s investment objectives. Compliance with the target asset allocations and the composition of the portfolio is monitored by the Investment Committee. In instances where the portfolio has diverged from target asset allocations, the Fund’s Investment Manager is obliged to take actions to rebalance the portfolio in line with the established targets, within prescribed time limits.

21.1 Credit risk

Credit risk is the risk of financial loss to the Fund if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from bank balances and security deposits.

The carrying amount of financial assets represent the maximum credit exposure.

Management of credit risk

The Fund's policy is to enter into financial contracts in accordance with the investment guidelines approved by the Investment Committee, its Trust Deed and the requirements of NBFC rules and regulations. Before making investment decisions, the credit rating and credit worthiness of the issuer is taken into account along with the financial background so as to minimise the risk of default.

Credit risk is managed and controlled by the management company (Wakeel) of the Fund in the following manner:

- Where the investment committee makes an investment decision, the credit rating and credit worthiness of the issuer is taken into account along with the financial background so as to minimise the risk of default.

- Analysing of credit ratings and obtaining adequate collaterals wherever appropriate / relevant.

- The risk of counterparty exposure due to failed trades causing a loss to the Fund is mitigated by a periodic review of the credit ratings and financial statements on a regular basis.

- Cash is held only with reputable banks with high quality external credit enhancements.

- Investment transactions are carried out with a large number of brokers, whose credit worthiness is taken into account so as to minimise the risk of default and transactions are settled or paid for only upon delivery.

Exposure to credit risk

The maximum exposure to credit risk as at 30 June 2021 was as follows:

	2021		2020	
	Balance as per the statement of asset and liabilities	**Maximum exposure**	Balance as per the statement of asset and liabilities	Maximum exposure
	(Rupees)		(Rupees)	
Bank balances (including accrued Return on Bank Balances)	**6,687,540**	**6,687,540**	562,582	562,582
Investments - (financial asset at fair value through profit and loss)	**37,661,239**	**-**	6,571,929	-
Deposits and Other receivables	**2,617,701**	**2,617,701**	2,608,008	2,608,008
Receivable from Management company	**-**	**-**	813,890	813,890
	46,966,480	**9,305,241**	10,556,409	3,984,480

Bank balances

The Fund held cash and cash equivalents at 30 June 2021 with banks having following credit ratings:

Rating	**2021** (Rupees)	2020 (Rupees)	**2021** (%)	2020 (%)
A1	**16,813**	34,996	0.25	6.22
AA	**-**			
A1+	**6,670,727**	527,585	99.75	93.78
Total balance including accrued return of Bank balances	**6,687,540**	562,581	**100**	100.00

Above rates are on the basis of available ratings assigned by PACRA and VIS (as of 30 June 2021).

Concentration of credit risk

Concentration of credit risk exists when changes in economic or industry factors affect the group of counterparties whose aggregate credit exposure is significant in relation to the Fund’s total credit exposure. The Fund's portfolio exposed to credit risk primarily consists of deposits and other receivables.

Details of Fund's concentration of credit risk of financial instruments by economic sector is as follows:

	2021	2020	2021	2020
	(Rupees)		(%)	
Commercial banks (including profit accrued on Bank balances)	**6,687,540**	562,582	**71.87**	**16.44**
National Clearing Company of Pakistan- Security Deposit	**2,500,000**	2,500,000	**26.87**	**73.06**
Central Depository Company of Pakistan Limited- Security Deposit	**100,000**	100,000	**1.07**	**2.92**
Oil and Gas Development - Dividend receivable	**12,665**	-	**0.14**	-
Other receivable	**5,036**	8,008	**0.05**	**0.23**
Asset management company- the management company	-	813,890	-	**23.78**
	9,305,241	3,421,898	**28.13**	99.99

Past due and impaired assets and collaterals held

None of the financial assets of the Fund are past due or impaired as at 30 June 2021. All the financial assets of the Fund as at 30 June 2021 are unsecured.

Settlement risk

The Fund's activities may give rise to risk at the time of settlement of transactions. Settlement risk is the risk of loss due to the failure of an entity to honour its obligations to deliver cash, securities or other assets as contractually agreed on sale.

For the vast majority of transactions the Fund mitigates this risk by conducting settlements through a broker to ensure that a trade is settled only when both parties have fulfilled their contractual settlement obligations.

21.2 Liquidity risk

Liquidity risk is the risk that the Fund will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Fund's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Fund's reputation.

The Fund aims to maintain the level of cash and cash equivalents and other highly marketable securities at an amount in excess of expected cash outflows on financial liabilities. The Fund is exposed to cash redemptions of its units on a regular basis. Units are redeemable at the holder's option based on the Fund's net asset value per unit at the time of redemption calculated in accordance with the Fund's constitutive document and guidelines laid down by Securities and Exchange Commission of Pakistan (SECP).

Management of liquidity risk

The Fund's policy is to manage this risk by investing majority of its assets in investments that are traded in an active market and can be readily disposed. The Fund invests primarily in marketable securities and other financial instruments, which under normal market conditions are readily convertible to cash. As a result, the Fund may be able to liquidate quickly its investments in these instruments at an amount close to their fair value to meet its liquidity requirement. The present settlement system is a T+2 system, which means that proceeds from sales (to pay off redemptions) of holdings will be received on the second day after the sale, while redemptions have to be paid within a period of six working days from the date of the redemption request.

In addition, the Fund has the ability to borrow, with prior approval of trustee, for meeting redemption. No such borrowings were made during the period. The maximum amount available to the Fund from borrowings is limited to the extent of 15% of net assets at the time of borrowing with repayment with in 90 days of such borrowings.

In order to manage the Fund's overall liquidity, the Fund can also withhold daily redemption request in excess of ten percent of the units in issue and such requests would be treated as redemption request qualifying for being processed on the next business day. Such procedure would continue until the outstanding redemption requests come down to a level below ten percent of the units then in issue.

Maturity analysis for financial liabilities

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted.

30 June 2021		**Contractual cash flows (on demand)**	
	Carrying amount	**Total**	**Less than 1 month (on demand)**
	------------------------ (Rupees) ------------------------		
Non-derivative financial liabilities (excluding unit holders' fund)			
Payable to the Management Company (Wakeel)	**2,389,489**	**2,389,489**	**2,389,489**
Remuneration payable to the Trustee	**9,918**	**9,918**	**9,918**
Accrued expenses and other liabilities *	**357,198**	**357,198**	**357,198**
	2,756,605	**2,756,604**	**2,756,604**
Unit holders' fund	**49,068,043**	**49,068,043**	**49,068,043**

30 June 2020		**Contractual cash flows (on demand)**	
	Carrying amount	**Total**	**Less than 1 month**
	------------------------ (Rupees) ------------------------		
Non-derivative financial liabilities (excluding unit holders' fund)			
Payable to the Management Company (Wakeel)	2,300,500	2,300,500	2,300,500
Remuneration payable to the Trustee	1,538	1,538	1,538
Accrued expenses and other liabilities *	278,945	278,945	278,945
	2,580,982	2,580,982	2,580,982
Unit holders' fund	12,994,318	12,994,318	12,994,318

* excluding, Sindh sales tax payable on Management Company's (Wakeel) remuneration, Sindh sales tax payable on trustee remuneration, witholding tax payable and zakat payable.

Above financial liabilities do not carry any mark-up.

21.3 Market risks

Market risk is the risk that changes in market prices - such as foreign exchange rates, interest rates and equity prices – will affect the Fund's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

The fair value of financial assets and liabilities traded in active markets i.e. listed equity shares are based on the quoted market prices at the close of trading on the period end date. The quoted market prices used for financial assets held by the Fund is current bid price.

A financial instrument is regarded as quoted in an active market if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis.

IFRS 13, 'Fair Value Measurements' requires the Fund to classify fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date (level 1).
- Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly (level 2).
- Unobservable inputs for the asset or liability (level 3).

As at 30 June 2021 all investments were categorised in Level 1.

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy:

On-balance sheet financial instruments		**Carrying amount**			**Fair value**	
30 June 2021	*Note*	**Fair value through income statement**	**Amortised Cost**	**Total**	**Level 1**	**Total**
		(Rupees)				
Financial assets measured at fair value						
Investments - Listed Equity Securities	*6*	**37,661,239**	-	**37,661,239**	**37,661,239**	**37,661,239**
Financial assets not measured at fair value						
Bank balances including accrued return	*5*	-	**6,687,540**	**6,687,540**	-	-
Deposits and other receivables	*7*	-	**2,617,701**	**2,617,701**	-	-
		-	**9,305,241**	**9,305,241**	-	-
Financial liabilities not measured at fair value						
Payable to the Management Company (Wakeel)	*9*	-	**2,389,489**	**2,389,489**	-	-
Remuneration payable to the Trustee	*10*	-	**9,918**	**9,918**	-	-
Accrued expenses and other liabilities	*12*	-	**357,198**	**357,198**	-	-
		-	**2,756,605**	**2,756,604**	-	-

On-balance sheet financial instruments		Carrying amount			Fair value	
30 June 2020	*Note*	Fair value through income statement	Amortised Cost	Total	Level 1	Total
		(Rupees)				
Financial assets measured at fair value						
Investments - Listed Equity Securities	*7*	6,571,929	-	6,571,929	6,571,929	6,571,929
Financial assets not measured at fair value	*21.5.1*					
Bank balances	*6*	-	562,582	562,582	-	-
Deposits and other receivables	*8*	-	2,608,008	2,608,008	-	-
Receivable from management company		-	813,890	813,890		
		-	3,984,480	3,984,480	-	-
Financial liabilities not measured at fair value	*21.5.1*					
Payable to the Management Company (Wakeel)	*9*	-	2,300,500	2,300,500	-	-
Remuneration payable to the Trustee	*10*	-	1,538	1,538	-	-
Accrued expenses and other liabilities	*12*	-	278,945	278,945	-	-
		-	2,580,983	2,580,982	-	-

Management of market risks

The Fund manages market risk by monitoring exposure on marketable securities by following the internal risk management policies and investment guidelines approved by the Investment Committee and regulations laid down by the Securities and Exchange Commission of Pakistan. The maximum risk resulting from financial instruments equals their fair values.

The Fund is exposed to interest rate risk and equity price risk.

21.3.1 Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in interest rates. Risk management procedures are the same as those mentioned in the credit risk management.

Exposure to interest rate risk

The interest rate profile of the Fund's interest-bearing financial instruments is as follows:

	2021	2020
	(Rupees)	
Variable-rate instrument		
Financial assets (bank balances including accrued Return on Bank Balances)	**6,631,909**	533,443

Cash flow sensitivity analysis for variable-rate instruments

A reasonably possible change of 100 basis points in interest rates at the reporting date would have increased / decreased unit holder fund and income statement by Rs. 66,319 (30 June 2020: 5,334). The analysis assumes that all other variables, in particular foreign currency exchange rates, remain constant.

None of the Fund's liabilities are subject to fixed interest rate risk.

21.3.2 Other market price risk

The Fund is exposed to equity price risk i.e. the risk of unfavourable changes in the fair value of equity securities as a result changes in the levels of Pakistan Stock Exchange Index and the value of individual shares, which arises from investments measured at fair value through income statement.

The management of the Fund monitors the proportion of equity securities in its investment portfolio based on market indices. The Fund policy is to manage price risk through diversification and selection of securities within specified limits set by internal risk management guidelines or the requirements of NBFC regulations. The Fund manages those risk by limiting exposure to any single investee company to the extent of 15% of issued capital of that investee company and the net assets of the Fund with overall limit of 35% to a single industry sector of the net assets of the Fund (the limit set by NBFC regulations).

The Fund also manages its exposure to price risk by reviewing portfolio allocation as frequently as necessary and at least once a quarter from the aspect of allocation within industry and individual stock within that allocation. Material investments within the portfolio are managed on an individual basis and all buy and sell decisions are approved by the Investment Committee. The primary goal of the Fund's investment strategy is to maximise investment returns.

Details of the Fund's investment in industrial / economic sector are given in note 6.1.

Sensitivity analysis - Equity price risk

All of the Fund's listed equity investments are listed on Pakistan Stock Exchange. For such investments classified as at fair value through income statement, a 5% increase or decrease in the fair values of the equity investments, the impact on income statement and unit holders' fund would have been an increase or decrease of Rs. 1.88 million (30 June 2020: 0.328 million).

21.4 Unit holder's fund risk management

The Fund's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to continue as a going concern so that it can continue to provide returns to its unit holders. Management monitors the return on capital as well as the level of dividends to unit holders and makes adjustments to it in the light of changes in markets' conditions.

As per the offering document of the Fund, approved by the SECP, there shall be no minimum fund size requirement for the Fund. Accordingly the Fund is exempt from any 'Minimum Fund Size' requirements in NBFC and Notified Entities Regulations 2008 (Regulation 54) of Rs. 100 million.

The Fund is designed to provide Equity exposure to other "Fund-of-Funds" schemes. The Fund does not actively markets to retail or institutional investors, therefore, the Fund size may decline to zero when there are no "Fund-of-Funds" invested in Fund.

21.5 Fair value of financial instruments

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

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

21.5.1 The Fund has not disclosed the fair values for the above financial assets (other than for investments) and financial liabilities, as these are either short term in nature or repriced periodically. Therefore, their carrying amounts are reasonable approximation of fair values.

22 SUPPLEMENTARY NON FINANCIAL INFORMATION

The information regarding unit holding pattern, top brokers, members of the Investment Committee, fund manager, meetings of the Board of Directors of the management company (Wakeel), meetings of Audit Committee of the management company (Wakeel), meetings of the Human Resource and Remuneration Committee of the management company (Wakeel) and rating of the Fund and the management company (Wakeel) has been disclosed in Annexure to the financial statements.

23 CORRESPONDENCE FIGURE

Comparative figures have been rearranged and reclassified for comparative purposes. However, no major reclassification / rearranged have been made. Charity of Rs. 0.828 million have been grossed up with the dividend income in the Income statement of the prior income year, with no impact on the net loss of the Fund of that year.

24 GENERAL

24.1 Covid-19 Impact

On March 11, 2020, the World Health Organization declared COVID-19 a pandemic. Many governments are still taking stringent steps to help contain the spread of the virus, including vaccination campaigns, requiring self-isolation / quarantine by those potentially affected, implementing social distancing measures, and controlling or closing borders and “locking-down” cities/regions or even entire countries. Subsequent to the reporting date, the provincial government imposed lockdown specifically in Karachi amid increasing COVID-19 cases in the cities. This may effect the business activities due to uncertainties created by the fourth wave of COVID-19 which could affect the overall operations and the business in future. The Management Company (Wakeel) of the Fund is closely monitoring the situation, and in response to the developments, the management has taken action to ensure the safety of its employees and other stakeholders. The Management Company of the Fund expects that going forward these uncertainties would reduce as the impact of COVID-19 on overall economy subsides and have concluded that would have no significant impact that will adversely affect the operations and the financial position of the Fund in future periods.

24.2 Date of Authorisation for Issue

These financial statements were authorised for issue by Board of Directors of management company (Wakeel) on August 21, 2021.

For JS Investments Limited
(Management Company)

Chief Executive Officer	**Chief Financial Officer**	**Director**

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

(i) UNIT HOLDING PATTERN OF THE FUND

Category	Number of unit holders	Number of units held	Amount Rupees	% of total
	2021			
Individuals	-	-	-	-
Residents Investors- Associated Companies	**3**	**631,153**	**49,068,043**	**100**
Insurance Companies	-	-	-	-
Banks / DFI's	-	-	-	-
Non Banking Finance Companies	-	-	-	-
Retirement funds	-	-	-	-
Others	-	-	-	-
	3	**631,153**	**49,068,043**	**100**

Category	Number of unit holders	Number of units held	Amount Rupees	% of total
	2020			
Individuals	-	-	-	-
Associated companies / directors	3	218,924	12,995,335	26.48
Insurance Companies	-	-	-	-
Banks / DFI's	-	-	-	-
Non Banking Finance Companies	-	-	-	-
Retirement funds	-	-	-	-
Others	-	-	-	-
	3	218,924	12,995,335	26

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

Name of broker	% of commission 2021
EFG Hermes Pvt Ltd	**10.27**
BMA Capital Management Ltd	**9.98**
Topline Securities Pvt Ltd	**8.69**
Alfalah Securities Pvt Ltd	**8.62**
Growth Securities Pvt Ltd	**8.24**
JS Global Capital Ltd	**7.75**
Sherman Securities Pvt Ltd	**7.50**
Inter Market Securities Ltd.	**7.43**
Adam Securities Pvt. Ltd	**6.40**
Optimus Capital Pvt Ltd	**5.57**

Name of broker	% of commission 2020
Growth Securities Pvt Ltd	13.56
Multiline Securities Pvt Ltd	13.39
JS Global Capital Ltd	11.07
Arif Habib Ltd	6.14
Nael Capital Pvt Lld	5.70
Inter Market Securities Pvt Ltd	5.55
Topline Securities Pvt Ltd	5.27
Next Capital Ltd	5.15
BMA Capital Management Ltd	4.98
Sherman Securities Pvt Ltd	4.81

(iii) THE MEMBERS OF THE INVESTMENT COMMITTEE

Following are the members of Investment Committee of the Fund:

Ms. Iffat Zehra Mankani - Chief Executive Officer
Mr. Khawar Iqbal - CFO & Company Secretary
Mr. Zahid Ullah Khan - Chief Investment Officer / Head
Mr. Syavash Pahore - Head Of Research
Mr. Shahveer Masood - Fund Manager

MS. IFFAT ZEHRA MANKANI - CHIEF EXECUTIVE OFFICER

Ms. Iffat Mankani has joined JS Investments Limited in April 2021. She brings with her over 20 years of global experience in both public and private markets across multiple asset classes. During her 11 years working in capital markets in Pakistan, she held various senior strategy and research roles, both on the buy and sell-side of the industry, including the National Investment Trust, JS Investments Limited and BMA Asset Management Company Limited amongst others.

Working as a sell side analyst, Iffat was frequently quoted in the financial press, and was well-known for her accuracy as a strategist. In her buy-side roles as Chief Investment Officer at JS Investments (2005-2007) and BMA Asset Management (2007-2011), she led the successful implementation of a disciplined asset and risk allocation process, resulting in consistent top quartile performance for funds under management. These included some pioneering products in the industry, such as the asset allocation fund, capital protected fund, index fund, an offshore fund and separately managed accounts.

In her most recent role, Iffat was working in the Deals Advisory team at PwC Canada, where she made significant contributions in the space of complex financial instruments and private debt valuations amongst others, helping to steer the business toward sustainable growth. Moreover, she also held diversified roles in the risk management groups of leading Canadian Banks (Bank of Montreal and CIBC) associated with their quants and trading risk oversight teams. In addition to making numerous value additions in her role as a Risk Manager of equity, fixed income and structured product desk, she also spearheaded bank wide

Iffat holds a Master of Finance from Rotman School of Management (University of Toronto) and Master of Business Administration from the Institute of Business Administration, Karachi.

MR. MUHAMMAD KHAWAR IQBAL, DIRECTOR OF FINANCE & COMPANY SECRETARY

With over more than 28 years of diversified experience, Mr. Muhammad Khawar Iqbal is currently serving as "Director Finance & Company Secretary" in JS Investments Limited, where he joined in May 2005 as Manager Finance.

He also served as Chief Financial Officer of the Company from 2012 to 2019.

Throughout his career Mr. Iqbal has implemented a system of continuous review and introduced changes to bring in efficiencies, simplifications and improvement in the overall quality of his departmental deliverables.

His role encompasses a wide range of matters ranging from financial management, reporting, internal control, compliance with laws applicable to the Company and other secretarial matters.

Mr. Khawar holds Masters Degree in Business Administration and Economics.

MR. ZAHID ULLAH KHAN - CHIEF INVESTMENT OFFICER / HEAD

Mr. Zahid Ullah Khan has been associated with the JS Group and the capital markets on the buy side of more than 17 years. Prior to joining JS Investments as the Chief Investment Officer in September 2016, Mr. Khan was at JS Bank since 2012, where he served as a Senior Vice President for the bank's risk management function. His core responsibilities included development of various risk management frameworks, modeling term structure of interest rates, engineering tailor-made interest rate products for corporate clientele, and devising efficient mechanisms for various equity based margin trading products.

Prior to his role at JS Bank, Mr. Khan was associated with JS Group as Senior Vice President in a technical role where he developed and deployed a High Frequency Trading (HFT) platform for equities. This project involved extensive development of an in-house market-price-of-risk arbitrage model dependent on instantaneous futures market rates. Mr. Khan also advised group companies on buy side risk management and for launching ETFs and Market Making initiatives on the asset management and brokerage side. His other assignments also included research work on various green field projects in the private equity space. Prior to joining JS Bank, Mr. Khan also served as a consultant senior fund manager for JS Investments from 2010 to 2012.

Mr. Khan started his career with ABAMCO Limited (now JS Investments Limited) in 2004 as a research analyst, and covered Cement and Banking sectors along with developing interest rate models on the fixed income side. He was additionally given the responsibility to develop and launch new products for the growing AMC. During his tenure at ABAMCO Limited, Mr. Khan developed the first proprietary free float-adjusted market capitalization index in Pakistan and launched the first Open end index fund based on that index. He also carries to his credit the launch of first Open end Fund of Funds scheme with an elaborate asset allocation strategy, a Capital Protected fund and several other in-house initiatives. In 2005, he was promoted as a fund manager, and managed JS Value Fund, JS A30 Index Fund, JS Growth Fund, and JS Fund of Funds, with a combined fund size of around PKR 10 billion.

Mr. Zahid holds a Masters degree in Business Administration from Lahore University of Management Sciences (Class of 2000); a Masters degree in Economics from Lahore University of Management Sciences (Class of 2004); and a Masters degree in Finance from London Business School (Class of 2007).

MR. SYAVASH PAHORE - HEAD OF RESEARCH

Mr. Syavash Pahore joined JS Investments Ltd. in April 2018 as SMA Fund Manager and is currently working as the Head of Research. Prior to his joining at JS Investments Ltd. Mr. Pahore was associated with Elixir Securities as a Research Analyst and he had started off his career from Optimus Capital Management as a Research Analyst in August 2016.

Mr. Pahore has a Bachelor of Arts in Finance, Accounting and Management from The University of Nottingham.

MR. SHAHVEER MASOOD - FUND MANAGER

Mr. Shahveer Masood has joined JS Investments Ltd. as a Fund Manager on the Equity side and as a member of the Investment Committee. Prior to his current role, Mr. Masood served as a SMA Portfolio Manager in Al-Meezan Investment Management Limited. He has also served as an equity sales trader in BMA Capital Management Limited. Overall he has accumulated an experience of 4 years

He holds a Bachelor of Arts in Finance, Accounting and Management Honors Degree from the University of Nottingham and he has also cleared CFA level 1.

