

Shaping Tomorrow's Solutions, Today!

JS ISLAMIC FUND

ANNUAL REPORT 2024



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COMPANY INFORMATION

Management Company

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Karachi-75600
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E-mail: info@jsil.com