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

Following is the analysis of the attendance in the meetings of the Board of Directors of the Management Company during the year:

Name of Directors	Meetings attended	Meetings held on 18 August 2020	20 October 2020	24 December 2020	19 February 2021	23 April 2021
Mr. Suleman Lalani*	2	-	-	-	1	1
Ms. Iffat Zehra Mankani*	1	-	-	-	-	1
Mr. Hasan Shahid	5	1	1	1	1	1
Mr. Asif Reza Sana	4	1	1	1	-	1
Mr. Imran Haleem Shaikh*	2	-	-	-	1	1
Mr. Zahid Ullah Khan*	1	-	-	-	-	1
Ms. Aisha Fariel Salahuddin	5	1	1	1	1	1
Mr. Kamran Jafar*	3	1	1	1	-	-
Mr. Babbar Wajid*	2	1	1	-	-	-
		5	**5**	**4**	**4**	**7**

*Mr. Suleman Lalani Joined the Board on September 09, 2020
*Ms. Iffat Zehra Mankani joined the Board on April 15, 2021
*Mr. Imran Haleem Shaikh joined the Board on January 15, 2021
*Mr. Zahid Ullah Khan joined the Board on March 18, 2021
*Mr. Kamran Jafar resigned from the Board on January 18, 2021
*Mr. Babbar Wajid resigned from the Board on December 02, 2020

(v) MEETINGS OF AUDIT COMMITTEE

Name of Directors	Meetings attended	Meetings held on 17 August 2020	19 October 2020	18 February 2021	22 April 2021
Mr. Asif Reza Sana	3	1	1	-	1
Mr. Hasan Shahid	4	1	1	1	1
Ms. Aisha Fariel Salahuddin	4	1	1	1	1
		3	**3**	**2**	**3**

(vi) MEETINGS OF HUMAN RESOURCE AND REMUNERATION COMMITTEE

Name of Members	Meetings attended	Meetings held on 17 Febrauary 2021
Ms. Aisha Fariel Salahuddin	1	1
Mr. Suleman Lalani	1	1
Mr. Hasnain Raza Nensey	1	1
		3

(vii) RATING OF THE MANAGEMENT COMPANY

Pakistan Credit Rating Agency has assigned JS Investments' Management Quality Rating of "AM2"(AM-Two) with a "stable" outlook. The rating denotes High Management Quality.

SUPPLEMENTARY NON FINANCIAL INFORMATION AS REQUIRED UNDER CLAUSE 38A (g) OF THE NBFC & NE REGULATION

Summary of Actual Proxy voted by JS Islamic Dedicated Equity Fund

	Resolutions	For	Against	Abstain
Number	2	2	Nil	N/A
(% ages)	100	100	-	-

Note:

The Proxy voting policy of the Collective Investment Scheme (CIS) is available on the website of JS Investments Limited, the Company and detailed information regarding actual proxies voted by the Company in respect of the CIS is also available without charge, upon request, to all unit holders.

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JS Investments Limited

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Website: www.jsil.com

JS Islamic Hybrid Fund of Funds 3

Annual Report 2021

JS investments

Managing Mutual Funds Better!

CONTENTS

VISION

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

MISSION

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

BROAD POLICY OBJECTIVES

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

ORGANIZATION

Management Company	JS Investments Limited 19 th Floor, The Centre, Plot # 28, SB-5 Abdullah Haroon Road, Saddar, Karachi-75600 Tel: (92-21) 111-222-626 Fax: (92-21) 35165540 E-mail:info@jsil.com Website: www.jsil.com

Board of Directors

Mr. Suleman Lalani	Chairman
Ms. Iffat Zehra Mankani	Chief Executive Officer
Mr. Hasan Shahid	Non-Executive Director
Mr. Asif Reza Sana	Independent Director
Ms. Aisha Fariel Salahuddin	Independent Director
Mr. Zahid Ullah Khan	Non-Executive Director
Mr. Imran Haleem Shaikh	Non-Executive Director
Mr. Mirza Muhammad Sadeed Hassan Barlas*	Non-Executive Director

Audit Committee

Mr. Asif Reza Sana	Chairman
Ms. Aisha Farial Salahuddin	Member
Mr. Hasan Shahid	Member

Director Finance & Company Secretary	Mr. Muhammad Khawar Iqbal
Chief Financial Officer	Mr. Zafar Iqbal Ahmed
Trustee	Central Depository Company of Pakistan Limited CDC House, 99-B, Block 'B', S.M.C.H.S., Main Sharah-e-Faisal, Karachi-74400 Pakistan. Tel: (92-21) 111-111-500 Fax: (92-21) 34326040
Auditors	KPMG Taseer Hadi & Co. Chartered Accountants
Legal Adviser	Bawaney & Partners
Shariah Advisors	Al – Hilal Shariah Advisors (Pvt) Limited

** Mr. Mirza Muhammad Sadeed Hassan Barlas has been appointed as Director of JS Investments Limited w.e.f August 09, 2021 in*

Directors' Report to the Unit Holders

The Board of Directors of JS Investments Limited, the Management Company of **JS Islamic Hybrid Fund of Fund - 3** (the Fund), is pleased to present the Annual Report for the year ended June 30, 2021.

Economic Review:

Despite innumerable challenges, Pakistan's economy is moving progressively on a sustainable growth path. Before the COVID-19 pandemic hit Pakistan's economy, the reforms had laid the base for an economic recovery as was visible in 2H FY19 figures, however, it was brought to a halt due to the incidence of the coronavirus pandemic. Pakistan did much better in coping up with the pandemic compared to many countries and as a result GDP growth came in at 3.94% for FY21; sharply recovering from the FY20 decline of 0.5%. The rebound in GDP growth was underpinned by a recovery in industrial sector growth from an FY20 contraction of 3.8% to an FY21 expansion of 3.6%. Similarly, the services sector grew 4.4% in FY21, after constricting by 0.6% in the preceding year.

Inflation is still one of the bigger issues that our economy faces today. Headline CPI and core CPI averaged 8.9% and 6.6% respectively. The latter remained below 7%, allowing the SBP to accommodate growth by continuing to maintain a dovish monetary policy stance. It is also pertinent to mention that inflation all over the world remained volatile mainly due to supply-side disruptions in commodities due to the COVID-19 pandemic.

The SBP also maintained its policy of a flexible exchange rate regime. The rupee appreciated by 9.4% against the greenback; largely a consequence of the current account surplus reported during the period. As a result, SBP reserves rose 54% to USD 17.8 bn while total liquid FX reserves rose 36% to USD 24.8 bn. The import cover has remained steady at 5 months despite a rise in imports as a result of a rebound in economic activity.

Equity Market Review:

The KSE100 index rose 37.6% in FY21 while the KSE30 and KMI 30 indices rose 27.6% and 39.3% respectively. The stellar returns are mostly due to COVID-induced market decline in the preceding year which was recovered in the current fiscal year.

Technology & Communication returned 294% during the year while Glass & Ceramics rose 171%. Refinery, Engineering, Auto Assemblers, Paper & Board and Cement were the other sectors that gained the most during the period. The biggest underperforming sectors were Food & Personal Care, Oil & Gas Exploration and Fertilizer with a return of -3.2%, -0.4% and 1.8% respectively.

The dominant theme during the fiscal year was high beta pro-cyclical stocks that tend to benefit from economic expansion, higher large-scale manufacturing growth and higher demand from housing in particular. The incumbent government's focus on promoting housing and water conservation (through construction of dams) has led to a sharp rally in construction sector related stocks.

On the other hand, traditional blue-chip companies sharply underperformed. The same earnings stability that helped prop up valuations during the FY17 – FY19 recession led to a lack of interest in these stocks when corporate earnings growth concerns were at the forefront.

Traded value improved significantly on the bourse. KSE 100 average traded value rose from PKR 6.1 bn in FY20 to PKR 13.2 bn in FY21, a historic increase of 116%. Traded value has improved significantly on the back of the sharpest rebound in equities since 2017.

Income / Money Market Review:

During FY21, State Bank of Pakistan (SBP) kept the Policy Rate unchanged at 7%. The central bank has decreased its supply of Pakistan Investment Bonds and had rejected bids in the new issuance of 5Y instrument until January 2021. However, as demand remained intact particularly from the Insurance and Banking sector, SBP finally started accepting bids in the 5Y instrument at a cut-off yield of 9.52%. Currently, the 5 Year PIB is trading at 9.48%.

The Ministry of Finance and the SBP remain committed towards prioritizing economic growth. Although concerns around the current account and inflation remain intact; investors have preferred to remain in short-term treasury bills and floating rate bonds due to expectations of modest interest rate tightening in the near term. During the period under review, the secondary market yields for the 3M, 6M and 12M T-bills have increased to 7.28%, 7.53% and 7.81%, respectively.

The Islamic money market witnessed the issuance of Government of Pakistan Ijara Sukuk in the 2QFY21. SBP accepted bids of PKR 335 bn in Variable Rental Rate (VRR) Ijara Sukuk as preference for floating rate Sukuk remained prevalent among investors. Furthermore, bids of PKR 33 bn bids were received for the 5 year Fixed Rental Rate (FRR) Ijara Sukuk, out of which only PKR 14 bn was accepted. In comparison, there was no new issuance of Ijara Sukuks in the previous quarter.

Review of Fund Performance

The performance of the three Allocation Schemes of the Fund for the year ended June 30, 2021 is tabulated below. Total net assets of the Fund moved from PKR. 1,205.02 million to PKR. 868.05 million as at June 30, 2021.

Allocation Schemes	Net Assets (PKR. In millions)	Return	Benchmark Return
JS Islamic Hybrid Fund of Funds 3 - JSICPAP-6	415.35	6.32%	3.41%
JS Islamic Hybrid Fund Of Funds 3- JSICPAP-7	347.61	6.18%	3.41%
JS Islamic Hybrid Fund Of Funds 3- JSICPAP-9	105.09	9.03%	9.26%

JS Islamic Hybrid Fund of Funds 3 - JSICPAP-6

'The Plan is of two years maturity from the clearance of all outstanding proceeds from Pre-Initial Offering Period (Pre-IOP) and Initial Offering Period (IOP) i.e. from 25 April 2019 and 21 June 2019. The Management Company (Wakeel) has further extended the maturity period for two years with approval of the Securities & Exchange Commission of Pakistan, which shall close on 25 June 2023. After the end of this period, the Management Company (Wakeel) may announce a subsequent Maturity for certain period where Management Company (Wakeel) feels appropriate in the interest of unit holders.

JS Islamic Hybrid Fund of Funds 3 - JSICPAP-7

The Plan is of two years maturity from the clearance of all outstanding proceeds from Pre-Initial Offering Period (Pre-IOP) and Initial Offering Period (IOP) i.e. from 15 July 2019 and 05 September 2019. The Management Company (Wakeel) has further extended the maturity period for two year with approval of the Securities & Exchange Commission of Pakistan, which shall close on September 16, 2023. After the end of this period, the Management Company (Wakeel) may announce a subsequent Maturity for certain period where Management Company (Wakeel) feels appropriate in the interest of unit holders.

Asset Manager Rating

The Pakistan Credit Rating Agency Limited (PACRA) has affirmed JS Investments' Management Quality Rating of "AM2"(AM-Two) with a "stable" outlook. The rating denotes High Management Quality.

Auditors

The external auditors of the Fund Messrs KPMG Taseer Hadi & Co, Chartered Accountants retired. The Board of Directors, upon recommendation of the Audit Committee of the Board has approved the appointment of Messrs A.F Ferguson Chartered Accountants, as the Fund's auditors for the ensuing year ending June 30, 2022.

Board of Directors

During the period Ms. Iffat Zehra Mankani has joined as the Chief Executive Officer of the Company in place of Mr. Hasnain Raza Nensey. In addition to that Syed Tauqir Haider Rizvi, Mr. Babbar Wajid, Mr. Kamran Jafar and Mr. Tahir Ali Sheikh have resigned from the Board whereas, Mr. Suleman Lalani, Mr. Imran Haleem Shaikh, Mr. Zahid Ullah Khan and Mr. Mirza M. Sadeed H. Barlas were appointed as Directors on their places respectively.

Shariah Advisors

Messrs Al-Hilal Shariah Advisors (Pvt.) Limited, completed its tenure. The Board of Directors of JS Investment Limited, the Management Company of the Fund, upon recommendation of the Audit Committee has approved the appointment of Al-Hilal Shariah Advisors for the ensuing year ending June 30, 2022.

Additional Matters

a. Annexed to the Annual Report is Fund Manager's Report giving description of principal risks and uncertainties with reasonable indication of future prospects of profit.
b. The Pattern of Unit holding as at June 30, 2021 is disclosed in Annexure 1 of the published financial statements.
c. The system of internal control is sound in design and has been effectively implemented and monitored.
d. A performance table / key financial data is annexed to this annual report.

Significant Matter

- Subsequent to the year ended June 30, 2021, Sindh Revenue Board (SRB) through its letter dated August 12, 2021, has intimated MUFAP that the mutual funds do not qualify as Financial Institution/ Industrial Establishment and are, therefore, not liable to pay the Sindh Workers Welfare Fund (SWWF) contributions. This development was discussed at the MUFAP level and has also been taken up with the Securities and Exchange Commission of Pakistan (SECP) and all the Asset Management Companies, in consultation with SECP, have reversed the cumulative provision for SWWF recognized in the financial statements of the Funds on August 13, 2021. The SECP has given its concurrence for prospective reversal of provision for SWWF, Accordingly, going forward, no provision for SWWF would be recognized in the financial statement of the Fund.

- The Board approved addition of the note 12.1 related to the prospective reversal of SWWF in the financial statements of Fund on September 22, 2021.

- Due to the enactment of the Sindh Trusts Act, 2020 (as amended vide Sindh Trusts (Amended) Act, 2021) ("the Act"), the Trusts including Collective Investment Schemes, Private Funds etc, being Specialized Trusts are required to be registered with the Assistant Director of Industries and Commerce (Trust Wing), Government of Sindh under Section 12A of the Act. For this purpose, Re-Stated Trust Deeds of all Funds have been executed between the Management Company and the Trustees and all the relevant Trust Deeds along with necessary documents have been submitted with Assistant Director of Industries and Commerce (Trust Wing), Government of Sindh.

Acknowledgment

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

The Directors' Report was initially approved by the Board of Directors of Management Company on August 21, 2021 and further amended on September 22, 2021 to incorporate the subsequent event as disclosed in above significant matter related to reversal of SWWF provisioning.

Karachi: Director Chief Executive Officer

شراکت داروں کے لیے ڈائریکٹرز رپورٹ

جے ایس انویسٹمنٹس لمیٹڈ کے بورڈ آف ڈائریکٹرز، JS اسلامک ہائبرڈ فنڈ آف فنڈز 3 (دی فنڈ) کی مینجمنٹ کمپنی نے 30 جون 2021 کو ختم ہونے والے سال کے لیے سالانہ رپورٹ پیش کرتے ہوئے خوشی محسوس کرتے ہیں۔

معاشی جائزہ

لاتعداد چیلنجز کے باوجود، پاکستان کی معیشت ترقی کی راہ پر مستحکم نمو کی طرف بڑھ رہی ہے۔ کووڈ- 19 کی وباء کے پاکستانی معیشت پر حملے سے پہلے اصلاحات کے ذریعے معاشی بحالی کا آغاز ہو گیا تھا جس کا اندازہ مالی سال 19 کی دوسری ششماہی سے ہوتا ہے، تاہم کرونا وائرس کی وبا پھیلنے کے سبب بحالی کا عمل رک گیا۔ پاکستان نے کئی دوسرے ممالک کے مقابلے میں وباء سے نمٹنے کیلئے بہتر اقدامات کئے جس کے نتیجے میں مالی سال 21 کے لئے جی ڈی پی کی شرح نمو مالی سال 20 میں 0.5% کی کمی سے بحالی کے بعد 3.94% ہوگئی۔ جی ڈی پی کی نمو کے دوبارہ بڑھنے کی وجہ مالی سال 20 میں صنعتی شعبے کے 3.8% سکڑاؤ سے مالی سال 21 میں 3.6% اضافہ تھی۔ اسی طرح خدمات کے شعبہ میں گزشتہ سال کے 0.6% سکڑاؤ کے بعد مالی سال 21 میں 4.4% پھیلاؤ آیا۔

افراط زر آج بھی ہماری معیشت کو درپیش سب سے بڑے مسائل میں سے ایک ہے۔ بلند ترین سی پی آئی اور بنیادی سی پی آئی بالترتیب 8.9% اور 6.6% ہیں۔ موخرالذکر کے 7% سے کم رہنے کے سبب اسٹیٹ بینک آف پاکستان کو اپنی نرم مانیٹری پالیسی برقرار رکھنے میں مدد ملی۔ یہ کہنا بھی ضروری ہے کہ دنیا بھر میں افراط زر میں اتار چڑھاؤ کی کیفیت جاری ہے، جس کی وجہ کووڈ - 19 کی وباء سے اشیاء کی سپلائی کے مرحلے میں بڑی رکاوٹیں پیدا ہونا تھی۔

اسٹیٹ بینک آف پاکستان نے لچکدار شرح تبادلہ کی پالیسی کا سلسلہ بھی برقرار رکھا۔ گرین بیک کے مقابلے میں روپے کی قیمت میں 9.4% بہتری آئی جو اس مدت کے دوران میں اضافی کرنٹ اکاؤنٹ کے سبب ممکن ہوئی۔ اس کے نتیجے میں اسٹیٹ بینک آف پاکستان کے ذخائر 54% اضافے کے ساتھ 17.8 بلین امریکی ڈالر ہو گئے جب کہ کل لیکویڈ غیر ملکی زرمبادلہ (FX) کے ذخائر 36% اضافے کے ساتھ 24.8 بلین امریکی ڈالر ہو گئے۔ معاشی سرگرمیوں کے دوبارہ بڑھنے کے نتیجے میں درآمدات میں اضافے کے باوجود درآمدات کا کور 5 ماہ تک مستحکم رہا۔

ایکیویٹی مارکیٹ کا جائزہ

مالی سال 21 میں KSE 100 انڈیکس میں 37.6% جبکہ KSE 30 اور KMI 30 انڈیکسز میں بالترتیب 27.6% اور 39.3% کا اضافہ ہوا۔ شاندار منافع زیادہ تر پچھلے سال کووڈ کی وجہ سے مارکیٹ میں کمی کے سبب ہے جو رواں مالی سال میں بحال کیا گیا تھا۔

سال کے دوران ٹیکنالوجی اور کمیونیکیشن نے 294% کا منافع دیا جبکہ گلاس اور سرامکس میں 171% کا اضافہ ہوا۔ اس مدت کے دوران ریفائنری، انجینئرنگ، آٹو اسمبلرز، پیپر اینڈ بورڈ اور سیمنٹ وہ دیگر شعبے تھے جن میں سب سے زیادہ اضافہ ہوا۔ فوڈ اینڈ پرسنل کیئر، آئل اینڈ گیس اور ایکسپلوریشن اینڈ فرٹیلائزرز سب سے زیادہ کم کارکردگی کا مظاہرہ کرنے والے تھے جن میں بالترتیب -3.2%، -0.4% اور 1.8% کا منافع ہوا۔

مالی سال کے دوران غالب موضوع high beta pro-cyclical اسٹاک تھا جس کو معاشی پھیلاؤ، بڑے پیمانے کی مینوفیکچرنگ میں بڑے اضافے اور خاص طور پر ہاؤسنگ کی جانب سے زیادہ طلب سے فائدہ ہوا۔ موجودہ حکومت کے ہاؤسنگ اور پانی کے ذخائر میں اضافہ (ڈیمز کی تعمیر کے ذریعے) پر خصوصی توجہ نے تعمیراتی شعبہ سے متعلق اسٹاکس میں تیزی سے اضافہ کیا ہے۔

دوسری طرف روایتی مستحکم کمپنیز کی کارکردگی میں معمولی سی کمی دیکھنے میں آئی۔ آمدنی کا جو استحکام مالی سال 17 - مالی سال 19 کی کساد بازاری کے دوران میں اقدار کو سہارا دینے میں معاون رہا، اسی کے سبب ان اسٹاکس میں عدم دلچسپی پیدا ہوئی جب کارپوریٹ آمدنی میں اضافہ سے متعلق تشویش نمایاں رہی۔

بازار حصص میں تجارتی ویلیو میں نمایاں بہتری آئی۔ KSE 100 میں ٹریڈنگ کی اوسط ویلیو مالی سال 20 کے 6.1 بلین پاکستانی روپے سے بڑھ کر مالی سال 21 میں 116% کے تاریخی اضافے کے ساتھ 13.2 بلین پاکستانی روپے ہوگئی۔ تجارتی ویلیو میں اس نمایاں اضافے کا سبب 2017 سے ایکوٹیز میں تیزی سے دوبارہ اضافہ ہونا تھا۔

انکم / منی مارکیٹ کا جائزہ

اب تک کے مالی سال کے دوران، اسٹیٹ بینک آف پاکستان (SBP) نے پالیسی ریٹ میں کوئی تبدیلی نہیں کی اور یہ شرح 7% رہی۔ سینٹرل بینک نے پاکستان انویسٹمنٹ بانڈز (PIBs) کی فراہمی میں کمی کی ہے اور جنوری 2021 تک 5 سالہ دستاویز کے نئے اجراء میں بولیاں مسترد کر دی تھیں۔ تاہم، انشورنس اور بینکنگ سیکٹر سے خاص طور پر طلب برقرار رہی، اسٹیٹ بینک نے بالآخر 9.52% کی کٹ آف پیداوار پر 5 سالہ دستاویز میں بولیاں قبول کرنا شروع کر دیں۔ اس وقت 5 سالہ PIBs 9.48% پر تجارت کر رہا ہے۔

وزارت خزانہ اور اسٹیٹ بینک آف پاکستان معاشی ترقی کو ترجیح دینے کے لیے پرعزم ہیں۔ اس کے باوجود کرنٹ اکاؤنٹ اور افراط زر کے بارے میں خدشات برقرار ہیں؛ سرمایہ کاروں نے قلیل مدت میں معمولی شرح سود میں سختی کی توقعات کی وجہ سے قلیل مدتی ٹریژری بلوں (T Bills) اور فلوٹنگ ریٹ بانڈز میں رہنے کو ترجیح دی ہے۔ زیر جائزہ مدت کے دوران، 3 ماہ، 6 ماہ اور 12 ماہ کے ٹی بلز کے لیے ثانوی مارکیٹ کی پیداوار بالترتیب 7.28%، 7.53% اور 7.81% تک بڑھ گئی ہے۔

مالی سال 2021 کی دوسری سہ ماہی(2QFY21) میں اسلامک منی مارکیٹ نے حکومتِ پاکستان کے اجارہ سکوک کے اجراء مشاہدہ کیا۔ SBP نے ویری ایبل رینٹل ریٹ (VRR) اجارہ سکوک میں 335 بلین پاکستانی روپے کی بولیاں منظور کیں کیونکہ سرمایہ کاروں میں فلوٹنگ ریٹ سکوک کو ترجیح دی جاتی رہی۔ مزید برآں، 5 سالہ فکسڈ رینٹل ریٹ (FRR) اجارہ سکوک کے لیے 33 بلین پاکستانی روپے کی بولیاں موصول ہوئیں، جن میں سے صرف 14 بلین پاکستانی روپے کی بولیاں قبول کی گئیں۔ اس کے مقابلے میں، گزشتہ سہ ماہی میں اجارہ سکوکس کا کوئی نیا اجراء نہیں ہوا تھا۔

فنڈ کی کارکردگی کا جائزہ

30 جون 2021 کو ختم ہونے والے سال کے لیے فنڈ کی تین ایلوکیشن اسکیموں کی کارکردگی درج ذیل ہے۔ 30 جون 2021 کو فنڈ کے خالص اثاثہ جات 1,205.02 ملین روپے سے 868.05 ملین روپے پر پہنچ گئے۔

ایلوکیشن اسکیمز	خالص اثاثہ جات (ملین پاکستانی روپے میں)	منافع	بینچ مارک منافع
JSاسلامک ہائبرڈ فنڈ آف فنڈز-3 JSICPAP-6	415.35	6.32%	3.41%
JSاسلامک ہائبرڈ فنڈ آف فنڈز-3 JSICPAP-7	347.61	6.18%	3.41%
JSاسلامک ہائبرڈ فنڈ آف فنڈز-3 JSICPAP-9	105.09	9.03%	9.26%

JSاسلامک ہائبرڈ فنڈ آف فنڈز 3 -JSICPAP-6

یہ پلان ابتدائی پیشکش سے قبل کی مدت (Pre - IOP) اور ابتدائی پیشکش کی مدت (IOP) یعنی 25 اپریل 2019 اور 21 جون 2019 سے حاصل ہونے والی تمام بقایا آمدنی کی کلیئرنس سے دو سال کی میچوریٹی کا ہے۔ مینجمنٹ کمپنی (وکیل) نے سیکیوریٹیز اینڈ ایکسچینج کمیشن آف پاکستان کی منظوری سے میچوریٹی کی مدت میں مزید دو سال کی توسیع کردی ہے جو 25 جون 2023 کو اختتام پذیر ہوگی۔ اس مدت کے اختتام کے بعد، مینجمنٹ کمپنی (وکیل) مخصوص مدت کے لیے بعد کی میچوریٹی کا اعلان کرسکتی ہے جہاں مینجمنٹ کمپنی (وکیل) یونٹ ہولڈرز کے حق میں بہتر محسوس کریں۔

JSاسلامک ہائبرڈ فنڈ آف فنڈز 3- JSICPAP-7

یہ پلان ابتدائی پیشکش سے قبل کی مدت (Pre - IOP) اور ابتدائی پیشکش کی مدت (IOP) یعنی 15 جولائی 2019 اور 05 ستمبر 2019 سے حاصل ہونے والی تمام بقایا آمدنی کی کلیئرنس سے دو سال کی میچوریٹی کا ہے۔ مینجمنٹ کمپنی (وکیل) نے سیکیوریٹیز اینڈ ایکسچینج کمیشن آف پاکستان کی منظوری سے میچوریٹی کی مدت میں مزید دو سال کی توسیع کردی ہے جو 16 ستمبر 2023 کو اختتام پذیر ہوگی۔ اس مدت کے اختتام کے بعد، مینجمنٹ کمپنی (وکیل) مخصوص مدت کے لیے بعد کی میچوریٹی کا اعلان کرسکتی ہے جہاں مینجمنٹ کمپنی (وکیل) یونٹ ہولڈرز کے حق میں بہتر محسوس کریں۔

ایسیٹ مینجر ریٹنگ

پاکستان کریڈٹ ریٹنگ ایجنسی لمیٹڈ (PACRA) نے جے ایس انویسٹمنٹس لمیٹڈ کو " AM 2 " (اے ایم ٹو) کی مینجمنٹ کوالٹی ریٹنگ "stable" امکانات کے ساتھ تفویض کی ہے۔ یہ ریٹنگ مینجمنٹ کے اعلیٰ معیار کی نشاندہی کرتی ہے۔

آڈیٹرز

بیرونی آڈیٹرز میسرز کے پی ایم جی تاثیر ہادی اینڈ کو، چارٹرڈ اکاؤنٹنٹس ریٹائر ہوگئے۔ بورڈ آف ڈائریکٹرز نے، آڈٹ کمیٹی کی تجویز پر، میسرز اے ایف فرگوسن، چارٹرڈ اکاؤنٹنٹس کی 30 جون 2022 کو ختم ہونے والے سال کے لیے تقرری کی منظوری دی۔

بورڈ آف ڈائریکٹرز

مدت کے دوران، محترمہ عفت زہرہ منکانی نے جناب حسنین رضا نینسی کی جگہ کمپنی کی چیف ایگزیکیٹیو آفیسر کی حیثیت سے شمولیت اختیار کی۔ اس کے علاوہ جناب سید توقیر حیدر رضوی، جناب بابر واجد اور جناب کامران جعفر بورڈ سے مستعفی ہوگئے جبکہ جناب سلیمان لالانی، جناب حلیم شیخ، جناب زاہد اللہ خان اور جناب مرزا ایم ساد یدا بیج برلاس کو بالترتیب ان کی جگہ ڈائریکٹر مقرر کیا گیا۔

شریعہ ایڈوائزرز

میسرز ال۔ ہلال شریعہ ایڈوائزرز (پرائیوٹ) لمیٹڈ نے اپنی مدت مکمل کی۔ JS انویسٹمنٹس لمیٹڈ کے بورڈ آف ڈائریکٹرز، فنڈ کی مینجمنٹ کمپنی نے، آڈٹ کمیٹی کی تجویز پر ال۔ ہلال شریعہ ایڈوائزرز کو 30 جون 2022 کو ختم ہونے والے اگلے سال کے لیے تقرری کی منظوری دی۔

اضافی معاملات

ا۔سالانہ رپورٹ کے ساتھ فنڈ مینیجر رپورٹ منسلک ہے جس میں مرکزی خطرات اور منافع جات کے مستقبل کے امکانات کی مناسب علامت کے ساتھ ہیجان کی کیفیت کی وضاحت کی ہے۔

ب۔شائع ہونے والے مالیاتی گوشوارے کے ضمیمہ 1 میں 30 جون 2021 کو یونٹ ہولڈنگ کے نمونہ کی تشہیر ہوئی۔

ج۔اندرونی کنٹرول کا نظام ساخت کے اعتبار سے مضبوط ہے اور اس پر موثر اطلاق اور نگرانی کی جاتی ہے۔

د۔کارکردگی کا ٹیبل/اہم مالیاتی معلومات اس سالانہ رپورٹ کے ضمیمہ میں دی گئی ہیں۔

اہم معاملات

- 30 جون 2021 کو ختم ہونے والے سال کے بعد، سندھ ریونیو بورڈ (ایس۔آر۔بی) نے 12 اگست 2021 کے اپنے خط کے ذریعے ایم یو ایف اے پی کو آگاہ کیا ہے کہ میوچل فنڈز مالیاتی ادارے/صنعتی ادارے کے طور پر اہل نہیں ہیں اور اس وجہ سے وہ سندھ ورکرز ویلفیئر فنڈ (SWWF) کی شراکت ادائیگی کے ذمہ دار نہیں ہیں۔اس ترقی پر MUFAP کی سطح پر تبادلہ خیال کیا گیا اور اسے سیکیورٹیز اینڈ ایکسچینج کمیشن آف پاکستان (SECP) کے ساتھ بھی اٹھایا گیا ہے اور ایس ای سی پی کے ساتھ مشاورت کے ساتھ تمام اثاثہ جات مینجمنٹ کمپنیوں نے فنڈ کے SWWF کو 13 اگست 2021 کے مالی بیانات میں تسلیم شدہ مجموعی فراہمی کو الٹ دیا ہے۔ایس ای سی پی نے ڈبلیو ڈبلیو ایف کی فراہمی کی ممکنہ الٹ پلٹ کے لئے اپنی رضامندی دی ہے، اس کے مطابق، آگے بڑھتے ہوئے فنڈ کے مالی بیان میں ڈبلیو ڈبلیو ایف کے لئے کوئی شق تسلیم نہیں کی جائے گی۔
- 22 ستمبر 2021 کو بورڈ نے مالیاتی بیانات میں (SWWF) کے ممکنہ الٹ سے متعلق نوٹ 12.1 شامل کرنے کی منظوری دی۔

۔ سندھ ٹرسٹس ایکٹ 2020 .(ترمیم شدہ بذریعہ سندھ ٹرسٹس (ترمیم شدہ) ایکٹ 2021 ("دی ایکٹ") کے نفاذ سے ٹرسٹس بشمول اجتماعی انویسٹمنٹ اسکیمز، پرائیویٹ فنڈز وغیرہ کو ایکٹ کے سیکشن 12A کے تحت خصوصی ٹرسٹس ہونے کی بناء پر اسٹنٹ ڈائریکٹر آف انڈسٹریز اینڈ کامرس (ٹرسٹ ونگ)، حکومت سندھ کے ساتھ رجسٹر ہونا لازمی ہے۔اس مقصد کیلئے مینجمنٹ کمپنیز کے درمیاں تمام فنڈز کی دوبارہ تشکیل کی گئی ٹرسٹ ڈیڈز مکمل کر لی گئی ہیں اور ٹرسٹیز ار تمام متعلقہ ٹرسٹ ڈیڈز مع ضروری دستاویزات اسسٹنٹ ڈائریکٹر آف انڈسٹریز اینڈ کامرس (ٹرسٹ ونگ) ، حکومت سندھ کے پاس جمع کرادی گئی ہیں۔

اظہارِ تشکر

ڈائریکٹرز بیش قدر معاونت، مدد اور رہنمائی پر سیکیوریٹیز اینڈ ایکسچینج کمیشن آف پاکستان (SECP) اور سینٹرل ڈپازٹری کمپنی آف پاکستان لمیٹڈ (CDCPL) سے اظہارِ تشکر کرتے ہیں۔ بورڈ لگن اور محنت پر مینجمنٹ کمپنی کے ملازمین اور انتظامیہ پر اعتماد پر یونٹ ہولڈرز کا بھی شکریہ ادا کرتا ہے۔

ڈائریکٹروں کی رپورٹ کو ابتدائی طور پر 21 اگست 2021 کو مینجمنٹ کمپنی کے بورڈ آف ڈائریکٹرز نے منظور کیا 22 ستمبر 2021 کو مزید ترمیم کی تا کہ بعد کے ایونٹ کو شامل کیا جا سکے جیسا کے مذکورہ بالا اہم معاملے میں ظاہر کی گیا ہے جو کہ SWWF پروویژننگ سے متعلق ہے۔

چیف ایگزیکٹیو آفیسر | ڈائریکٹر

کراچی:

Fund Manager Report
Annual Report 2020

JS Islamic Hybrid Fund of Funds 3

JS Islamic Capital Preservation Allocation Plan - 6 (JS ICPAP 6)
JS Islamic Capital Preservation Allocation Plan - 7 (JS ICPAP 7)
JS Islamic Capital Preservation Allocation Plan - 9 (JS ICPAP 9)

- **Description of the Collective Investment Scheme category and type**
  Shariah Compliant Fund of Funds Scheme - Allocation Plan

- **Statement of Collective Investment Scheme's investment objective**
  JS Islamic Capital Preservation Allocation Plan – 6 (JSICPAP-6) is an allocation plan offered under "JS Islamic Hybrid Fund-of-Funds – 3". The Plan aims to earn a potentially high return through dynamic asset allocation between Shariah Compliant Equities and Shariah Compliant Sovereign Income/Money Market based Collective Investment Schemes, while providing principal preservation of the Initial Investment Value at completion of the Life of the Plan.

  JS Islamic Capital Preservation Allocation Plan – 7 (JSICPAP-7) is an allocation plan offered under "JS Islamic Hybrid Fund-of-Funds – 3". The Plan aims to earn a potentially high return through dynamic asset allocation between Shariah Compliant
  Equities, Shariah Compliant Sovereign Income/Money Market based Collective Investment Schemes and Shariah Compliant bank saving accounts /term deposits, while providing principal preservation of the Initial Investment Value at completion of the life of the Plan.

  JS Islamic Capital Preservation Allocation Plan – 9 (JSICPAP-9) is an allocation plan offered under "JS Islamic Hybrid Fund-of-Funds-3" with a 2-year maturity period. The Plan aims to earn a potentially high return through dynamic asset allocation between Shariah Compliant Equities, Shariah Compliant Sovereign Income/Money Market based Collective Investment Schemes and Shariah Compliant bank saving accounts/ term deposits, while providing principal preservation of the Initial Investment Value at completion of the Life of the Plan.

- **Explanation as to whether the Collective Investment Scheme has achieved its stated objective**
  The collective investment scheme achieved its stated objective.

- **Statement of benchmark(s) relevant to the Collective Investment Scheme**
  The Benchmark of each Allocation Plan in the Fund will be the weighted average daily return of i) KMI 30 index; ii) six (6) month average deposit rates of three (3) 'A' rated scheduled Islamic Banks or Islamic Banking windows of scheduled Commercial Banks; iii) six months PKISRV Rates and iv) three (3) month average deposit rates of three (3) 'AA' rated scheduled Islamic Banks or Islamic Banking windows of scheduled Commercial Banks, as selected by MUFAP - based on actual proportion of i) Equity Portion consisting of Shariah Compliant Equity Funds; ii) Shariah Compliant Income Funds within Income Portion; iii) Shariah Compliant Sovereign Income Funds within Income Portion; and iv) Money Market Funds and Cash or Near cash instruments; in each of the Allocation Plans as approved by SECP.

- **Comparison of the Collective Investment Scheme's performance during the period compared with the said benchmarks**

	JSIHFOF JS ICPAP 6	BM	JSIHFOF 3 JS ICPAP 7	BM	JSIHFOF 3 JS ICPAP 9	BM
Jul-20	0.56%	0.31%	0.51%	0.31%	0.87%	1.11%
Aug-20	0.50%	0.34%	0.49%	0.34%	1.12%	1.21%
Sep-20	0.45%	0.31%	0.43%	0.31%	-0.19%	-0.18%
Oct-20	0.49%	0.32%	0.47%	0.32%	0.43%	-0.10%
Nov-20	0.51%	0.28%	0.54%	0.28%	0.72%	1.25%
Dec-20	0.50%	0.28%	0.52%	0.28%	2.17%	1.98%
Jan-21	0.46%	0.26%	0.45%	0.26%	1.44%	1.46%
Feb-21	0.51%	0.24%	0.45%	0.24%	0.52%	1.13%
Mar-21	0.56%	0.27%	0.56%	0.27%	-0.98%	-1.11%
Apr-21	0.50%	0.25%	0.50%	0.25%	-0.17%	-0.40%
May-21	0.54%	0.25%	0.53%	0.25%	2.67%	3.34%
Jun-21	0.57%	0.24%	0.56%	0.24%	0.13%	-0.72%
FY21	**6.32%**	**3.41%**	**6.18%**	**3.41%**	**9.03%**	**9.26%**

- **Description of the strategies and policies employed during the period under review in relation to the Collective Investment Scheme's performance**

JS Islamic Capital Preservation Plan 6: The JS ICPAP - 6 maintained nil equity exposure. The Fund was primarily invested in cash or near cash instruments with commercial banks and money market mutual funds.

JS Islamic Capital Preservation Plan 7: The JS ICPAP - 7 maintained nil equity exposure. The Fund was primarily invested in cash or near cash instruments with commercial banks and money market mutual funds.

JS Islamic Capital Preservation Plan 9: The JS ICPAP - 9 maintained 26% average equity exposure. The remainder of the Fund was invested in cash or near cash instruments with commercial banks and money market mutual funds.

- **Disclosure of the Collective Investment Scheme's asset allocation as at the date of the report and particulars of significant changes in asset allocation since the last report (if applicable)**

	JSIHFOF 3 JS ICPAP 6		JSIHFOF 3 JS ICPAP 7		JSIHFOF 3 JS ICPAP 9	
	Jun-21	**Jun-20**	**Jun-21**	**Jun-20**	**Jun-21**	**Jun-20**
Cash	0.21%	49.33%	0.05%	56.29%	5.85%	99.39%
Open End Funds	99.78%	50.32%	99.92%	43.19%	94.14%	0.00%
Other including receivables	0.01%	0.35%	0.03%	0.52%	0.01%	0.61%
Total	**100.00%**	**100.00%**	**100.00%**	**100.00%**	**100.00%**	**100.00%**

- **Based on changes in total NAV and NAV per unit since the last review period or since commencement (in the case of newly established Collective Investment Scheme)**

	30-Jun-21		30-Jun-20	
	Net Assets Excluding JSIL FoFs (PKR mn)	NAV per Unit (PKR)	Net Assets Excluding JSIL FoFs (PKR mn)	NAV per Unit (PKR)
JSIHFOF 3 - JS ICPAP 6	415	91.69	565	91.67
JSIHFOF 3 - JS ICPAP 7	348	91.62	410	91.60
JSIHFOF 3 - JS ICPAP 9	105	102.02	231	101.87

- **Disclosure of the markets that the Collective Investment Scheme has invested in:**

The equity portion of the JSICPAP 6, 7 & 9 is invested in an Islamic Dedicated Equity Fund such as the JS Islamic Dedicated Equity Fund. The fixed income portion of the funds is invested in Shariah Compliant Money Market Collective Investment Schemes, Deposits with Islamic Banks and Islamic windows of conventional commercial banks.

- **Disclosure on distribution (if any), comprising:-**

- Particulars of income distribution or other forms of distribution made and proposed during the period; and
- Statement on effects on the NAV before and after distribution is made

Distribution

JS ICPAP 6: 5.77%; JS ICPAP 7: 5.64%; JS ICPAP 9: 9.02%

NAVs per unit as on June 30, 2021

	Cum NAV (PKR)	Ex-NAV (PKR)
JSIHFOF 3 - JS ICPAP 6	91.69	91.69
JSIHFOF 3 - JS ICPAP 7	91.62	91.62
JSIHFOF 3 - JS ICPAP 9	102.02	102.02

- **Description and explanation of any significant changes in the state of affairs of the Collective Investment Scheme during the period and up till the date of the manager's report, not otherwise disclosed in the financial statements**

There were no significant changes in the state of affairs during the year under review.

- **Breakdown of unit holdings by size**

Fund Name	Ranges			Number of Folios
JS IHFOF-2-JSICPAP-6	0.0001	to	9,999.9999	135
	10,000.0000	to	49,999.9999	50
	50,000.0000	to	99,999.9999	6
	100,000.0000	to	499,999.9999	5
	500,000.0000	&	above	1
			Total	197

Fund Name	Ranges			Number of Folios
JS IHFOF-2-JSICPAP-7	0.0001	to	9,999.9999	258
	10,000.0000	to	49,999.9999	71
	50,000.0000	to	99,999.9999	11
	100,000.0000	to	499,999.9999	4
	500,000.0000	&	above	1
			Total	345

Fund Name	Ranges			Number of Folios
JS IHFOF-3-JSICPAP-9	0.0001	to	9,999.9999	20
	10,000.0000	to	49,999.9999	18
	50,000.0000	to	99,999.9999	4
	100,000.0000	to	499,999.9999	3
	500,000.0000	&	above	-
			Total	45

- **Disclosure on unit split (if any), comprising:-**

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

- **Disclosure of circumstances that materially affect any interests of the unit holders**

Investment is subject to market risk.

- **Disclosure if the Asset Management Company or its delegate, if any, receives any soft commission (i.e. goods and services) from its broker(s) or dealer(s) by virtue of transactions conducted by the Collective Investment Scheme, disclosure of the following:-**

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

Performance Table

		Year 2021			Year 2020			Year 2019
		JS ISLAMIC HYBRID FUND OF FUNDS - 3			JS ISLAMIC HYBRID FUND OF FUNDS - 3			S ISLAMIC HYBRID FUND OF FUNDS - 3
		JS ICPAP 6	JS ICPAP 7	JS ICPAP 9	JS ICPAP 6	JS ICPAP 7	JS ICPAP 9	JS ICPAP 6
Net assets	Rs.	415,352,411	347,611,864	105,087,546	564,624,879	409,807,564	230,585,192	823,637,610
Net income / loss	Rs.	30,195,152	22,725,684	13,454,733	(45,692,604)	(38,881,318)	4,194,018	2,636,354
Total return of the Fund	%	6.32	6.18	9.03	-8.33	-8.4	1.87	0.32
Dividend distribution per unit	%	5.77	5.64	9.02	-	-	-	0.32
Capital Growth	%	8.70	0.54	0.01	(8.33)	(8.40)	1.87	-
Average annual return								
- One Year	%	6.32	6.18	9.03	(8.33)	(8.40)	1.87	0.32
- Two Years	%	(2.01)	(2.22)	10.90	(8.01)	-	-	-
- Three Years	%	(1.69)	-	-	-	-	-	-
NAV per unit	Rs.	91.69	91.62	102.02	91.67	91.60	101.87	100.00
Year-end offer price per unit	Rs.	94.80	94.73	105.48	94.78	94.71	105.33	103.39
Highest offer price per unit	Rs.	100.74	100.53	115.85	114.71	112.78	105.33	103.64
Lowest offer price per unit	Rs.	94.78	94.71	105.33	93.46	93.16	103.59	103.34
Year-end repurchase price per unit	Rs.	91.69	91.62	102.02	91.67	91.60	101.87	99.00
Highest repurchase price per unit	Rs.	97.43	97.23	112.05	110.94	109.08	101.87	99.23
Lowest repurchase price per unit	Rs.	91.67	91.60	101.87	90.39	90.1	100.19	98.95
First Interim Distribution per unit	Rs.	5.77	5.64	9.02	-	-	-	0.32
Announcement date		29-Jun-21	29-Jun-21	29-Jun-21	-	-	-	27-Jun-19
Final distribution	Rs.	-	-	-	-	-	-	-
Announcement date		-	-	-	-	-	-	-

Notes

- JS Islamic Hybrid Fund of Funds 3 (JSICPAP-6) was launched on June 21, 2019.
- JS Islamic Hybrid Fund of Funds 3 (JSICPAP-7) was launched on September 05, 2019.
- JS Islamic Hybrid Fund of Funds 3 (JSICPAP-9) was launched on April 01, 2020.
- Investment portfolio composition of the Fund is disclosed in note 6 of the financial statements.
- The income distribution have been shown against the year to which they relate although these were declared & distributed subsequently to the year end.

Disclaimer

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

This includes 0.18% representing governmnet levy, Workers Welfare Fund and SECP Fee etc. for JSICPAP-6

This includes 0.18% representing governmnet levy, Workers Welfare Fund and SECP Fee etc. for JSICPAP-7

This includes 0.33% representing governmnet levy, Workers Welfare Fund and SECP Fee etc. for JSICPAP-9

بِسْمِ اللّٰهِ الرَّحْمٰنِ الرَّحِيْمِ

Al-Hilal
Shariah Advisors

September 14, 2021

The purpose of this report is to provide an opinion on the Shariah Compliance of the Fund's investment and operational activities with respect to Shariah guidelines provided.

It is the core responsibility of the Management Company to operate the Fund and invest the amount of money in such a manner which is in compliance with the Shariah principles as laid out in the Shariah guidelines. In the capacity of the Shariah Advisor, our responsibility lies in providing Shariah guidelines and ensuring compliance with the same by review of activities of the fund. We express our opinion based on the review of the information, provided by the management company, to an extent where compliance with the Shariah guidelines can be objectively verified.

Our review of Fund's activities is limited to enquiries of the personnel of Management Company and various documents prepared and provided by the management company.

Keeping in view the above; we certify that:

We have reviewed all the investment and operational activities of the fund including all transactions and found them to comply with the Shariah guidelines. On the basis of information provided by the management company, all operations of the fund for the year ended June 30, 2021 comply with the provided Shariah guidelines. Therefore, it is resolved that investments in JS Islamic Hybrid Fund of Funds-III (JS-IHFoF-III) managed by JS Investments Limited are halal and in accordance with Shariah principles.

May Allah (SWT) bless us and forgive our mistakes and accept our sincere efforts in accomplishment of cherished tasks and keep us away from sinful acts.

For and on behalf of Shariah Supervisory Council of Al-Hilal Shariah Advisors (Pvt.) Limited.

Mufti Irshad Ahmad Aijaz
Member Shariah Council

Faraz Younus Bandukda, CFA
Chief Executive

Al-Hilal Shariah Advisors (Pvt) Limited

807 8th Floor Horizon Tower, Khayban-e-Saadi, Block - 3 Clifton, Karachi, Pakistan. Tel :+92-21-35305931-37, Web: www.alhilalsa.com

STATEMENT OF COMPLIANCE WITH SHARIAH PRINCIPLES

JS Islamic Hybrid Fund of Funds-3 (the Fund) has fully complied with Shariah Principles speci¬fied in the Trust Deed and in the guidelines issued by the Shariah Advisors for its operations, investments, bank accounts and placements made during the year ended June 30, 2021. The Shariah Advisors has also confi¬rmed that the transactions were observed to be compliant with the guidelines laid down by Shariah Advisors.

Iffat Zehra Mankani
Chief Executive Officer

Karachi: September 24, 2021

Independent Reasonable Assurance Report to the Unit Holders on the Statement of Compliance with Shariah Principles

We were engaged by the Board of Directors of JS Investments Limited, Management Company of **JS Islamic Hybrid Fund of Fund III** (the Fund), to report on Fund's Compliance with the Shariah principles as set out in the annexed statement prepared by the management company for the year ended 30 June 2021, in the form of an independent reasonable assurance conclusion about whether the annexed statement presents fairly the status of the Fund's compliance with Shariah principles specified in the Trust Deed and the guidelines issued by the Shariah Advisor, in all material respects.

Applicable Criteria

The criteria against which the subject matter information (the Statement) is assessed comprise of Shariah principles specified in the Trust Deed and the guidelines issued by the Shariah Advisor.

The above criteria were evaluated for their implementation on the financial statements of the Fund for the year ended 30 June 2021.

Responsibilities of the Management Company

The management company of the Fund is responsible for preparation of the annexed statement that is free from material misstatement and for the information contained therein.

This responsibility includes designing, implementing and maintaining internal controls relevant to the preparation of the annexed statement that is free from material misstatement, whether due to fraud or error. The management company is also responsible to ensure that the financial arrangements and transactions having Shariah implications entered into by the Fund in substance and in their legal form are in compliance with the Shariah principles specified in the Trust Deed and guidelines issued by the Shariah Advisor.

Our Independence and Quality Control

We have complied with the independence and other ethical requirements of the Code of Ethics for Chartered Accountants issued by the Institute of Chartered Accountants of Pakistan, which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behavior.

The firm applies International Standard on Quality Control 1 "Quality Control for Firms That Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements" and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Our responsibilities

Our responsibility is to examine the annexed statement and to report thereon in the form of an independent reasonable assurance conclusion based on the evidence obtained. We conducted our engagement in accordance with International Standard on Assurance Engagements (ISAE) 3000 (Revised), Assurance Engagements Other Than Audits or Reviews of Historical Financial Information issued by the International Auditing and Assurance Standards Board. That standard requires that we plan and perform our procedures to obtain reasonable assurance about whether the annexed statement presents fairly the status of the Fund's compliance with the Shariah principles specified in the Trust Deed and the guidelines issued by the Shariah Advisor, in all material respects. The procedures selected depend on our judgment, including the assessment of the risks of material non-compliances with Shariah principles and guidelines whether due to fraud or error. In making those risk assessments, we have considered internal control relevant to financial arrangements and transactions having Shariah implications, in order to design assurance procedures that are appropriate in the circumstances, but not for the purposes of expressing a conclusion as to the effectiveness of the Fund's internal control. Reasonable assurance is less than absolute assurance.

The procedures performed included performing tests of controls for making investments and maintaining bank accounts in accordance with the Shariah principles specified in the Trust Deed and the guidelines issued by the Shariah Advisor.

Conclusion

Our conclusion has been formed on the basis of, and is subject to, the matters outlined in this report. We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion.

In our opinion, the annexed statement, for the year ended 30 June 2021, presents fairly the status of the Fund's compliance with the Shariah principles specified in the Trust Deed and the guidelines issued by the Shariah Advisor, in all material respects.

Date: 30 September 2021

Karachi

KPMG Taseer Hadi & Co.
Chartered Accountants

CENTRAL DEPOSITORY COMPANY OF PAKISTAN LIMITED
Head Office:
CDC House, 99-B, Block 'B'
S.M.C.H.S., Main Shahra-e-Faisal
Karachi - 74400, Pakistan.
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Email: info@cdcpak.com

TRUSTEE REPORT TO THE UNIT HOLDERS

JS ISLAMIC HYBRID FUND OF FUNDS – 3

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

We, Central Depository Company of Pakistan Limited, being the Trustee of JS Islamic Hybrid Fund of Funds – 3 (the Fund) are of the opinion that JS Investments Limited being the Management Company of the Fund has in all material respects managed the Fund during the year ended June 30, 2021 in accordance with the provisions of the following:

(i) Limitations imposed on the investment powers of the Management Company under the constitutive documents of the Fund;

(ii) The pricing, issuance and redemption of units are carried out in accordance with the requirements of the constitutive documents of the Fund; and

(iii) The Non-Banking Finance Companies (Establishment and Regulations) Rules, 2003, the Non-Banking Finance Companies and Notified Entities Regulations, 2008 and the constitutive documents of the Fund.

Badiuddin Akber
Chief Executive Officer
Central Depository Company of Pakistan Limited

Karachi, September 17, 2021

INDEPENDENT AUDITOR'S REPORT

To the Unit Holders of JS Islamic Hybrid Fund of Funds 3

Report on the Audit of the Financial Statements

Opinion

We have audited the annexed financial statements of JS Islamic Hybrid Fund of Funds 3 ("the Fund"), which comprise the statement of assets and liabilities as at 30 June 2021, income statement, statement of comprehensive income, statement of movement in unit holders' fund, cash flow statement for the year then ended, and notes to the financial statements, including summary of significant accounting policies and other explanatory information.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Fund as at 30 June 2021, and of its financial performance and its cash flows for the year then ended in accordance with accounting and reporting standards as applicable in Pakistan.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) as applicable in Pakistan. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Fund in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) as adopted by the Institute of Chartered Accountants of Pakistan together with the ethical requirements that are relevant to our audit of the financial statements in Pakistan and we have fulfilled our other ethical responsibilities in accordance with the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current year. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Following is the key audit matter:

No.	Key Audit Matter(s)	How the matter was addressed in our audit
1	*Investments – Valuation of investments* Refer note 4.1 and 6 to the financial statements for accounting policies and details of investments. As at 30 June 2021, the Fund has investments classified as "Fair value through profit or loss" amounting to Rs. 875.2 million in aggregate representing 99% of total assets value of the Fund. We identified valuation of investments as a key audit matter because of its significance in relation to the net asset value of the fund.	Our audit procedures included the following: • obtaining an understanding of and testing the design and operating effectiveness of the key controls for the valuation of investments; and • assessing, on a sample basis, whether investments were valued at fair value based on the rates quoted by Mutual Fund Association of Pakistan (MUFAP).

Other Information

Management is responsible for the other information. The other information comprises the information included in the annual report, but does not include the financial statements and our auditors' report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Board of Directors for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting and reporting standards as applicable in Pakistan, and for such internal control as Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, Management is responsible for assessing the Fund's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Fund or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are responsible for overseeing the Fund's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs as applicable in Pakistan will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs as applicable in Pakistan, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.

- Conclude on the appropriateness of Management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Fund to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Board of Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Board of Directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the Board of Directors, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

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

The engagement partner responsible on the audit resulting in this independent auditor's report is Amyn Pirani.

Date: September 30, 2021

Karachi

KPMG Taseer Hadi & Co.
Chartered Accountants

FINANCIAL STATEMENTS

Statement of Assets and Liabilities

As at 30 June 2021

	Note	30 June 2021				30 June 2020			
		JS Islamic Capital Preservation Allocation Plan 6	JS Islamic Capital Preservation Allocation Plan 7	JS Islamic Capital Preservation Allocation Plan 9	Total	JS Islamic Capital Preservation Allocation Plan 6	JS Islamic Capital Preservation Allocation Plan 7	JS Islamic Capital Preservation Allocation Plan 9	Total
		(Rupees)							
Assets									
Bank balances	5	893,564	185,985	6,293,093	7,372,642	279,011,904	236,173,637	229,536,262	744,721,803
Investments	6	421,448,998	352,484,061	101,252,015	875,185,074	284,603,947	181,207,148	-	465,811,095
Deferred formation costs	7	-	86,914	-	86,914	308,763	493,798	-	802,561
Profit receivable on bank balance	8	22,626	7,411	12,100	42,137	1,696,740	1,670,206	1,412,884	4,779,830
Total assets		422,365,188	352,764,371	107,557,208	882,686,767	565,621,354	419,544,789	230,949,146	1,216,115,289
Liabilities									
Payable to the Management Company (Wakeel)	9	212,324	302,053	68,160	582,537	564,714	644,356	248,063	1,457,133
Remuneration payable to Trustee	10	80,608	65,981	19,937	166,526	104,637	82,955	14,913	202,505
Annual fee payable to the Securities and Exchange Commission of Pakistan	11	98,919	75,945	30,792	205,656	139,646	90,854	11,401	241,901
Accrued expenses and other liabilities	12	6,620,927	4,708,528	2,350,773	13,680,228	187,479	8,919,059	89,576	9,196,114
Total liabilities		7,012,777	5,152,507	2,469,662	14,634,946	996,476	9,737,224	363,954	11,097,654
Contingencies and Commitments	14								
Net assets		415,352,411	347,611,864	105,087,546	868,051,821	564,624,879	409,807,564	230,585,192	1,205,017,636
Unit holders' funds		415,352,411	347,611,864	105,087,546	868,051,821	564,624,879	409,807,564	230,585,192	1,205,017,636
		Number of units							
Number of units in issue	15	4,529,885	3,794,137	1,030,042	9,354,064	6,159,421	4,474,009	2,263,576	12,897,007
		(Rupees)							
Net assets value per unit		91.69	91.62	102.02		91.67	91.60	101.87	

The annexed notes from 1 to 23 and annexure form an integral part of these financial statements.

For JS Investments Limited
(Management Company)

Chief Executive Officer **Chief Financial Officer** **Director**

Income Statement
For the year ended 30 June 2021

	Note	30 June 2021			
		JS Islamic Capital Preservation Allocation Plan 6	JS Islamic Capital Preservation Allocation Plan 7	JS Islamic Capital Preservation Allocation Plan 9	Total
		(Rupees)			
Income					
Gain on investments at fair value through profit or loss - net		5,323,774	3,030,832	3,706,423	12,061,029
Unrealized appreciation on revaluation of investments at fair value through profit or loss - net	6.1	644,321	341,422	4,381,409	5,367,152
Profit on bank balances		6,504,818	3,575,018	3,859,030	13,938,866
Dividend Income		20,386,346	17,992,170	3,598,312	41,976,828
Total income		32,859,259	24,939,442	15,545,174	73,343,875
Expenses					
Remuneration of the Management Company (Wakeel)	9.1	-	-	1,154,862	1,154,862
Sindh sales tax on Management Company's (Wakeel) remuneration		-	-	150,145	150,145
Remuneration of the Trustee	10	989,819	759,922	258,713	2,008,454
Sindh sales tax on Trustee remuneration		128,677	98,791	33,632	261,100
Annual fee to the Securities and Exchange Commission of Pakistan (SECP)	11	98,944	75,970	30,817	205,731
Bank and settlement charges		1,240	3,390	1,244	5,874
Auditors' remuneration	17	241,559	192,703	87,318	521,580
Accounting and operational charges	9.2	96,359	68,833	38,095	203,287
Shariah Advisory Fee		173,350	134,310	51,863	359,523
Amortization of deferred formation costs	7.1	308,763	406,884	-	715,647
PSX Listing Fee		8,334	8,333	8,333	25,000
SECP Supervisory Fee		834	833	833	2,500
Provision for Sindh Workers' Welfare Fund	12.1	616,228	463,789	274,586	1,354,603
Total expenses		2,664,107	2,213,758	2,090,441	6,968,306
Taxation	13	-	-	-	-
Net income for the year		30,195,152	22,725,684	13,454,733	66,375,569
Allocation of net income for the year					
Net income for the year		30,195,152	22,725,684	13,454,733	66,375,569
Income already paid on units redeemed		(5,244,391)	(2,255,378)	(4,604,693)	(12,104,462)
		24,950,761	20,470,306	8,850,040	54,271,107
Accounting Income available for distribution:					
Relating to Capital Gain		5,968,095	3,372,254	8,087,832	17,428,181
Excluding Capital Gain		18,982,666	17,098,052	762,208	36,842,926
		24,950,761	20,470,306	8,850,040	54,271,107

The annexed notes from 1 to 23 and annexure form an integral part of these financial statements.

For JS Investments Limited
(Management Company)

Chief Executive Officer **Chief Financial Officer** **Director**

Income Statement

For the year ended 30 June 2020

	Note	JS Islamic Capital Preservation Allocation Plan 6	JS Islamic Capital Preservation Allocation Plan 7	JS Islamic Capital Preservation Allocation Plan 9	Total
		30 June 2020			
		---------- (Rupees) ----------			
Income					
Loss on sale of investments at fair value through profit or loss- net		(101,616,358)	(75,385,147)	-	(177,001,505)
Unrealized gain on revaluation of investments at fair value through profit or loss - net	6.1	428,536	272,849	-	701,385
Profit on bank balances		59,602,072	38,561,390	5,059,273	103,222,735
Dividend income		8,921,293	5,680,181	-	14,601,474
Total (Loss) / Income		(32,664,457)	(30,870,727)	5,059,273	(58,475,911)
Expenses					
Remuneration of the Management Company (Wakeel)	9.1	4,770,437	2,699,889	569,736	8,040,062
Sindh sales tax on Management Company's (Wakeel) remuneration		620,158	350,987	74,070	1,045,215
Remuneration of the Trustee	10	768,291	549,376	39,885	1,357,552
Sindh sales tax on Trustee remuneration		99,876	71,418	5,185	176,479
Annual fee to the Securities and Exchange Commission of Pakistan (SECP)	11	139,671	90,854	11,401	241,926
Bank and settlement charges		71,858	18,385	612	90,855
Auditors' remuneration	17	43,966	33,729	3,983	81,679
Accounting and operational charges	9.2	698,206	454,256	56,972	1,209,434
Shariah advisory fee		156,325	110,818	17,819	284,962
Amortization of deferred formation costs	7.1	494,912	321,024	-	815,936
PSX listing fee		259,458	259,458	-	518,916
SECP supervisory fee					-
Provision for Sindh Workers' Welfare Fund	12.1	-	-	85,592	85,592
Income tax deduction written off		4,904,989	3,050,397	-	7,955,386
Total Expenses		13,028,147	8,010,591	865,255	21,903,994
Net (loss) / Income for the year before taxation		(45,692,604)	(38,881,318)	4,194,018	(80,379,904)
Taxation	13	-	-	-	-
Net (loss) / Income for the year		(45,692,604)	(38,881,318)	4,194,018	(80,379,904)
Allocation of net income for the year					
Net income for the year		-	-	4,194,018	**(80,379,904)**
Income already paid on units redeemed		-	-	(63)	**(63)**
		-	-	4,193,955	**(80,379,967)**
Accounting Income available for distribution:					
Relating to Capital Gain		-	-	-	**-**
Excluding Capital Gain		-	-	4,193,955	**4,193,955**
		-	-	4,193,955	**4,193,955**

The annexed notes from 1 to 23 and annexure form an integral part of these financial statements.

For JS Investments Limited
(Management Company)

Chief Executive Officer | **Chief Financial Officer** | **Director**

Statement of Comprehensive Income
For the year ended 30 June 2021

	30 June 2021			
	JS Islamic Capital Preservation Allocation Plan 6	JS Islamic Capital Preservation Allocation Plan 7	JS Islamic Capital Preservation Allocation Plan 9	Total
	(Rupees)			
Net income for the year	30,195,152	22,725,684	13,454,733	66,375,569
Other comprehensive income for the year	-	-	-	-
Total comprehensive income for the year	**30,195,152**	**22,725,684**	**13,454,733**	**66,375,569**

The annexed notes from 1 to 23 and annexure form an integral part of these financial statements.

For JS Investments Limited
(Management Company)

Chief Executive Officer **Chief Financial Officer** **Director**

Statement of Comprehensive Income
For the year ended 30 June 2020

	30 June 2020			
	JS Islamic Capital Preservation Allocation Plan 6	JS Islamic Capital Preservation Allocation Plan 7	JS Islamic Capital Preservation Allocation Plan 9	Total
	(Rupees)			
Net (loss) / income for the year	(45,692,604)	(38,881,318)	4,194,018	(80,379,904)
Other comprehensive income for the year	-	-	-	-
Total comprehensive income for the year	(45,692,604)	(38,881,318)	4,194,018	(80,379,904)

The annexed notes from 1 to 23 and annexure form an integral part of these financial statements.

For JS Investments Limited
(Management Company)

Chief Executive Officer **Chief Financial Officer** **Director**

Cash Flow Statement
For the year ended 30 June 2021

	30 June 2021				30 June 2020			
	JS Islamic Capital Preservation Allocation Plan 6	**JS Islamic Capital Preservation Allocation Plan 7**	**JS Islamic Capital Preservation Allocation Plan 9**	**Total**	JS Islamic Capital Preservation Allocation Plan 6	JS Islamic Capital Preservation Allocation Plan 7	JS Islamic Capital Preservation Allocation Plan 9	Total
	---------- (Rupees) ----------							
CASH FLOWS FROM OPERATING ACTIVITIES								
Net income for the year	**30,195,152**	**22,725,684**	**13,454,733**	**66,375,569**	(45,692,604)	(38,881,318)	4,194,018	(80,379,904)
Adjustments for:								
Mark-up / interest income on Bank Deposits	**(6,504,818)**	**(3,575,018)**	**(3,859,030)**	**(13,938,866)**	(59,602,072)	(38,561,390)	(5,059,273)	(103,222,735)
Realized (gains) on investments at fair value through profit & loss - net	**(5,323,774)**	**(3,030,832)**	**(3,706,423)**	**(12,061,029)**	101,616,358	75,385,147	-	177,001,505
Unrealized (gain)/loss on investments at fair value through profit & loss - net	**(644,321)**	**(341,422)**	**(4,381,409)**	**(5,367,152)**	(428,536)	(272,849)	-	(701,385)
Dividend Income	**(20,386,346)**	**(17,992,170)**	**(3,598,312)**	**(41,976,828)**	(8,921,293)	(5,680,181)	-	(14,601,474)
Deferred formation costs	**308,763**	**406,884**	**-**	**-**	494,912	321,024	-	815,936
	(2,355,344)	**(2,213,758)**	**(2,090,441)**	**(6,659,543)**	(12,533,235)	(7,689,567)	(865,255)	(21,088,057)
(Increase) / Decrease in assets								
Deposits and Prepayments	**1,674,114**	**1,662,795**	**1,400,784**	**4,737,693**	387,009	(1,670,206)	(1,412,884)	(2,696,081)
	(681,230)	**(550,963)**	**2,090,441**	**858,248**	387,009	(1,670,206)	(1,412,884)	(2,696,081)
Increase / (Decrease) in liabilities								
Payable to the Management Company (Wakeel)	**(352,390)**	**(342,303)**	**(179,903)**	**(874,596)**	(1,314,075)	644,356	248,064	(421,655)
Remuneration payable to Trustee	**(24,029)**	**(16,974)**	**5,024**	**(35,979)**	91,893	82,955	14,913	189,761
Annual fee payable to Securities and Exchange Commission of Pakistan	**(40,727)**	**(14,909)**	**19,391**	**(36,245)**	128,932	90,854	11,401	231,187
Accrued expenses and other liabilities	**6,433,448**	**(4,210,531)**	**2,261,197**	**4,484,114**	(295,338)	8,919,059	89,576	8,713,297
	6,016,301	**(4,584,717)**	**2,105,709**	**3,537,293**	(1,388,588)	9,737,224	363,954	8,712,590
	5,335,071	**(7,349,438)**	**2,105,709**	**91,342**	(13,534,814)	377,451	(1,914,185)	(15,071,548)
Profit received on bank balance	**6,504,818**	**3,575,018**	**3,859,030**	**13,938,866**	59,602,072	38,561,390	5,059,273	103,222,735
Net cash flows from operating activities	**11,839,889**	**(3,774,420)**	**5,964,739**	**14,030,208**	46,067,258	38,938,841	3,145,088	88,151,187
Cash Flows from Investing Activities - net								
Puchase of investments / Sale of investments - net	**(135,334,199)**	**(167,681,569)**	**(98,943,111)**	**(401,958,879)**	(376,055,655)	(251,454,086)	-	(627,509,740)
CASH FLOWS FROM FINANCING ACTIVITIES								
Cash received on issue	**20,555,734**	**16,390,803**	**6,814,598**	**43,761,135**	113,187	876,701,138	241,111,407	1,117,925,732
Cash paid on redemption	**(175,179,764)**	**(80,922,466)**	**(137,079,395)**	**(393,181,625)**	(213,433,314)	(428,012,256)	(14,720,233)	(656,165,803)
Net cash flows from financing activities	**(154,624,030)**	**(64,531,663)**	**(130,264,797)**	**(349,420,490)**	(213,320,127)	448,688,882	226,391,174	461,759,929
Increase / (decrease) in cash and cash equivalents during the year	**(278,118,340)**	**(235,987,652)**	**(223,243,169)**	**(737,349,161)**	(543,308,524)	236,173,637	229,536,262	(77,598,624)
Cash and Cash Equivalents at beginning of year	**279,011,904**	**236,173,637**	**229,536,262**	**744,721,803**	822,320,428	-	-	822,320,428
Cash and cash equivalents at end of the year	**893,564**	**185,985**	**6,293,093**	**7,372,642**	279,011,904	236,173,637	229,536,262	744,721,803

The annexed notes from 1 to 23 and annexure form an integral part of these financial statements.

For JS Investments Limited
(Management Company)

Chief Executive Officer | **Chief Financial Officer** | **Director**

Statement of Movement in Unit Holders' Fund

For the year ended 30 June 2021

		30 June 2021											
		JS Islamic Capital Preservation Allocation Plan 6			JS Islamic Capital Preservation Allocation Plan 7			JS Islamic Capital Preservation Allocation Plan 9			Total		
	Note	Capital Value	Income	Total	Capital Value	Income	Total	Capital Value	Income	Total	Capital Value	Income	Total
		(Rupees)											
Net assets at beginning of the year		610,193,365	(45,568,486)	564,624,879	448,688,882	(38,881,318)	409,807,564	226,391,237	4,193,955	230,585,192	1,285,273,484	(80,255,849)	1,205,017,636
Issuance of 224,236 units, 178,938 units, 66,895 units	*15*												
- Capital value		20,555,734	-	20,555,734	16,390,803	-	16,390,803	6,814,598	-	6,814,598	43,761,135	-	43,761,135
- Element of income		-	-	-	-	-	-	-	-	-	-	-	-
- Total proceeds on issuance of units		20,555,734	-	20,555,734	16,390,803	-	16,390,803	6,814,598	-	6,814,598	43,761,135	-	43,761,135
Redemption of 1,853,772 units , 858,811 units, 1,300,429 units	*15*												
- Capital value		(169,935,371)	-	(169,935,371)	(78,667,088)	-	(78,667,088)	(132,474,702)	-	(132,474,702)	(381,077,161)	-	(381,077,161)
- Element of income		-	-	-	-	-	-	-	-	-	-	-	-
- Income paid on redemption		-	(5,244,393)	(5,244,393)	-	(2,255,378)	(2,255,378)	-	(4,604,693)	(4,604,693)	-	(12,104,464)	(12,104,464)
Total payments on redemption of units		(169,935,371)	(5,244,393)	(175,179,764)	(78,667,088)	(2,255,378)	(80,922,466)	(132,474,702)	(4,604,693)	(137,079,395)	(381,077,161)	(12,104,464)	(393,181,625)
Total comprehensive income for the year		-	30,195,152	30,195,152	-	22,725,684	22,725,684	-	13,454,733	13,454,733	-	66,375,569	66,375,569
Dividend paid			(24,843,590)	(24,843,590)		(20,389,721)	(20,389,721)		(8,687,582)	(8,687,582)		(53,920,893)	(53,920,893)
Net assets at end of the year		460,813,728	(45,461,317)	415,352,411	386,412,597	(38,800,733)	347,611,864	100,731,133	4,356,413	105,087,546	947,957,458	(79,905,637)	868,051,821
Undistributed (loss) / income brought forward													
- Realised income			(45,997,022)			(39,154,167)			4,193,955			(80,957,234)	
- Unrealised (loss) / income			428,536			272,849			-			701,385	
			(45,568,486)			(38,881,318)			4,193,955			(80,255,849)	
Accounting income available for distribution													
- Relating to capital gains			5,968,095			3,372,254			8,087,832			17,428,181	
- Excluding capital gains			18,982,666			17,098,052			762,208			36,842,926	
			24,950,761			20,470,306			8,850,040			54,271,107	
Distributions during the year			(24,843,590)			(20,389,721)			(8,687,582)			(53,920,893)	
Undistributed income carried forward			(45,461,317)			(38,800,733)			4,356,413			(79,905,637)	
Undistributed income carried forward													
- Realised (loss) / income			(46,105,638)			(39,142,155)			(24,996)			(85,272,789)	
- Unrealised income / (loss)			644,321			341,422			4,381,409			5,367,152	
			(45,461,317)			(38,800,733)			4,356,413			(79,905,637)	
Net asset value per unit at the beginning of the year				91.67			91.60			101.87			
Net assets value per unit at end of the year				91.69			91.62			102.02			

The annexed notes from 1 to 23 and annexure form an integral part of these financial statements.

For JS Investments Limited
(Management Company)

Chief Executive Officer | **Chief Financial Officer** | **Director**

Statement of Movement in Unit Holders' Fund
For the year ended 30 June 2020

		Year ended 30 June 2020			For the period from 17 September 2019 to 30 June 2020			For the period from 01 April 2020 to 30 June 2020					
	Note	JS Islamic Capital Preservation Allocation Plan 6			JS Islamic Capital Preservation Allocation Plan 7			JS Islamic Capital Preservation Allocation Plan 9			Total		
		Capital Value	Income	Total	Capital Value	Income	Total	Capital Value	Income	Total	Capital Value	Income	Total
		(Rupees)											
Net assets at beginning of the year		823,513,492	124,118	823,637,610	-	-	-	-	-	-	823,513,492	124,118	823,637,610
Issuance of 1,241 units, 8,767,012 units, 2,411,114 Units	*15*												
- Capital value		124,100	-	124,100	876,701,181	-	876,701,181	241,111,407	-	241,111,407	1,117,936,688	-	1,117,936,688
- Element of income		(10,913)	-	(10,913)	(43)	-	(43)	-	-	-	(10,956)	-	(10,956)
- Total proceeds on issuance of units		113,187	-	113,187	876,701,138	-	876,701,138	241,111,407	-	241,111,407	1,117,925,732	-	1,117,925,732
Redemption of 2,078,134 units ,4,293,002 units, 147,538 Units	*15*												
- Capital value		(207,813,400)	-	(207,813,400)	(429,300,200)	-	(429,300,200)	(14,753,818)	-	(14,753,818)	(651,867,418)	-	(651,867,418)
- Element of income		(5,619,914)	-	(5,619,914)	1,287,944	-	1,287,944	33,648	-	33,648	(4,298,322)	-	(4,298,322)
- Income paid on redemption		-	-	-	-	-	-	-	(63)	(63)	-	(63)	(63)
Total payments on redemption of units		(213,433,314)	-	(213,433,314)	(428,012,256)	-	(428,012,256)	(14,720,170)	(63)	(14,720,233)	(656,165,740)	(63)	(656,165,803)
Total comprehensive income for the year		-	(45,692,604)	(45,692,604)	-	(38,881,318)	(38,881,318)	-	4,194,018	4,194,018	-	(80,379,904)	(80,379,904)
Net assets at end of the year		610,193,365	(45,568,486)	564,748,979	448,688,882	(38,881,318)	409,807,564	226,391,237	4,193,955	230,585,192	1,285,273,484	(80,255,849)	1,205,141,736
Undistributed (loss) / income brought forward													
- Realised income			124,118			-						124,118	
- Unrealised (loss) / income			-			-			-			-	
			124,118			-						124,118	
- Relating to capital gains			-			-			-			-	
- Excluding capital gains			-						4,193,955			4,193,955	
			-						4,193,955			4,193,955	
Net loss for the year			(45,692,604)			(38,881,318)			-			(84,573,922)	
Undistributed income carried forward			(45,568,486)			(38,881,318)			4,193,955			(80,255,849)	
Undistributed income carried forward													
- Realised (loss) / income			(45,997,022)			(39,154,167)			4,193,955			(80,957,234)	
- Unrealised income / (loss)			428,536			272,849			-			701,385	
			(45,568,486)			(38,881,318)			4,193,955			(80,255,849)	
				(Rupees)			(Rupees)			(Rupees)			
Net asset value per unit at the beginning of the year				100.00			-			-			
Net assets value per unit at end of the year				91.67			91.60			101.87			

The annexed notes from 1 to 23 and annexure form an integral part of these financial statements.

For JS Investments Limited
(Management Company)

Chief Executive Officer **Chief Financial Officer** **Director**

Notes to the Financial Statements
For the year ended 30 June 2021

1. LEGAL STATUS AND NATURE OF BUSINESS

1.1 JS Islamic Hybrid Fund of Funds-3 was established in Karachi, Pakistan as an open-end Fund under a Trust Deed, dated 27 February 2019 registered under the Trust Act, 1882 by and between JS Investments Limited, as the Management Company (Wakeel) and Central Depository Company, as the Trustee, and registered by Securities and Securities and Exchange Commission of Pakistan (SECP) as a notified entity under the Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the "Regulations").

The Management Company (Wakeel) of the Fund has obtained license to act as an Asset Management Company under the Rules from Securities & Exchange Commission of Pakistan (SECP). Registered office of JS Investment Limited is situated at The Centre, 19th Floor, Plot No. 28 SB-5, Haroon Road, Saddar Karachi, Pakistan.

1.2 JS Islamic Hybrid Fund of Funds - 3 is a 'Shariah Compliant Unit Trust Scheme' in the Fund of Funds category as per the criteria for categorization of open-end collective investment schemes specified by SECP, as amended from time to time.

1.3 JS Islamic Hybrid Fund of Funds - 3 aims to generate need based returns for its clients by offering several Allocation Plans with varying mix of exposures to low / high risk asset classes via underlying mutual funds. Investment Objectives of the Allocation Plan offered under JS Islamic Hybrid Fund of Funds - 3 is JS Islamic Capital Preservation Allocation plan - 6 and JS Islamic Capital Preservation Allocation plan - 7 and JS Islamic Capital Preservation Allocation plan - 9 . The Fund operates following three baskets:

1.3.1 JS Islamic Capital Preservation Allocation Plan – 6

JS Islamic Capital Preservation Allocation Plan – 6 aims to earn a potentially high return through dynamic asset allocation between Shariah Compliant Equities and Shariah Compliant Sovereign Income / Money Market based Collective Investment Schemes and Shariah Compliant Bank Saving Accounts and Term Deposits.

The Plan was of two years maturity from the clearance of all outstanding proceeds from Pre-Initial Offering Period (Pre-IOP) and Initial Offering Period (IOP) i.e. from 25 April 2019 and 21 June 2019. The Management Company, with the approval of Securities and Exchange Commission of Pakistan, has further extended the Maturity period for two years, which shall close on 25 June 2023. After the end of this period, the Management Company (Wakeel) may announce a subsequent Maturity for certain period where management company feels appropriate in the interest of unit holders. During the extended period, unit holders shall have the option to either remain invested in the allocation plan or exit the allocation plan without any applicable Back End Load / Contingent Load.

1.3.2 JS Islamic Capital Preservation Allocation Plan – 7

JS Islamic Capital Preservation Allocation Plan – 7 aims to earn a potentially high return through dynamic asset allocation between Shariah Compliant Equities and Shariah Compliant Sovereign Income / Money Market based Collective Investment Schemes and Shariah Compliant Bank Saving Accounts and Term Deposits.

The Plan was of two years maturity from the clearance of all outstanding proceeds from Pre-Initial Offering Period (Pre-IOP) and Initial Offering Period (IOP) i.e. from 15 July 2019 and 05 September 2019. The Management Company (Wakeel), with the approval of Securities & Exchange Commission of Pakistan, has further extended the Maturity period for two years, which shall close on 16 September 2023. After the end of this period, the Management Company may announce a subsequent Maturity for certain period where management company feels appropriate in the interest of unit holders. During the extended period, unit holders shall have the option to either remain invested in the allocation plan or exit the allocation plan without any applicable Back End Load/ Contingent Load.

1.3.3 JS Islamic Capital Preservation Allocation Plan – 9

JS Islamic Capital Preservation Allocation Plan – 9 aims to earn a potentially high return through dynamic asset allocation between Shariah Compliant Equities and Shariah Compliant Sovereign Income / Money Market based Collective Investment Schemes and Shariah Compliant Bank Saving Accounts and Term Deposits.

1.4 The Plan was of two years maturity from the clearance of all outstanding proceeds from Pre-Initial Offering Period (Pre-IOP) and Initial Offering Period (IOP) i.e. from 17 February 2020 and 27 March 2020.

The Pakistan Credit Rating Agency (PACRA) has maintained asset manager rating of the Management Company (Wakeel) of the Fund to the scale AM2 (stable outlook) dated 1 September 2020.

1.5 As per the offering document, the aim of JS Islamic Hybrid Fund of Fund 3 is to generate need based returns for its clients by offering several Allocation Plans with varying mix of exposures to low/ high risk asset classes via underlying mutual funds, while providing principal preservation of the Initial Investment Value on the completion of the life of the Plan. Principal Preservation is provided through the use of Constant Proportion Portfolio Insurance (CPPI) methodology and the Investment structure of the Plan, and not through an undertaking by the Asset Management Company or Trustee. There is no undertaking or representation by either JSIL or the Trustee that the capital preservation will be ensured by them through all means. Further, the offering document also mentions that the unit holders are not being offered guaranteed returns and that the unit price is neither guaranteed nor administered / managed; it is based on the NAV that may go up or down depending upon the factors and forces affecting the capital markets and interest

1.6 Due to the enactment of the Sindh Trusts Act, 2020 (as amended vide Sindh Trusts (Amended) Act, 2021), the Trusts including Collective Investment Schemes, private Funds etc, being Specialized Trusts are required to be registered with the Assistant Director of Industries and Commerce (Trust Wing), Government of Sindh under Section 12A of the Sindh Trusts Act, 2020. For this purpose, Re-Stated Trust Deeds of all Funds have been executed between the Management Company and the Trustees and all the relevant Trust Deeds alongwith necessary documents have been submitted with Assistant Director of Industries and Commerce (Trust Wing), Government of Sindh.

2. BASIS OF PREPARATION

The transactions undertaken by the Fund are in accordance with the Shariah guidelines issued by the Shariah advisor and are accounted for on substance rather than the form. This practice is being followed to comply with the requirements of approved accounting standards as applicable in Pakistan.

2.1 Statement of compliance

These financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan. The accounting and reporting standards applicable in Pakistan comprise of:

- International Financial Reporting Standards (IFRS Standards) issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017;
- Provisions of and directives issued under the Companies Act, 2017 along with part VIIIA of the repealed Companies Ordinance, 1984; and
- Non-Banking Finance Companies (Establishment and Regulations) Rules, 2003 (the NBFC Rules), Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the NBFC Regulations).

Where provisions of and directives issued under the Companies Act, 2017, part VIIIA of the repealed Companies Ordinance, 1984, the NBFC Rules and the NBFC Regulations differ from the IFRS Standards, the provisions of and directives issued under the Companies Act, 2017, part VIIIA of the repealed Companies Ordinance, 1984, the NBFC Rules and the NBFC Regulations have been followed.

2.2 Basis of measurement

These financial statements have been prepared under the historical cost convention, except that investments are measured at fair value.

2.3 Functional and presentation currency

These financial information are presented in Pak Rupees, which is the Fund's functional and presentation currency. All financial information presented in Pak Rupees have been rounded off to the nearest of rupees unless otherwise indicated.

2.4 Critical accounting estimates and judgments

In preparing these financial statements, management has made judgement, estimates and assumptions that affect the application of the Fund's accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revision to estimates are recognized prospectively. Information about judgements made in applying accounting policies that have the most significant effects on the amount recognized in the financial statements to the carrying amount of the assets and liabilities and assumptions and estimation uncertainties that have a significant risk resulting in a material adjustment in the subsequent year relates to;

(a) Classification of financial assets (Note 4.1.1)
(b) Valuation and Impairment of financial assets (Note 4.1.5)
(c) Provisions (Note 4.10)
(d) Element of income (Note 4.8)
(e) Taxation (Note 4.9)

3 CHANGES IN ACCOUNTING STANDARDS, INTERPRETATION AND AMENDMENTS TO PUBLISHED APPROVED ACCOUNTING STANDARDS

3.1 New accounting standards, amendments and IFRS interpretations that are effective for the year ended 30 June 2021

There are certain other new and amended standards, interpretations and amendments that are mandatory for the Fund's accounting periods beginning on or after 1 July 2020 but are considered not to be relevant or do not have any significant effect on the Fund's operations and therefore are not detailed in these financial statements.

3.2 New accounting standards, amendments and IFRS interpretations that are not yet effective

The following International Financial Reporting Standards (IFRS Standards) as notified under the Companies Act, 2017 and the amendments and interpretations thereto will be effective for accounting periods beginning on or after 01 July 2021:

- Interest Rate Benchmark Reform - Phase 2 which amended IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16 is applicable for annual financial periods beginning on or after 1 January 2021, with earlier application permitted. The amendments introduce a practical expedient to account for modifications of financial assets or financial liabilities if a change results directly from IBOR reform and occurs on an 'economically equivalent' basis. In these cases, changes will be accounted for by updating the effective interest rate. A similar practical expedient will apply under IFRS 16 for lessees when accounting for lease modifications required by IBOR reform. The amendments also allow a series of exemptions from the regular, strict rule around hedge accounting for hedging relationships directly affected by the interest rate benchmark reforms. The amendments apply retrospectively with earlier application permitted. Hedging relationships previously discontinued solely because of changes resulting from the reform will be reinstated if certain conditions are met.

- COVID-19-Related Rent Concessions (Amendment to IFRS 16) - the International Accounting Standards Board (the Board) has issued amendments to IFRS 16 (the amendments) to provide practical relief for lessees in accounting for rent concessions. The amendments are effective for periods beginning on or after 1 June 2020, with earlier application permitted. Under the standard's previous requirements, lessees assess whether rent concessions are lease modifications and, if so, apply the specific guidance on accounting for lease modifications. This generally involves remeasuring the lease liability using the revised lease payments and a revised discount rate. In light of the effects of the COVID-19 pandemic, and the fact that many lessees are applying the standard for the first time in their financial statements, the Board has provided an optional practical expedient for lessees. Under the practical expedient, lessees are not required to assess whether eligible rent concessions are lease modifications, and instead are permitted to account for them as if they were not lease modifications.

- The practical expedient introduced in the 2020 amendments only applied to rent concessions for which any reduction in lease payments affected payments originally due on or before 30 June 2021. In light of persistence of economic challenges posed by the COVID-19 pandemic, the Board has extended the practical expedient for COVID-19 related rent concessions by one year i.e. permitting lessees to apply it to rent concessions for which any reduction in lease payments affects only payments originally due on or before 30 June 2022.

- Rent concessions are eligible for the practical expedient if they occur as a direct consequence of the COVID-19 pandemic and if all the following criteria are met:

  - the change in lease payments results in revised consideration for the lease that is substantially the same as, or less than, the consideration for the lease immediately preceding the change;

  - any reduction in lease payments affects only payments originally due on or before 30 June 2022; and

  - there is no substantive change to the other terms and conditions of the lease.

- Onerous Contracts - Cost of Fulfilling a Contract (Amendments to IAS 37) effective for the annual periods beginning on or after 1 January 2022 amends IAS 1 by mainly adding paragraphs which clarifies what comprises the cost of fulfilling a contract, Cost of fulfilling a contract is relevant when determining whether a contract is onerous. An entity is required to apply the amendments to contracts for which it has not yet fulfilled all its obligations at the beginning of the annual reporting period in which it first applies the amendments (the date of initial application). Restatement of comparative information is not required, instead the amendments require an entity to recognize the cumulative effect of initially applying the amendments as an adjustment to the opening balance of retained earnings or other component of equity, as appropriate, at the date of initial application.

- The following annual improvements to IFRS Standards 2018-2020 are effective for annual reporting periods beginning on or after 1 January 2022:

  - IFRS 9 – The amendment clarifies that an entity includes only fees paid or received between the entity (the borrower) and the lender, including fees paid or received by either the entity or the lender on the other's behalf, when it applies the '10 per cent' test in paragraph B3.3.6 of IFRS 9 in assessing whether to derecognize a financial liability.
  - IFRS 16 – The amendment partially amends Illustrative Example 13 accompanying IFRS 16 by excluding the illustration of reimbursement of leasehold improvements by the lessor. The objective of the amendment is to resolve any potential confusion that might arise in lease incentives.

  - IAS 41 – The amendment removes the requirement in paragraph 22 of IAS 41 for entities to exclude taxation cash flows when measuring the fair value of a biological asset using a present value technique.

  - Property, Plant and Equipment: Proceeds before Intended Use (Amendments to IAS 16) effective for annual periods beginning on or after 1 January 2022 clarifies that sales proceeds and costs of items produced while bringing an item of property, plant and equipment to the location and condition necessary for it to be capable of operating in the manner intended by management e.g. when testing etc., are recognized in profit or loss in accordance with applicable Standards. The entity measures the cost of those items applying the measurement requirements of IAS 2. The standard also removes the requirement of deducting the net sales proceeds from cost of testing. An entity shall apply those amendments retrospectively, but only to items of property, plant and equipment that are brought to the location and condition necessary for them to be capable of operating in the manner intended by management on or after the beginning of the earliest period presented in the financial statements in which the entity first applies the amendments. The entity shall recognize the cumulative effect of initially applying the amendments as an adjustment to the opening balance of retained earnings (or other component of equity, as appropriate) at the beginning of that earliest period presented.

- Reference to the Conceptual Framework (Amendments to IFRS 3) - Reference to the Conceptual Framework, issued in May 2020, amended paragraphs 11, 14, 21, 22 and 23 of and added paragraphs 21A, 21B, 21C and 23A to IFRS 3 . An entity shall apply those amendments to business combinations for which the acquisition date is on or after the beginning of the first annual reporting period beginning on or after 1 January 2022. Earlier application is permitted if at the same time or earlier an entity also applies all the amendments made by Amendments to References to the Conceptual Framework in IFRS Standards, issued in March 2018.

- Classification of liabilities as current or non-current (Amendments to IAS 1) amendments apply retrospectively for the annual periods beginning on or after 1 January 2023. These amendments in the standards have been added to further clarify when a liability is classified as current. The standard also amends the aspect of classification of liability as non-current by requiring the assessment of the entity's right at the end of the reporting period to defer the settlement of liability for at least twelve months after the reporting period. An entity shall apply those amendments retrospectively in accordance with IAS 8.

- Disclosure of Accounting Policies (Amendments to IAS 1 and IFRS Practice Statement 2) – the Board has issued amendments on the application of materiality to disclosure of accounting policies and to help companies provide useful accounting policy disclosures. The key amendments to IAS 1 include:

  - requiring companies to disclose their material accounting policies rather than their significant accounting policies;
  - clarifying that accounting policies related to immaterial transactions, other events or conditions are themselves immaterial and as such need not be disclosed; and
  - clarifying that not all accounting policies that relate to material transactions, other events or conditions are themselves material to a Fund's financial statements.

- The Board also amended IFRS Practice Statement 2 to include guidance and two additional examples on the application of materiality to accounting policy disclosures. The amendments are effective for annual reporting periods beginning on or after 1 January with earlier application permitted.

- Definition of Accounting Estimates (Amendments to IAS 8) – The amendments introduce a new definition for accounting estimates clarifying that they are monetary amounts in the financial statements that are subject to measurement uncertainty.

- The amendments also clarify the relationship between accounting policies and accounting estimates by specifying that a Fund develops an accounting estimate to achieve the objective set out by an accounting policy. The amendments are effective for periods beginning on or after 1 January 2023, and will apply prospectively to changes in accounting estimates and changes in accounting policies occurring on or after the beginning of the first annual reporting period in which the Fund applies the amendments.

- Deferred Tax related to Assets and Liabilities arising from a Single Transaction (Amendments to IAS 12) – The amendments narrow the scope of the initial recognition exemption (IRE) so that it does not apply to transactions that give rise to equal and offsetting temporary differences. As a result, companies will need to recognise a deferred tax asset and a deferred tax liability for temporary differences arising on initial recognition of a lease and a decommissioning provision. For leases and decommissioning liabilities, the associated deferred tax asset and liabilities will need to be recognised from the beginning of the earliest comparative period presented, with any cumulative effect recognised as an adjustment to retained earnings or other components of equity at that date. The amendments are effective for annual reporting periods beginning on or after 1 January 2023 with earlier application permitted.

- Sale or Contribution of Assets between an Investor and its Associate or Joint Venture (Amendments to IFRS 10 and IAS 28) – The amendment amends accounting treatment on loss of control of business or assets. The amendments also introduce new accounting for less frequent transaction that involves neither cost nor full step-up of certain retained interests in assets that are not businesses. The effective date for these changes has been deferred indefinitely until the completion of a broader review.

Above amendments are not likely to have any material effect on the Fund's financial statements.

4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

4.1 Financial assets

4.1.1 Classification

On initial recognition, a financial asset is classified as measured at: amortised cost or FVTPL.

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

- it is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

All financial assets not classified as measured at amortised cost as described above are measured at FVTPL. On initial recognition, the Fund may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Business model assessment

The Fund makes an assessment of the objective of a business model in which an asset is held at a portfolio level because this best reflects the way the business is managed and information is provided to management. The information considered includes:

- the stated policies and objectives for the portfolio and the operation of those policies in practice. In particular, whether management's strategy focuses on earning contractual interest revenue, maintaining a particular interest rate profile or realising cash flows through the sale of the assets;

- how the performance of the portfolio is evaluated and reported to the Fund's management;

- the risks that affect the performance of the business model (and the financial assets held within that business model) and its strategy for how those risks are managed;

- how managers of the business are compensated (e.g. whether compensation is based on the fair value of the assets managed or the contractual cash flows collected); and

- the frequency, volume and timing of sales in prior periods, the reasons for such sales and its expectations about future sales activity. However, information about sales activity is not considered in isolation, but as part of an overall assessment of how the Fund's stated objective for managing the financial assets is achieved and how cash flows are realised.

Financial assets that are held for trading or managed and whose performance is evaluated on a fair value basis are measured at FVTPL because they are neither held to collect contractual cash flows nor held both to collect contractual cash flows and to sell financial assets.

Assessment of whether contractual cash flows are solely payments of principal and interest

For the purposes of this assessment on debt securities, 'principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as profit margin.

In assessing whether the contractual cash flows are SPPI, the Fund considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making the assessment, the Fund considers:

- contingent events that would change the amount and timing of cash flows;
- leverage features;
- prepayment and extension terms;
- terms that limit the Fund's claim to cash flows from specified assets (e.g. non-recourse loans); and
- features that modify consideration of the time value of money (e.g. periodical reset of interest rates).

The Fund has determined that it has two business models.

- *Held-to-collect business model: this includes cash and cash equivalents and debt securities.* These financial assets are held to collect contractual cash flow.
- *Other business model: this includes debt securities.* These financial assets are managed and their performances is evaluated, on a fair value basis, with frequent sales taking place.

Reclassifications

Financial assets are not reclassified subsequent to their initial recognition, except in the period after the Fund changes its business model for managing financial assets.

4.1.2 Regular way contracts

Regular purchases and sales of financial assets are recognised on the trade date - the date on which the Fund commits to purchase or sell the asset.

4.1.3 Initial recognition and measurement

Financial assets are recognised at the time the Fund becomes a party to the contractual provisions of the instruments. These are initially recognised at fair value plus transaction costs except for financial assets carried at fair value through profit or loss. Financial assets carried at fair value through profit or loss are initially recognised at fair value and transaction costs associated with these financial assets are charged to the Income Statement.

4.1.4 Subsequent measurement

The following accounting policies apply to the subsequent measurement of financial assets:

Financial assets at FVTPL	These assets are subsequently measured at fair value. Net gains and losses, including any profit / markup or dividend income, are recognised in income statement.
Financial assets at amortised cost	These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses, if any. Interest / markup income and impairment are recognised in the income statement.

The fair value of financial assets are determined as follows:

b) Basis of valuation of Open ended Mutual funds

The open ended mutual funds are valued on the basis of closing quoted market prices available at the MUFAP website.

4.1.5 Impairment of financial assets

Financial assets at amortised cost

The Fund applies simplified approach to measuring expected credit losses (ECL) which uses a lifetime expected loss allowance for all financial assets at amortized costs other than debts securities. When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and quanlitative information and analysis, based on the investees historical experience and informed credit assessment and including forward-looking information. The expected credit loss model requires an entity to account for expected credit losses and changes in those expected credit losses at each reporting date to reflect changes in credit risk since initial recognition. In other words, it is no longer necessary for a credit event to have occurred before credit losses are recognized.

4.1.6 Derecognition

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

4.1.7 Offsetting of financial assets and financial liabilities

Financial assets and financial liabilities are offset and the net amount is reported in the Statement of Assets and Liabilities when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

4.1.8 Cash and cash equivalents

Cash and cash equivalents comprise of deposits and current accounts maintained with banks. Cash equivalents are short term highly liquid investments that are readily convertible to known amounts of cash, are subject to an insignificant risk of changes in value, and are held for the purpose of meeting short term cash commitments rather than for investments and other purposes.

4.1.9 Trade date accounting

All regular way purchases and sales of investments are recognised on the trade date, i.e. the date on which commitment to purchase / sale is made by the Fund. Regular way purchases or sales of investment require delivery of securities within two days after transaction date as required by stock exchange regulations.

4.2 Financial liabilities

All financial liabilities are recognised at the time when the Fund becomes a party to the contractual provisions of the instrument. They are initially recognized at fair value and subsequently stated at amortised cost. A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expired.

4.3 Basis of valuation of investments in Collective Investment Schemes

The fair value of the investments in Open Ended Collective Investment Schemes is determined by reference to the NAV quotations obtained from the MUFAP website.

4.4 Deferred formation cost

This represents expenses incurred in connection with the incorporation, establishment and registration of the Fund as per NBFC Regulations. As per offering document, these expenses are being amortised to the income statement over a period of not less than five years or maturity of relevant Allocation Plan, whichever is earlier.

4.5 Issue and redemption of units

Units issued are recorded at the offer price, determined by the Management Company for the applications received by the distributors / Management Company (Wakeel) during business hours on that day. The offer price represents the net assets value per unit as of the close of the business day plus the allowable sales load, provision for transaction costs and any provision for duties and charges, if applicable. The sales load is payable to the investment facilitators, distributors and the Management Company.

Units redeemed are recorded at the redemption price, applicable to units for which the distributors receive redemption applications during business hours of that day. The redemption price represents the net assets value per unit as of the close of the business day less any back-end load, any duties, taxes, charges on redemption and any provision for transaction costs, if applicable.

4.6 Net assets value per unit

The net assets value per unit disclosed in the statement of assets and liabilities is calculated by dividing the net assets of the Fund by the number of units in issue at the year end.

As per the offering document, Net assets value (NAV) of the Allocation Basket / Plan means the per unit value of the relevant Basket / Plan being offered under the Fund and the NAV of each Allocation Basket / Plan shall be announced. Accordingly the individual elements of the financial statements of each of the above Allocation Basket and NAV are being separately disclosed in these financial statements.

4.7 Revenue recognition

- Realised gains / (losses) arising on sale of investments are included in the Income Statement on the date at which transactions take place.

- Unrealised appreciation / (diminution) arising on re-measurement of investments classified as financial assets 'at fair value through profit or loss ' are included in the income statement in the period in which they arise.

- Profit on bank deposits, term deposit receipts, mark-up / return on investments in debt securities and income from government securities is recognised using the effective yield method.

- Dividend income is recognized when the right to receive the dividend is established.

4.8 Element of income / loss and capital gains / losses in prices of units sold less those in units redeemed

Element of Income represents the difference between net assets value on the issuance or redemption date, as the case may be, of units and the Net asset Value (NAV) at the beginning of the relevant accounting period.

Element of Income is a transaction of capital nature and the receipt and payment of element of income is taken to unit holders' fund; however, to maintain same ex-dividend net asset value of all units outstanding on accounting date, net element of income contributed on the issue of units lying in unit holders fund is refunded on units (refund of capital) in the same proportion as dividend bears to accounting income available for distribution. As per the guidelines provided by MUFAP (MUFAP Guidelines consented upon by SECP) the refund of capital is made in the form of additional units at zero price. Income already paid on redemption of units during the year are taken separately in the statement of movement in unitholders' fund.

MUFAP, in consultation with the SECP, has specified methodology for determination of income paid on units redeemed (income already paid) during the year under which such income is paid on gross element received and is calculated from the latest date at which the Fund achieved net profitability during the year. The income already paid (Element of Income) on redemption of units during the year are taken separately in statement of movement in unitholders' fund.

4.9 Taxation

The income of the Fund is exempt from income tax under clause 99 of Part I of the Second Schedule to the Income Tax Ordinance, 2001 subject to the condition that not less than ninety percent of its accounting income for the year, as reduced by capital gains, whether realised or unrealised, is distributed among the unit holders, provided that for the purpose of determining distribution of not less than 90% of its accounting income for the year, the income distributed through bonus units shall not be taken into account.

The Fund is also exempt from the provisions of section 113 (minimum tax) under clause 11A of Part IV of the Second Schedule to the Income Tax Ordinance, 2001.

4.10 Provisions

Provisions are recognised when the Fund has a legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and reliable estimate of the amount can be made. Provision are reviewed at each balance sheet date and are adjusted to reflect the current best estimate.

4.11 Dividend distribution

Distributions declared subsequent to the year end reporting date are considered as non-adjusting events and are recognised in the financial statements of the period in which such distributions are declared. Based on MUFAP's guidelines (duly consented upon by SECP) distributions for the year is deemed to comprise of the portion of amount of income already paid on units redeemed and the amount of cash distribution for the year.

The distribution per unit is announced based on units that were held for the entire period. The rate of distribution is adjusted for the effect of refund of capital if any based on the period of investment made during the year. Resultantly, the rate of distribution per unit may vary depending on the period of investment.

4.12 Other assets

Other assets are stated at cost less impairment losses, if any.

4.13 Earnings per unit (EPU)

Earnings Per Unit (EPU) has not been disclosed as in the opinion of the management, determination of weighted average units for calculating EPU is not practicable.

5 BANK BALANCES

		30 June 2021				30 June 2020			
		JS ICPAP 6	**JS ICPAP 7**	**JS ICPAP 9**	**Total**	JS ICPAP 6	JS ICPAP 7	JS ICPAP 9	Total
	Note	**(Rupees)**				(Rupees)			
Profit and loss (PLS) sharing accounts	*5.1*	**893,564**	**185,985**	**6,293,093**	**7,372,642**	279,011,904	236,173,637	229,536,262	744,721,803
Term Deposit Certificate		**-**							
		893,564	**185,985**	**6,293,093**	**7,372,642**	279,011,904	236,173,637	229,536,262	744,721,803

5.1 This includes balance with related party of Rs. 0.01 million (30 June, 2020: Rs. 0.01 million) with Bank Islami Pakistan Limited in JS ICPAP 6. This account carry profit at the rates of 6.50% (30 June, 20: 6.00%) per annum in JS ICPAP 6. Other PLS accounts of the Fund carry profit ranging from 6.75 % to 6.90% (30 June 2020: 6.00 % to 7.50%).

6 INVESTMENTS

		30 June 2021				30 June 2020			
		JS ICPAP 6	**JS ICPAP 7**	**JS ICPAP 9**	**Total**	JS ICPAP 6	JS ICPAP 7	JS ICPAP 9	Total
	Note	**(Rupees)**				(Rupees)			
Held at fair value through profit or loss									
Investment in Collective Investment Scheme									
(Open end mutual funds)	*6.1*	**421,448,998**	**352,484,061**	**101,252,015**	**875,185,074**	284,603,947	181,207,148	-	465,811,095
		421,448,998	**352,484,061**	**101,252,015**	**875,185,074**	284,603,947	181,207,148	-	465,811,095

6.1 Investments In Open End Funds (Collective Investment Schemes) - At Fair Value Through Profit Or Loss

Sectors / Collective Investment Schemes	Par value (Rupees)	Holding at beginning of the year	Acquired during the year	Disposed during the year	Holding at the end of the year	Carrying value before revaluation as at 30 June 2021	Market value as at 30 June 2021	Unrealized appreciation 2021	% of net assets	% of investee net assets
		(Number of Units)				(Rupees)				
Investment in Open End Collective Investment Scheme by JS ICPAP - 6 Basket										
Managed by JS Investments Limited - Related Party										
JS Islamic Daily Dividend Fund (Related party)	*100*	-	**251,137**	**251,137**	-	-	-		-	-
Investment as at 30 June 2021						-	-	-		
investment as at 30 June 2020						-	-	-	-	
Managed by Faysal Asset Management Limited										
Faysal Islamic Cash Fund	*100*	-	3,152,160	2,450,000	702,160	70,215,965	70,215,965	-	16.91	0.62%
Faysal Halal Amdani Fund	*100*	2,841,754	4,217,225	3,560,074	3,498,905	350,588,712	351,233,033	644,321	84.56	2.67%
Investment held on 30 June 2021						**420,804,677**	**421,448,998**	**644,321**	**101.47**	**3.29%**
Investment as at 30 June 2020						284,175,411	284,603,947	428,536		
Investment in Open End Collective Investment Scheme by JS ICPAP - 7 Basket										
Managed by JS Investments Limited - Related Party										
JS Islamic Daily Dividend Fund (Related party)	*100*	-	200,909	200,909	-	-	-	-	-	-
Managed by Faysal Asset Management Limited										
Faysal Islamic Cash Fund	*100*	-	3,584,645	1,930,000	1,654,645	165,464,549	165,464,549	-	47.60	1.46%
Faysal Halal Amdani Fund	*100*	1,809,343	2,105,756	2,052,052	1,863,047	186,678,090	187,019,512	341,422	53.80	1.42%
Investment held on 30 June 2021						**352,142,639**	**352,484,061**	**341,422**	**101.40**	**2.88%**
Investment as at 30 June 2020						180,934,299	181,207,148	272,849		
Investment in Open End Collective Investment Scheme by JS ICPAP - 9 Basket										
Managed by JS Investments Limited - Related Party										
JS Islamic Daily Dividend fund (Related party)	*100*	-	100,455	100,455	-	-	-		-	-
JS Islamic Dedicated Equity Fund (Related party)	*100*	-	1,049,374	610,683	438,691	29,727,968	34,103,847	4,375,879	32.45	69.50%
Managed by Faysal Asset Management Limited										
Faysal Islamic Cash Fund	*100*	-	884,164	240,000	644,164	64,416,396	64,416,396	-	61.30	0.57%
Faysal Halal Amdani Fund	*100*	-	51,024	23,810	27,214	2,726,242	2,731,772	5,530	2.60	0.02%
Investment held on 30 June 2021						**96,870,606**	**101,252,015**	**4,381,409**	**96.35**	**70.09%**
Investment as at 30 June 2020						-	-	-		

7 DEFERRED FORMATION COST

	Note	30 June 2021 JS ICPAP 6	30 June 2021 JS ICPAP 7	30 June 2021 Total	30 June 2020 JS ICPAP 6	30 June 2020 JS ICPAP 7	30 June 2020 Total
		(Rupees)					
Unamortised cost at the start of the year		**308,763**	**493,798**	**802,561**	814,822	814,822	1,629,644
Amortised to the income statement during the year	7.1	**(308,763)**	**(406,884)**	**(715,647)**	(506,059)	(321,024)	(827,083)
Unamortised cost at end of the year		**-**	**86,914**	**86,914**	308,763	493,798	802,561

7.1 As per the offering document all preliminary and floatation expenses of the Fund including expenses incurred in connection with the establishment and authorization of the Fund, including execution and registration of the Constitutive Documents, issue, legal costs, printing, circulation and publication of the Offering Document, and all expenses incurred for announcing the Fund and other expenses during and up to the Initial Offering Period (IOP) subject to a maximum of one per cent (1%) of pre-IOP capital of the Fund or Rupees five million, whichever is lower, shall be borne and reimbursed by the Fund to the Management Company (Wakeel) subject to the audit of expenses. Such Formation Cost shall be amortized over a period of not less than five years or maturity of relevant Allocation plan, whichever is earlier. The total expenses have been allocated to JS ICPAP-6 and JS ICPAP-7 as JSICPAP-9 did not exist at the time when the formation cost was being ascertained by the management.

8 PROFIT RECIEVABLE ON BANK BALANCES

	30 June 2021 JS ICPAP 6	30 June 2021 JS ICPAP 7	30 June 2021 JS ICPAP 9	30 June 2021 Total	30 June 2020 JS ICPAP 6	30 June 2020 JS ICPAP 7	30 June 2020 JS ICPAP 9	30 June 2020 Total
	(Rupees)							
Profit receivable on bank balances	**22,626**	**7,411**	**12,100**	**42,137**	1,696,740	1,670,206	1,412,884	4,779,830
	22,626	**7,411**	**12,100**	**42,137**	1,696,740	1,670,206	1,412,884	4,779,830

9 PAYABLE TO THE MANAGEMENT COMPANY (WAKEEL)

	Note	30 June 2021 JS ICPAP 6	30 June 2021 JS ICPAP 7	30 June 2021 JS ICPAP 9	30 June 2021 Total	30 June 2020 JS ICPAP 6	30 June 2020 JS ICPAP 7	30 June 2020 JS ICPAP 9	30 June 2020 Total
		(Rupees)							
Remuneration payable to the Management Company (Wakeel)	9.1	**-**	**-**	**57,152**	**57,152**	-	-	188,494	188,494
Sindh Sales Tax on management remuneration		**-**	**-**	**7,426**	**7,426**	-	-	24,504	24,504
Accounting and operational charges	9.2	**-**	**-**	**-**	**-**	46,300	36,708	18,848	101,856
Shariah Fee		**14,513**	**11,852**	**3,582**	**29,947**	15,272	12,115	6,217	33,604
Formation Cost and Other Payable		**197,811**	**290,201**	**-**	**488,012**	503,142	595,533	-	1,098,675
Reimbursement of account opening charges		**-**	**-**	**-**	**-**	-	-	10,000	10,000
		212,324	**302,053**	**68,160**	**582,537**	564,714	644,356	248,063	1,457,133

9.1 Under the provision of the Non-Banking Finance Companies and Notified Entities Regulations 2008, the Management Company (Wakeel) is entitled to a remuneration for services rendered to the Fund up to a maximum of 1% per annum based on the average monthly net assets of the allocation baskets/plans under the Fund on the daily basis during the year. However, no management fee will be charged on the portion which is invested in schemes managed by JS Investments. Management Company (Wakeel) has decided not to charge any remuneration in JS Islamic Capital Preservation Allocation Plan - 6 (JS ICPAP 6) and JS Islamic Capital Preservation Allocation Plan - 7 (JS ICPAP 7) during the year.

9.2 Under clause 60(s) of the NBFC Regulations, 2008, the Management Company (Wakeel) is allowed to charge fees and expenses relating to registrar services, accounting, operation and valuation services related to the CIS up to the actual expenses. The Management Company has decided not to charge any accounting and operational charges for all the baskets effective from 01 September 2020 and upto 30 June 2021.

10 REMUNERATION PAYABLE TO THE TRUSTEE

Trustee remuneration is charged according to Trust deed and is charged as follows:

Net Assets	
- up to rupees one billion	Rs. 0.7 million or 0.20% per Annum of net assets , whichever is higher;
- exceeding rupees one billion	Rs. 2 million plus 0.10% per Annum of net assets on amount exceeding Rs. 1 billion.

11 ANNUAL FEE OF SECURITIES AND EXCHANGE COMMISSION OF

SECP fee is at 0.02% of average daily Net Assets of the Fund.

12 ACCRUED EXPENSES AND OTHER LIABILITIES

		30 June 2021				30 June 2020			
		JS ICPAP 6	**JS ICPAP 7**	**JS ICPAP 9**	**Total**	JS ICPAP 6	JS ICPAP 7	JS ICPAP 9	Total
	Note	------------	------------	------------	**(Rupees)**	------------	------------	------------	------------
Auditors' remuneration		**255,465**	**196,366**	**91,301**	**543,132**	43,971	33,729	3,984	81,684
Payable against redemption of units		**1,342,517**	**-**	**-**	**1,342,517**	89,662	8,883,128	-	8,972,790
Provision against Sindh Workers' Welfare Fund	*12.1*	**670,074**	**463,789**	**360,179**	**1,494,042**	53,846	-	85,592	139,438
Capital gain tax payable		**-**	**-**	**6,005**	**6,005**	-	2,202	-	2,202
Withholding tax payable		**4,200,391**	**3,817,114**	**1,883,732**	**9,901,237**	-	-	-	-
Zakat Payable		**152,480**	**231,259**	**9,556**	**393,295**	-	-	-	-
		6,620,927	**4,708,528**	**2,350,773**	**13,680,228**	187,479	8,919,059	89,576	9,196,114

12.1 As a consequence of the 18th amendment to the Constitution of Pakistan, in May 2015 the Sindh Workers' Welfare Fund Act, 2014 (SWWF Act) had been passed by the Government of Sindh as a result of which every industrial establishment located in the Province of Sindh, the total income of which in any accounting year is not less than Rs. 0.50 million, was required to pay Sindh Workers' Welfare Fund (SWWF) in respect of that year a sum equal to two percent of such income. The matter was taken up by MUFAP with the Sindh Revenue Board (SRB) collectively on behalf of various asset management companies and their CISs whereby it was contested that mutual funds should be excluded from the ambit of the SWWF Act as these were not industrial establishments but were pass through investment vehicles and did not employ workers. The SRB held that mutual funds were included in the definition of financial institutions as per the Financial Institution (Recovery of Finances) Ordinance, 2001 and were, hence, required to register and pay SWWF under the SWWF Act. Thereafter, MUFAP had taken up the matter with the Sindh Finance Ministry to have CISs/mutual funds excluded from the applicability of SWWF. In view of the above developments regarding the applicability of SWWF on CISs / mutual funds, MUFAP recommended that, as a matter of abundant caution, provision in respect of SWWF should be made on a prudent basis with effect from the date of enactment of the SWWF Act, 2014 (i.e. starting from May 21, 2015). The Funds have accordingly made provision in respect of SWWF as recommended by MUFAP.

Subsequent to the year ended June 30, 2021, Sindh Revenue Board (SRB) through its letter dated August 12, 2021, has intimated MUFAP that the mutual funds do not qualify as Financial Institution/ Industrial Establishment and are, therefore, not liable to pay the Sindh Workers Welfare Fund (SWWF) contributions. This development was discussed at the MUFAP level and has also been taken up with the Securities and Exchange Commission of Pakistan (SECP) and all the Asset Management Companies, in consultation with SECP, have reversed the cumulative provision for SWWF recognized in the financial statements of the Funds on August 13, 2021. The SECP has given its concurrence for prospective reversal of provision for SWWF, Accordingly, going forward, no provision for SWWF would be recognized in the financial statement of the Fund.

Had the provision not being made, the Net Asset Value per unit as at June 30, 2021would have been higher by Re. 0.14 (2020: Nil) per unit, Re. 0.12 (2020: Nil) per unit and Re. 0.27 (2020: 0.4) per unit for JS ICPAP-6, JS ICPAP-7 and JS ICPAP-9 respectivley.

13 TAXATION

The Fund's income is exempt from Income Tax as per Clause 99 of Part I of the Second Schedule of the Income Tax Ordinance, 2001 subject to the condition that not less than 90% of the accounting income for the year as reduced by capital gains whether realised or unrealised is distributed amongst the unit holders, provided that for the purpose of determining distribution of not less than 90% of its accounting income for the year, the income distributed through bonus units shall not be taken into account. Furthermore, as per Regulation 63 of the Non-Banking Finance Companies and Notified Entities Regulations, 2008, the Fund is required to distribute 90% of the net accounting income other than capital gains to the unit holders. The management has distributed at least 90% of income earned during current year as reduced by capital gains, whether realised or unrealised, to its unit holders therefore, no provision for taxation has been recorded in these financial statements.

14 CONTINGENCY AND COMMITMENT

The fund has no contingency and commitment as at 30 June 2021.

15 NUMBER OF UNITS IN ISSUE

	30 June 2021				30 June 2020			
	JS ICPAP 6	**JS ICPAP 7**	**JS ICPAP 9**	**Total**	JS ICPAP 6	JS ICPAP 7	JS ICPAP 9	Total
	(Units)							
Units in issue at the beginning of the year	**6,159,421**	**4,474,010**	**2,263,576**	**12,897,007**	8,236,314	-	-	8,236,314
Units issued against IPO investment	**-**	**-**	**-**	**-**	-	8,767,007	2,411,114	11,178,121
Units issued during the year	**224,236**	**178,938**	**66,895**	**470,069**	1,241	5	-	1,247
Units redeemed during the year	**(1,853,772)**	**(858,811)**	**(1,300,429)**	**(4,013,011)**	(2,078,134)	(4,293,002)	(147,538)	(6,518,674)
Total units in issue at end of the year	**4,529,885**	**3,794,137**	**1,030,042**	**9,354,064**	6,159,421	4,474,010	2,263,576	12,897,008

16 TOTAL EXPENSE RATIO

The total expense ratio (TER) of the Fund for the period ended 30 June 2021 is 0.54% , 0.58% and 1.36% (30 June 2020: 1.87%, 1.39%, 0.38%) including 0.18%, 0.18% and 0.32% (30 June 2020: 0.13%, 0.09%, 0.08%) representing government levies on the Fund as federal excise duty and sales taxes, Workers' Welfare Fund, annual fees payable to SECP, etc for JS Islamic Capital Preservation Allocation Plan 6, JS Islamic Capital Preservation Allocation Plan 7 and, JS Islamic Capital Preservation Allocation Plan 9 respectively. This ratio is within the limit of 2.5% per annum of average net asset value of the scheme.

17 AUDITORS' REMUNERATION

	30 June 2021				30 June 2020			
	JS Islamic Capital Preservation Plan-6	**JS Islamic Capital Preservation Plan-7**	**JS Islamic Capital Preservation Plan-9**	**Total**	JS Islamic Capital Preservation Plan-6	JS Islamic Capital Preservation Plan-7	JS Islamic Capital Preservation Plan-9	Total
	(Rupees)							
Annual audit fee	**130,000**	**120,000**	**40,000**	**290,000**	29,708	19,819	3,729	53,256
Report on Statement of net income and gains	**20,000**	**20,000**	**10,000**	**50,000**	-	-	-	-
Half yearly review	**40,000**	**40,000**	**30,000**	**110,000**	12,500	12,500	-	25,000
Out of pocket expenses	**51,559**	**12,703**	**7,317**	**71,579**	1,758	1,410	255	3,423
	241,559	**192,703**	**87,317**	**521,579**	43,966	33,729	3,984	81,679

18 RECONCILIATION OF LIABILITIES ARISING OUT OF FINANCING ACTIVITIES

	30 June 2021						
	JS Islamic Capital Preservation Plan-6		JS Islamic Capital Preservation Plan-7		JS Islamic Capital Preservation Plan-9		Total
	Receivable against issuance of units	Payable against redemption of units	Receivable against issuance of units	Payable against redemption of units	Receivable against issuance of units	Payable against redemption of units	
	(Rupees)						
Opening balance as an 1 July 2020	-	- 89,662	-	(8,883,128)	-	-	- 8,972,790
Receivable against issuance of units	20,555,734	-	16,390,803	-	6,814,598	-	43,761,135
Payable against redemption of units	-	176,611,943	-	80,922,466	-	137,079,395	394,613,804
	20,555,734	176,611,943	16,390,803	80,922,466	6,814,598	137,079,395	438,374,939
Amount received on issuance of units	(20,555,734)	-	(16,390,803)	-	(6,814,598)	-	(43,761,135)
Amount paid on redemption of units	-	(175,179,764)	-	(72,039,338)	-	(137,079,395)	(384,298,497)
	(20,555,734)	(175,179,764)	(16,390,803)	(72,039,338)	(6,814,598)	(137,079,395)	(428,059,632)
Closing balance as at 30 June 2021	-	1,342,517	-	-	-	-	1,342,517

	30 June 2020						
	JS Islamic Capital Preservation Plan - 6		JS Islamic Capital Preservation Plan - 7		JS Islamic Capital Preservation Plan - 9		Total
	Receivable against issuance of units	Payable against redemption of units	Receivable against issuance of units	Payable against redemption of units	Receivable against issuance of units	Payable against redemption of units	
	(Rupees)						
Opening balance as an 1 July 2019	-	-	-	-	-	-	-
Receivable against issuance of units	113,187	-	876,701,138	-	241,111,407	-	1,117,925,732
Payable against redemption of units	-	213,522,976	-	436,895,384	-	(14,720,233)	635,698,127
	113,187	213,522,976	876,701,138	436,895,384	241,111,407	(14,720,233)	1,753,623,859
Amount received on issuance of units	(113,187)	-	(876,701,138)	-	(241,111,407)	-	(1,117,925,732)
Amount paid on redemption of units	-	(213,433,314)	-	(428,012,256)	-	14,720,233	(626,725,337)
	(113,187)	(213,433,314)	(876,701,138)	(428,012,256)	(241,111,407)	14,720,233	(1,744,651,069)
Closing balance as at 30 June 2020	-	(89,662)	-	(8,883,128)	-	-	(8,972,790)

19 TRANSACTIONS WITH RELATED PARTIES / CONNECTED PERSONS

Connected persons / related parties include JS Investments Limited (JSIL) being the Management Company (Wakeel) of the Fund, Central Depository Company of Pakistan Limited being the Trustee, JS Bank Limited (JSBL) being the Holding Company of JSIL, Jahangir Siddiqui and Co. Limited (JSCL) being the Holding Company of JSBL, JS Global Capital Limited (JSGCL) being the fellow subsidiary of JSBL, and other associated companies of JSBL, JSIL and its subsidiaries, Key Management Personnel of the above entities and other funds being managed by JSIL and includes entities holding 10% or more in the units of the Fund as at 30 June 2021. It also includes staff retirement benefit funds of the above related parties / connected persons. Details of balances and transactions with the related parties / connected persons not disclosed elsewhere are as follows:

19.1 Details of balances with related parties / connected persons as at year end

	Note	30 June 2021				30 June 2020			
		JS ICPAP 6	JS ICPAP 7	JS ICPAP 9	Total	JS ICPAP 6	JS ICPAP 7	JS ICPAP 9	Total
		(Rupees)							
JS Investments Limited - Management Company									
Remuneration payable to the Management Company	19.4	-	-	57,152	57,152	-	-	188,494	188,494
Sindh sales tax payable on Management Company's remuneration *		-	-	7,426	7,426	-	-	24,504	24,504
Accounting and operational charges	19.4	-	-	-	-	46,300	36,708	18,848	101,856
Shariah Fee		14,513	11,852	3,582	29,947	15,272	12,115	6,217	33,604
Formation cost payable	7	197,811	290,201	-	488,012	503,142	595,533	-	1,098,675
Central Depository Company of Pakistan Limited -Trustee									
Remuneration payable to the Trustee	19.4	71,335	58,391	17,644	147,370	92,599	73,412	13,197	179,208
Sales tax payable on Trustee remuneration **		9,273	7,590	2,293	19,156	12,038	9,543	1,716	23,297
Bank Islami Pakistan Limited									
Bank balance	5	11,196	-	-	11,196	11,196	-	-	11,196
JS Islamic Dedicated Equity Fund (Fund Under JSIL management)									
Amount Invested	Rupees	-	-	34,103,847	34,103,847	-	-	-	-
Units held	Units	-	-	438,691	438,691	-	-	-	-
Key management personnel of the Management Company (Wakeel)									
Amount of units held by them	Rupees	1,468,837	-	-	1,468,837	1,378,581	-	-	1,378,581
Units held	Units	16,020	-	-	16,020	15,206	-	-	15,206
Unit Holders holding 10% or more									
Amount of units held by them	Rupees	197,971,160	94,412,707	10,537,700	302,921,567	268,469,064	89,697,658	51,791,249	409,957,971
Units held	Units	2,159,136	1,030,481	363,438	3,553,055	2,928,647	979,232	508,405	4,416,284

19.2 Details of transactions with related parties /connected persons during the year

		30 June 2021				30 June 2020			
		JS ICPAP 6	**JS ICPAP 7**	**JS ICPAP 9**	**Total**	JS ICPAP 6	JS ICPAP 7	JS ICPAP 9	Total
		(Rupees)							
JS Investments Limited									
Remuneration to the Management Company (Wakeel)	*19.4*	**-**	**-**	**1,154,862**	**1,154,862**	4,770,437	2,699,889	569,736	8,040,062
Sindh sales tax on Management Company's remuneration *		**-**	**-**	**150,145**	**150,145**	620,158	350,987	74,070	1,045,215
Sales load for the period		**-**	**-**	**-**	**-**	-	42,497	2,561,365	2,603,862
Formation Cost during the year		**308,763**	**406,884**	**-**	**715,647**	494,912	321,024	-	815,936
Accounting and Operational Charges	*19.4*	**96,359**	**68,833**	**38,095**	**203,287**	698,206	454,256	56,972	1,209,434
Shariah Advisory fee		**173,350**	**134,310**	**51,863**	**359,523**	156,325	110,818	17,819	284,962
Other Expense		**-**	**-**	**-**	**-**	259,458	259,458	40,000	558,916
Central Depository Company of Pakistan Limited - Trustee									
Remuneration to the Trustee	*19.4*	**989,819**	**759,922**	**258,713**	**2,008,454**	768,291	549,376	39,885	1,357,552
Sales tax on Trustee remuneration **		**128,677**	**98,791**	**33,632**	**261,100**	99,876	71,418	5,185	176,479
JS Islamic Dedicated Equity Fund (Fund Under JSIL management)									
Investment by the Allocation Basket of JS IHFOF 3	*Rupees*	**-**	**-**	**69,338,186**	**69,338,186**	730,591,520	694,316,929	-	1,424,908,449
Investment by the Allocation Basket of JS IHFOF 3	*Units*	**-**	**-**	**1,049,374**	**1,049,374**	9,141,735	8,683,693	-	17,825,428
Disposal by Allocation Basket of JS IHFOF 3	*Rupees*	**-**	**-**	**43,228,559**	**43,228,559**	628,349,436	618,153,863	-	1,246,503,299
Disposal by Allocation Basket of JS IHFOF 3	*Units*	**-**	**-**	**610,683**	**610,683**	9,141,735	8,683,693	-	17,825,428
JS Islamic Daily Dividend Fund (Fund Under JSIL management)									
Investment by the Allocation Basket of JS IHFOF 3	*Rupees*	**25,113,660**	**20,090,928**	**10,045,464**	**55,250,052**	-	-	-	-
Investment by the Allocation Basket of JS IHFOF 3	*Units*	**251,137**	**200,909**	**100,455**	**552,501**	-	-	-	-
Disposal by Allocation Basket of JS IHFOF 3	*Rupees*	**25,113,660**	**20,090,928**	**10,045,464**	**55,250,052**	-	-	-	-
Disposal by Allocation Basket of JS IHFOF 3	*Units*	**251,137**	**200,909**	**100,455**	**552,501**	-	-	-	-
Bank Islami Pakistan Limited									
Profit on bank balances	*Rupees*	**-**	**-**	**-**	**-**	1,196	4,242,875	827,022	5,071,093
JS Bank Limited - Parent Company of JSIL									
Sales load	*Rupees*	**-**	**-**	**-**	**-**	-	28,505,274	4,695,412	33,200,686

* Paid / payable to the Management for onward payment to the Government.
** Paid / payable to the Trustee for onward payment to the Government.

19.3 Details of related party transactions and balances in respect of investments made by the Fund have been disclosed in note 6 of the financial information.

19.4 Remuneration payable to the Management Company (Wakeel) and the Trustee has been determined in accordance with the provisions of NBFC Regulations and the Trust Deed respectively.

19.5 Fund's investments in other funds managed by JS investments Limited are made at the applicable net assets per unit.

19.6 Purchase and redemption of the Fund's unit by the related parties / connected persons are recorded at the applicable net asset value per unit. Other transactions are at agreed rates.

20 FINANCIAL INSTRUMENTS - FAIR VALUES AND RISK MANAGEMENT

Introduction and overview

The Fund has exposure to the following risks from financial instruments:

- credit risk (refer note 20.1)
- liquidity risk (refer note 20.2)
- market risk (refer note 20.3)

Risk management framework

The Management Company's board of directors has overall responsibility for the establishment and oversight of the Fund's risk management framework.

Risk is inherent in the Fund's activities, but it is managed through monitoring and controlling activities which are primarily setup to be performed based on limits established by the Management Company (Wakeel), Fund's constitutive documents and the regulations and directives of the SECP. The policies are established to identify and analyse the risks faced by the Fund, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Fund's activities.

The audit committee oversees how management monitors compliance with the Fund's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Fund. The audit committee is assisted in its oversight role by internal audit. Internal audit undertakes regular reviews of risk management controls and procedures, the results of which are reported to the audit committee.

Asset purchases and sales are determined by the Fund’s Investment Manager, who has been authorised to manage the distribution of the assets to achieve the Fund’s investment objectives. Compliance with the target asset allocations and the composition of the portfolio is monitored by the Investment Committee. In instances where the portfolio has diverged from target asset allocations, the Fund’s Investment Manager is obliged to take actions to rebalance the portfolio in line with the established targets, within prescribed time limits.

20.1 Credit risk

Credit risk is the risk of financial loss to the Fund if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from bank balances.

The carrying amount of financial assets represents the maximum credit exposure.

Management of credit risk

The Fund's policy is to enter into financial contracts in accordance with the investment guidelines approved by the Investment Committee, its Trust Deed and the requirements of NBFC rules and regulations. Before making investment decisions, the credit rating and credit worthiness of the issuer is taken into account along with the financial background so as to minimise the risk of default.

Credit risk is managed and controlled by the Management Company (Wakeel) of the Fund in the following manner:

- Where the investment committee makes an investment decision, the rating and credit worthiness of the issuer is taken into account along with the financial background so as to minimise the risk of default.

- Analysing credit ratings and obtaining adequate collaterals wherever appropriate / relevant.

- The risk of counterparty exposure due to failed trades causing a loss to the Fund is mitigated by a periodic review of the credit ratings and financial statements on a regular basis.

- Cash is held only with reputable banks with high quality external credit enhancements.

- Investment transactions are carried out with a large number of brokers, whose credit worthiness is taken into account so as to minimise the risk of default and transactions are settled or paid for only upon delivery.

Exposure to credit risk

The maximum exposure to credit risk as at 30 June 2021 was as follows:

	2021							
	JS Islamic Capital Preservation Allocation Plan - 6		**JS Islamic Capital Preservation Allocation Plan - 7**		**JS Islamic Capital Preservation Allocation Plan - 9**		**Total**	
	Balance as per the Statement of Asset and Liabilities	**Maximum Exposure**	**Balance as per the Statement of Asset and Liabilities**	**Maximum Exposure**	**Balance as per the Statement of Asset and Liabilities**	**Maximum Exposure**	**Balance as per the Statement of Asset and Liabilities**	**Maximum Exposure**
	(Rupees)							
Bank balances (including profit due)	**916,190**	**916,190**	**193,396**	**193,396**	**6,305,193**	**6,305,193**	**7,414,779**	**7,414,779**
Investments	**421,448,998**	**421,448,998**	**352,484,061**	**352,484,061**	**101,252,015**	**101,252,015**	**875,185,074**	**875,185,074**
	422,365,188	**422,365,188**	**352,677,457**	**352,677,457**	**107,557,208**	**107,557,208**	**882,599,853**	**882,599,853**

	2020							
	JS Islamic Capital Preservation Allocation Plan - 6		JS Islamic Capital Preservation Allocation Plan - 7		JS Islamic Capital Preservation Allocation Plan - 9		Total	
	Balance as per the Statement of Asset and Liabilities	Maximum Exposure	Balance as per the Statement of Asset and Liabilities	Maximum Exposure	Balance as per the Statement of Asset and Liabilities	Maximum Exposure	Balance as per the Statement of Asset and Liabilities	Maximum Exposure
	(Rupees)							
Bank balances (including profit due)	280,708,644	280,708,644	237,843,843	237,843,843	230,949,146	230,949,146	749,501,633	749,501,633
Investments	284,603,947	284,603,947	181,207,148	181,207,148	-	-	465,811,095	465,811,095
	565,312,591	565,312,591	419,050,991	419,050,991	230,949,146	230,949,146	1,215,312,728	1,215,312,728

Bank balances (including profit due)

The Fund held cash and cash equivalents at 30 June 2021 with banks having following credit ratings:

	2021							
	JS Islamic Capital Preservation Allocation Plan - 6		**JS Islamic Capital Preservation Allocation Plan - 7**		**JS Islamic Capital Preservation Allocation Plan - 9**		**Total**	
Ratings	**(Rupees)**	**(%)**	**(Rupees)**	**(%)**	**(Rupees)**	**(%)**	**(Rupees)**	**(%)**
AA	**847,374**	**92%**	**101,229**	**52%**	**6,305,193**	**100%**	**7,253,796**	**98%**
A+	**11,196**	**1%**	**-**	**0%**	**-**	**0%**	**11,196**	**0%**
AA-	**57,620**	**6%**	**92,167**	**48%**	**-**	**0%**	**149,787**	**2%**
Total balance including profit due	**916,190**	**100%**	**193,396**	**100%**	**6,305,193**	**100%**	**7,414,779**	**100%**

Above rates are on the basis of available ratings assigned by PACRA and JCR-VIS as of 30 June 2021.

	2020							
	JS Islamic Capital Preservation Allocation Plan - 6		JS Islamic Capital Preservation Allocation Plan - 7		JS Islamic Capital Preservation Allocation Plan - 9		Total	
Ratings	(Rupees)	(%)	(Rupees)	(%)	(Rupees)	(%)	(Rupees)	(%)
AA	7,280,903	3%	237,843,843	100%	230,949,146	100%	476,073,892	64%
A+	11,196	0%	-	0%	-	0%	11,196	0%
AA-	273,416,545	97%	-	0%	-	0%	273,416,545	36%
Total balance including profit due	280,708,644	100%	237,843,843	100%	230,949,146	100%	749,501,633	100%

Concentration of credit risk

Concentration of credit risk exists when changes in economic or industry factors affect the group of counterparties whose aggregate credit exposure is significant in relation to the Fund's total credit exposure. The Fund's portfolio exposed to credit risk primarily consists of bank deposits.

Details of Fund's concentration of credit risk of financial instruments by economic sectors are as follows:

	2021							
	JS Islamic Capital Preservation Allocation Plan - 6		**JS Islamic Capital Preservation Allocation Plan - 7**		**JS Islamic Capital Preservation Allocation Plan - 9**		**Total**	
	(Rupees)	**(%)**	**(Rupees)**	**(%)**	**(Rupees)**	**(%)**	**(Rupees)**	**(%)**
Commercial banks (including profit due)	**916,190**	**0.22%**	**193,396**	**0.05%**	**6,305,193**	**5.86%**	**7,414,779**	**0.84%**
Mutual funds (open end)*	**421,448,998**	**99.78%**	**352,484,061**	**99.95%**	**101,252,015**	**94.14%**	**875,185,074**	**99.16%**
	422,365,188	**100%**	**352,677,457**	**100%**	**107,557,208**	**100%**	**882,599,853**	**100%**

	2020							
	JS Islamic Capital Preservation Allocation Plan - 6		JS Islamic Capital Preservation Allocation Plan - 7		JS Islamic Capital Preservation Allocation Plan - 9		Total	
	(Rupees)	(%)	(Rupees)	(%)	(Rupees)	(%)	(Rupees)	(%)
Commercial banks (including profit due)	280,708,644	49.66%	237,843,843	56.76%	230,949,146	100.00%	749,501,633	61.67%
Mutual funds (open end)*	284,603,947	50.34%	181,207,148	43.24%	-	0%	465,811,095	38.33%
	565,312,591	100%	419,050,991	100%	230,949,146	100%	1,215,312,728	100%

* For details see Investment note 6

Past due and impaired assets and collaterals held

None of the financial assets of the Fund are past due or impaired as at 30 June 2021. All financial assets of the Fund as at 30 June 2021 are unsecured.

Settlement risk

The Fund's activities may give rise to risk at the time of settlement of transactions. Settlement risk is the risk of loss due to the failure of an entity to honour its obligations to deliver cash, securities or other assets as contractually agreed on sale.

For the vast majority of transactions the Fund mitigates this risk by conducting settlements through a broker to ensure that a trade is settled only when both parties have fulfilled their contractual settlement obligations.

20.2 Liquidity risk

Liquidity risk is the risk that the Fund will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Fund's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Fund's reputation.

The Fund aims to maintain the level of cash and cash equivalents and other highly marketable securities at an amount in excess of expected cash outflows on financial liabilities. The Fund is exposed to cash redemptions of its units on a regular basis. Units are redeemable at the holder's option based on the Fund's net asset value per unit at the time of redemption calculated in accordance with the Fund's constitutive document and guidelines laid down by Securities and Exchange Commission of Pakistan (SECP).

Management of liquidity risk

The Fund's policy is to manage this risk by investing majority of its assets in investments that are traded in an active market and can be readily disposed. The Fund invests primarily in marketable securities, which under normal market conditions are readily convertible to cash. As a result, the Fund may be able to liquidate quickly its investments in these instruments at an amount close to their fair value to meet its liquidity requirement. Further the present settlement system is T+2 system, in respect of the closed end funds, which means that proceeds from sales (to pay off redemptions) of holdings will be received on the second day after the sale, while redemption requests have to be paid within a period of six working days from the date of the request.

The Fund has the ability to borrow, with prior approval of Trustee, for meeting redemption. No such borrowings were made during the year. The maximum amount available to the Fund from borrowings is limited to the extent of 15% of net assets at the time of borrowing with repayment with in 90 days of such borrowings.

In order to manage the Fund's overall liquidity, the Fund can also withhold daily redemption request in excess of ten percent of the units in issue and such requests would be treated as redemption request qualifying for being processed on the next business day. Such procedure would continue until the outstanding redemption requests come down to a level below ten percent of the units then in issue.

Maturity analysis for financial liabilities

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted.

	2021							
	JS Islamic Capital Preservation Allocation plan - 6		**JS Islamic Capital Preservation Allocation plan - 7**		**JS Islamic Capital Preservation Allocation plan - 9**		**Total**	
	Contractual cash flows		**Contractual cash flows**		**Contractual cash flows**		**Contractual cash flows**	
	Carrying amount	**Less than 1 month**	**Carrying amount**	**Less than 1 month**	**Carrying amount**	**Less than 1 month**	**Carrying amount**	**Less than 1 month**
	(Rupees)							
Non-derivative financial liabilities (excluding unit holders' fund)								
Payable to the Management Company (Wakeel)	**212,324**	**212,324**	**302,053**	**302,053**	**68,160**	**68,160**	**582,537**	**582,537**
Remuneration payable to the Trustee	**80,608**	**80,608**	**65,981**	**65,981**	**19,937**	**19,937**	**166,526**	**166,526**
Accrued expenses and other liabilities*	**1,597,982**	**1,597,982**	**196,366**	**196,366**	**91,301**	**91,301**	**1,885,649**	**1,885,649**
	1,890,914	**1,890,914**	**564,400**	**564,400**	**179,398**	**179,398**	**2,634,712**	**2,634,712**
Unit holders' fund	**415,352,411**	**415,352,411**	**347,611,864**	**347,611,864**	**105,087,546**	**105,087,546**	**868,051,821**	**868,051,821**

	2020							
	JS Islamic Capital Preservation Allocation plan - 6		JS Islamic Capital Preservation Allocation plan - 7		JS Islamic Capital Preservation Allocation plan - 9		Total	
	Contractual cash flows		Contractual cash flows		Contractual cash flows		Contractual cash flows	
	Carrying amount	Less than 1 month	Carrying amount	Less than 1 month	Carrying amount	Less than 1 month	Carrying amount	Less than 1 month
	(Rupees)							
Non-derivative financial liabilities (excluding unit holders' fund)								
Payable to the Management Company (Wakeel)	564,714	564,714	644,356	644,356	248,063	248,063	1,457,133	1,457,133
Remuneration payable to the Trustee	104,637	104,637	82,955	82,955	14,913	14,913	202,505	202,505
Accrued expenses and other liabilities*	43,971	43,971	33,729	33,729	3,984	3,984	81,684	81,684
	713,322	713,322	761,040	761,040	266,960	266,960	1,741,322	1,741,322
Unit holders' fund	564,624,878	564,624,878	409,807,565	409,807,565	230,585,192	230,585,192	1,205,017,635	1,205,017,635

* excluding provision for sindh workers' welfare fund, Sindh sales tax payable on Management Company's remuneration, Sindh sales tax payable on Trustee's remuneration, withholding tax payable and zakat payable.

Above financial liabilities do not carry any mark-up and are unsecured.

20.3 Market risks

Market risk is the risk that changes in market prices - such as foreign exchange rates, interest rates and equity prices - will affect the Fund's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

Management of market risks

The Fund manages market risk by monitoring exposure on marketable securities by following the internal risk management policies and investment guidelines approved by the Investment Committee and regulations laid down by the Securities and Exchange Commission of Pakistan. The maximum risk resulting from financial instruments equals their fair values.

The Fund is exposed to interest rate risk and equity price risk.

20.3.1 Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in interest rates. Risk management procedures are the same as those mentioned in the credit risk management.

Exposure to interest rate risk

The interest rate profile of the Fund's interest-bearing financial instruments as reported to the management of the Fund is as follows:

Variable-rate instrument	**2021**				2020			
	JS Islamic Capital Preservation Allocation plan - 6	**JS Islamic Capital Preservation Allocation plan - 7**	**JS Islamic Capital Preservation Allocation plan - 9**	**Total**	JS Islamic Capital Preservation Allocation plan - 6	JS Islamic Capital Preservation Allocation plan - 7	JS Islamic Capital Preservation Allocation plan - 9	Total
	(Rupees)							
Financial assets (Bank balances)	**893,564**	**185,985**	**6,293,093**	**7,372,642**	279,011,904	236,173,637	229,536,262	744,721,803

Cash flow sensitivity analysis for variable rate instruments

A reasonably possible change of 100 basis points in interest rates at the reporting date would have increased / decreased the total unit holders fund and the income statement by Rs. 8,936 (2020: Rs. 2,790,119), Rs. 1,860 (2020: Rs. 2,361,736) and Rs. 62,931 (2020: Rs. 2,295,363) for JS Islamic Capital Preservation Allocation Plan 6, JS Islamic Capital Preservation Allocation Plan 7 and, JS Islamic Capital Preservation Allocation Plan 9 respectively. The analysis, assumes that all other variables remain constant.

Bank balances are repriced by the bank after changes in the State Bank of Pakistan's policy rate and do not have any contractual maturity.

None of the Fund's liabilities are subject to interest rate risk.

20.3.2 Other market price risk

The Fund is exposed to price risk i.e. the risk of unfavourable changes in the fair value of securities as a result changes in the value of individual net assets value of open end funds, which arises from investments measured at fair value through income statement. The price risk exposure of the Fund arises from investments in mutual funds only. The Fund's policy is to manage price risk through diversification and selection of securities within specified limits set by internal risk management guidelines or the requirements of NBFC Regulations.

The Fund also manages its exposure to price risk by reviewing portfolio allocation as frequently as necessary and at least once a quarter from the aspect of allocation within industry and individual script within that allocation. Material investments within the portfolio are managed on an individual basis and all buy and sell decisions are approved by the Investment Committee. The primary goal of the Fund's investment strategy is to maximise investment returns.

Details of the Fund's investment in an economic sector are given in note 6.

In case of investments classified as at fair value through income statement, a 5% increase or decrease in the fair values of the investments, would have increased or decreased the income statement and the unit holders fund by Rs. 21.07 million (2020:14.230 million), Rs. 17.62 million (2020: 9.060 million), Rs. 5.06 million (2020: Nil) of JS Islamic Capital Preservation Allocation Plan 6, JS Islamic Capital Preservation Allocation Plan 7 and JS Islamic Capital Preservation Allocation Plan 9 respectively.

20.4 Unit holder's fund risk management

The Asset Management Company's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to continue as a going concern so that it can continue to provide returns to its unit holders. Management monitors the return on capital as well as the level of dividends to unit holders and makes adjustments to it in the light of changes in markets' conditions.

Under the NBFC regulations 2008, the minimum size of an open end scheme shall be one hundred million rupees at all the times during the life of the scheme. The Fund size depends on the issuance and redemption of units.

21 Fair value of financial instruments

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

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

The fair value of financial assets and liabilities traded in active markets i.e. listed equity shares are based on the quoted market prices at the close of trading on the period end date. In respect of the investments in open end mutual funds, it is the redemption price quoted by the respective funds. The quoted market prices used for financial assets held by the Fund is current bid price.

A financial instrument is regarded as quoted in an active market if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis.

IFRS 13, 'Fair Value Measurements' requires the Fund to classify fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date (level 1).
- Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly (level 2).
- Unobservable inputs for the asset or liability (level 3).

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy:

JS Islamic Capital Preservation Allocation Plan - 6 — 30 June 2021 (Rupees)

On-balance sheet financial instruments	*Note*	**Carrying amount: Fair value through profit or loss**	**Carrying amount: Amortized cost**	**Carrying amount: Total**	**Fair value: Level 2**	**Fair value: Total**
Financial assets measured at fair value						
Investments		**421,448,998**	**-**	**421,448,998**	**421,448,998**	**421,448,998**
		421,448,998	**-**	**421,448,998**	**421,448,998**	**421,448,998**
Financial assets not measured at fair value	21					
Bank balances		**-**	**893,564**	**893,564**	**-**	**-**
Accrued return on bank balances		**-**	**22,626**	**22,626**	**-**	**-**
		-	**916,190**	**916,190**	**-**	**-**
Financial liabilities not measured at fair value						
Payable to the Management Company		**-**	**212,324**	**212,324**	**-**	**-**
Remuneration payable to the Trustee		**-**	**80,608**	**80,608**	**-**	**-**
Accrued expenses and other liabilities		**-**	**1,597,982**	**1,597,982**	**-**	**-**
		-	**1,890,914**	**1,890,914**	**-**	**-**

JS Islamic Capital Preservation Allocation Plan - 7 — 30 June 2021 (Rupees)

On-balance sheet financial instruments	**Carrying amount: Fair value through profit or loss**	**Carrying amount: Amortized cost**	**Carrying amount: Total**	**Fair value: Level 2**	**Fair value: Total**
Financial assets measured at fair value					
Investments	**352,484,061**	**-**	**352,484,061**	**352,484,061**	**352,484,061**
	352,484,061	**-**	**352,484,061**	**352,484,061**	**352,484,061**
Financial assets not measured at fair value					
Bank balances	**-**	**185,985**	**185,985**	**-**	**-**
Accrued return on bank balances	**-**	**7,411**	**7,411**	**-**	**-**
	-	**193,396**	**193,396**	**-**	**-**
Financial liabilities not measured at fair value					
Payable to the Management Company	**-**	**302,053**	**302,053**	**-**	**-**
Remuneration payable to the Trustee	**-**	**65,981**	**65,981**	**-**	**-**
Accrued expenses and other liabilities	**-**	**196,366**	**196,366**	**-**	**-**
	-	**564,400**	**564,400**	**-**	**-**

JS Islamic Capital Preservation Allocation Plan - 9 — 30 June 2021 (Rupees)

On-balance sheet financial instruments	**Carrying amount: Fair value through profit or loss**	**Carrying amount: Amortized cost**	**Carrying amount: Total**	**Fair value: Level 2**	**Fair value: Total**
Financial assets measured at fair value					
Investments	**101,252,015**	**-**	**101,252,015**	**101,252,015**	**101,252,015**
	101,252,015	**-**	**101,252,015**	**101,252,015**	**101,252,015**
Financial assets not measured at fair value					
Bank balances	**-**	**6,293,093**	**6,293,093**	**-**	**-**
Accrued return on bank balances	**-**	**12,100**	**12,100**	**-**	**-**
	-	**6,305,193**	**6,305,193**	**-**	**-**
Financial liabilities not measured at fair value					
Payable to the Management Company	**-**	**68,160**	**68,160**	**-**	**-**
Remuneration payable to the Trustee	**-**	**19,937**	**19,937**	**-**	**-**
Accrued expenses and other liabilities	**-**	**91,301**	**91,301**	**-**	**-**
	-	**179,398**	**179,398**	**-**	**-**

JS Islamic Capital Preservation Allocation Plan - 6 — 30 June 2020 (Rupees)

On-balance sheet financial instruments	*Note*	Carrying amount: Fair value through profit or loss	Carrying amount: Amortized cost	Carrying amount: Total	Fair value: Level 2	Fair value: Total
Financial assets measured at fair value						
Investments		284,603,947	-	284,603,947	284,603,947	284,603,947
		284,603,947		284,603,947	284,603,947	284,603,947
Financial assets not measured at fair value						
Bank balances		-	279,011,904	279,011,904	-	-
Accrued return on bank balances		-	1,696,740	1,696,740	-	-
		-	280,708,644	280,708,644	-	-
Financial liabilities not measured at fair value	*21*					
Payable to the Management Company (Wakeel)		-	564,714	564,714	-	-
Remuneration payable to the Trustee		-	104,637	104,637	-	-
Accrued expenses and other liabilities		-	43,971	43,971	-	-
		-	713,322	713,322	-	-

JS Islamic Capital Preservation Allocation Plan - 7 — 30 June 2020 (Rupees)

On-balance sheet financial instruments	Carrying amount: Fair value through profit or loss	Carrying amount: Amortized cost	Carrying amount: Total	Fair value: Level 2	Fair value: Total
Financial assets measured at fair value					
Investments	181,207,148	-	181,207,148	181,207,148	181,207,148
	181,207,148	-	181,207,148	181,207,148	181,207,148
Financial assets not measured at fair value					
Bank balances	-	236,173,637	236,173,637	-	-
Accrued return on bank balances	-	1,670,206	1,670,206	-	-
	-	237,843,843	237,843,843	-	-
Financial liabilities not measured at fair value					
Payable to the Management Company (Wakeel)	-	644,356	644,356	-	-
Remuneration payable to the Trustee	-	82,955	82,955	-	-
Accrued expenses and other liabilities	-	33,729	33,729	-	-
	-	761,040	761,040	-	-

JS Islamic Capital Preservation Allocation Plan - 9 — 30 June 2020 (Rupees)

On-balance sheet financial instruments	Carrying amount: Fair value through profit or loss	Carrying amount: Amortized cost	Carrying amount: Total	Fair value: Level 2	Fair value: Total
Financial assets measured at fair value					
Investments	-	-	-	-	-
	-	-	-	-	-
Financial assets not measured at fair value					
Bank balances	-	229,536,262	229,536,262	-	-
Accrued return on bank balances	-	1,412,884	1,412,884	-	-
	-	230,949,146	230,949,146	-	-
Financial liabilities not measured at fair value					
Payable to the Management Company (Wakeel)	-	248,064	248,064	-	-
Remuneration payable to the Trustee	-	14,913	14,913	-	-
Accrued expenses and other liabilities	-	3,984	3,984	-	-
	-	266,961	266,961	-	-

21.1 The Fund has not disclosed the fair values of the financial assets and financial liabilities carried at amortized cost, as these are either short term in nature or repriced periodically. Therefore, their carrying amounts are reasonable approximation of fair values.

22 SUPPLEMENTARY NON FINANCIAL INFORMATION

The information regarding unit holding pattern, top brokers, members of the Investment Committee, fund manager, meetings of the Board of Directors of the management company, meetings of Audit Committee of the management company, meetings of the Human Resource and Remuneration Committee of the management company and rating of the Fund and the management company has been disclosed in the Annexure to the financial statements.

23 GENERAL

23.1 Covid-19 Impact

On March 11, 2020, the World Health Organization declared COVID-19 a pandemic. Many governments are still taking stringent steps to help contain the spread of the virus, including vaccination campaigns, requiring self-isolation / quarantine by those potentially affected, implementing social distancing measures, and controlling or closing borders and "locking-down" cities/regions or even entire countries. Subsequent to the reporting date, the provincial government imposed lockdown specifically in Karachi amid increasing COVID-19 cases in the cities. This may effect the business activities due to uncertainties created by the fourth wave of COVID-19 which could affect the overall operations and the business in future. The Management Company (Wakeel) of the Fund is closely monitoring the situation, and in response to the developments, the management has taken action to ensure the safety of its employees and other stakeholders. The Management Company of the Fund expects that going forward these uncertainties would reduce as the impact of COVID-19 on overall economy subsides and have concluded that would have no significant impact that will adversely affect the operations and the financial position of the Fund in future periods.

23.2 Date of Authorisation for Issue

These financial statements were authorized for issue on August 21, 2021 by the Board of Directors of the Management Company (Wakeel).

For JS Investments Limited
(Management Company)

Chief Executive Officer	**Chief Financial Officer**	**Director**

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

(i) UNIT HOLDING PATTERN OF THE FUND

Category	2021				2021				2021			
	JSIHFOF 3 - JSICPAP- 6				JSIHFOF 3 - JSICPAP- 7				JSIHFOF 3 - JSICPAP- 9			
	Number of unit holders	Number of units held	Amount Rupees	% of total	Number of unit holders	Number of units held	Amount Rupees	% of total	Number of unit	Number of units held	Amount Rupees	% of total
Individuals	183	1,655,613	151,810,485	36.55	337	2,400,342	219,912,297	63.26	43	932,387	95,124,762	90.52
Associated companies / directors	-	-	-	-			-	-			-	-
Insurance Companies	-	-	-	-			-	-			-	-
Banks / DFI's	-	-	-	-			-	-			-	-
Non Banking Finance Companies	-	-	-	-			-	-			-	-
Retirement funds	3	15,853	1,453,574	0.35	3	207,049	18,969,825	5.46	1	87,291	8,905,432	8.47
Others	11	2,858,418	262,088,352	63.10	5	1,186,747	108,729,742	31.28	1	10,364	1,057,352	1.01
	197	4,529,885	415,352,411	100	345	3,794,137	347,611,864	100	45	1,030,042	105,087,546	100

Category	2020				2020				2020			
	Number of unit holders	Number of units held	Amount Rupees	% of total	Number of unit holders	Number of units held	Amount Rupees	% of total	Number of unit	Number of units held	Amount Rupees	% of total
Individuals	255	3,318,406	304,188,984	53.87	402	3,031,159	277,642,502	67.75	66	2,027,788	206,565,503	89.58
Associated companies / directors	-	-	-	-			-	-			-	-
Insurance Companies	-	-	-	-			-	-			-	-
Banks / DFI's	-	-	-	-			-	-			-	-
Non Banking Finance Companies	-	-	-	-			-	-			-	-
Retirement funds	3	15,048	1,379,454	0.24	3	195,057	17,867,201	4.36	1	82,196	8,373,350	3.63
Others	13	2,825,968	259,056,442	45.88	7	1,247,793	114,297,861	27.89	2	153,591	15,646,339	6.79
	271	6,159,421	564,624,879	100	412	4,474,009	409,807,564	100	69	2,263,576	230,585,192	100

(iii) THE MEMBERS OF THE INVESTMENT COMMITTEE

Following are the members of Investment Committee of the Fund:

Ms. Iffat Zehra Mankani - Chief Executive Officer
Mr. Khawar Iqbal - CFO & Company Secretary
Mr. Zahid Ullah Khan - Chief Investment Officer / Head
Mr. Syavash Pahore - Head Of Research
Mr. Shahveer Masood - Fund Manager

MS. IFFAT ZEHRA MANKANI - CHIEF EXECUTIVE OFFICER

Ms. Iffat Mankani has joined JS Investments Limited in April 2021. She brings with her over 20 years of global experience in both public and private markets across multiple asset classes. During her 11 years working in capital markets in Pakistan, she held various senior strategy and research roles, both on the buy and sell-side of the industry, including the National Investment Trust, JS Investments Limited and BMA Asset Management Company Limited amongst others.

Working as a sell side analyst, Iffat was frequently quoted in the financial press, and was well-known for her accuracy as a strategist. In her buy-side roles as Chief Investment Officer at JS Investments (2005-2007) and BMA Asset Management (2007-2011), she led the successful implementation of a disciplined asset and risk allocation process, resulting in consistent top quartile performance for funds under management. These included some pioneering products in the industry, such as the asset allocation fund, capital protected fund, index fund, an offshore fund and separately managed accounts.

In her most recent role, Iffat was working in the Deals Advisory team at PwC Canada, where she made significant contributions in the space of complex financial instruments and private debt valuations amongst others, helping to steer the business toward sustainable growth. Moreover, she also held diversified roles in the risk management groups of leading Canadian Banks (Bank of Montreal and CIBC) associated with their quants and trading risk oversight teams. In addition to making numerous value additions in her role as a Risk Manager of equity, fixed income and structured product desk, she also spearheaded bank wide regulatory and infrastructure projects and initiatives.

Iffat holds a Master of Finance from Rotman School of Management (University of Toronto) and Master of Business Administration from the Institute of Business Administration, Karachi.

MR. MUHAMMAD KHAWAR IQBAL, DIRECTOR OF FINANCE & COMPANY SECRETARY

With over more than 28 years of diversified experience, Mr. Muhammad Khawar Iqbal is currently serving as "Director Finance & Company Secretary" in JS Investments Limited, where he joined in May 2005 as Manager Finance.

He also served as Chief Financial Officer of the Company from 2012 to 2019.

Throughout his career Mr. Iqbal has implemented a system of continuous review and introduced changes to bring in efficiencies, simplifications and improvement in the overall quality of his departmental deliverables.

His role encompasses a wide range of matters ranging from financial management, reporting, internal control, compliance with laws applicable to the Company and other secretarial matters.

Mr. Khawar holds Masters Degree in Business Administration and Economics.

MR. ZAHID ULLAH KHAN - CHIEF INVESTMENT OFFICER / HEAD

Mr. Zahid Ullah Khan has been associated with the JS Group and the capital markets on the buy side of more than 17 years. Prior to joining JS Investments as the Chief Investment Officer in September 2016, Mr. Khan was at JS Bank since 2012, where he served as a Senior Vice President for the bank's risk management function. His core responsibilities included development of various risk management frameworks, modeling term structure of interest rates, engineering tailor-made interest rate products for corporate clientele, and devising efficient mechanisms for various equity based margin trading products.

Prior to his role at JS Bank, Mr. Khan was associated with JS Group as Senior Vice President in a technical role where he developed and deployed a High Frequency Trading (HFT) platform for equities. This project involved extensive development of an in-house market-price-of-risk arbitrage model dependent on instantaneous futures market rates. Mr. Khan also advised group companies on buy side risk management and for launching ETFs and Market Making initiatives on the asset management and brokerage side. His other assignments also included research work on various green field projects in the private equity space. Prior to joining JS Bank, Mr. Khan also served as a consultant senior fund manager for JS Investments from 2010 to 2012.

Mr. Khan started his career with ABAMCO Limited (now JS Investments Limited) in 2004 as a research analyst, and covered Cement and Banking sectors along with developing interest rate models on the fixed income side. He was additionally given the responsibility to develop and launch new products for the growing AMC. During his tenure at ABAMCO Limited, Mr. Khan developed the first proprietary free float-adjusted market capitalization index in Pakistan and launched the first Open end index fund based on that index. He also carries to his credit the launch of first Open end Fund of Funds scheme with an elaborate asset allocation strategy, a Capital Protected fund and several other in-house initiatives. In 2005, he was promoted as a fund manager, and managed JS Value Fund, JS A30 Index Fund, JS Growth Fund, and JS Fund of Funds, with a combined fund size of around PKR 10 billion.

Mr. Zahid holds a Masters degree in Business Administration from Lahore University of Management Sciences (Class of 2000); a Masters degree in Economics from Lahore University of Management Sciences (Class of 2004); and a Masters degree in Finance from London Business School (Class of 2007).

MR. SYAVASH PAHORE - HEAD OF RESEARCH

Mr. Syavash Pahore joined JS Investments Ltd. in April 2018 as SMA Fund Manager and is currently working as the Head of Research. Prior to his joining at JS Investments Ltd. Mr. Pahore was associated with Elixir Securities as a Research Analyst and he had started off his career from Optimus Capital Management as a Research Analyst in August 2016.

Mr. Pahore has a Bachelor of Arts in Finance, Accounting and Management from The University of Nottingham.

MR. SHAHVEER MASOOD - FUND MANAGER

Mr. Shahveer Masood has joined JS Investments Ltd. as a Fund Manager on the Equity side and as a member of the Investment Committee. Prior to his current role, Mr. Masood served as a SMA Portfolio Manager in Al-Meezan Investment Management Limited. He has also served as an equity sales trader in BMA Capital Management Limited. Overall he has accumulated an experience of 4 years

He holds a Bachelor of Arts in Finance, Accounting and Management Honors Degree from the University of Nottingham and he has also cleared CFA level 1.

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

Following is the analysis of the attendance in the meetings of the Board of Directors of the Management Company during the year:

Name of Directors	Meetings attended	Meetings held on				
		18 August 2020	20 October 2020	24 December 2020	19 February 2021	23 April 2021
Mr. Suleman Lalani*	2	-	-	-	1	1
Ms. Iffat Zehra Mankani*	1	-	-	-	-	1
Mr. Hasan Shahid	5	1	1	1	1	1
Mr. Asif Reza Sana	4	1	1	1	-	1
Mr. Imran Haleem Shaikh*	2	-	-	-	1	1
Mr. Zahid Ullah Khan*	1	-	-	-	-	1
Ms. Aisha Fariel Salahuddin	5	1	1	1	1	1
Mr. Kamran Jafar*	3	1	1	1	-	-
Mr. Babbar Wajid*	2	1	1	-	-	-
		5	**5**	**4**	**4**	**7**

*Mr. Suleman Lalani Joined the Board on September 09, 2020
*Ms. Iffat Zehra Mankani joined the Board on April 15, 2021
*Mr. Imran Haleem Shaikh joined the Board on January 15, 2021
*Mr. Zahid Ullah Khan joined the Board on March 18, 2021
*Mr. Kamran Jafar resigned from the Board on January 18, 2021
*Mr. Babbar Wajid resigned from the Board on December 02, 2020

(v) MEETINGS OF AUDIT COMMITTEE

Name of Directors	Meetings attended	Meetings held on			
		17 August 2020	19 October 2020	18 February 2021	22 April 2021
Mr. Asif Reza Sana	3	1	1	-	1
Mr. Hasan Shahid	4	1	1	1	1
Ms. Aisha Fariel Salahuddin	4	1	1	1	1
		3	**3**	**2**	**3**

(vi) MEETINGS OF HUMAN RESOURCE AND REMUNERATION COMMITTEE

Name of Members	Meetings attended	Meetings held on 17 Febrauary 2021
Ms. Aisha Fariel Salahuddin	1	1
Mr. Suleman Lalani	1	1
Mr. Hasnain Raza Nensey	1	1
		3

(vii) RATING OF THE MANAGEMENT COMPANY

Pakistan Credit Rating Agency has assigned JS Investments' Management Quality Rating of "AM2"(AM-Two) with a "stable" outlook. The rating denotes High Management Quality.

SUPPLEMENTARY NON FINANCIAL INFORMATION
AS REQUIRED UNDER CLAUSE 38A (g)
OF THE NBFC & NE REGULATION

Summary of Actual Proxy voted by JS Islamic Hybrid Fund of Funds - 3

	Resolutions	For	Against	Abstain
Number	0	0	Nil	N/A
(% ages)	100	100	-	-

Note:

The Proxy voting policy of the Collective Investment Scheme (CIS) is available on the website of JS Investments Limited, the Company and detailed information regarding actual proxies voted by the Company in respect of the CIS is also available without charge, upon request, to all unit holders.

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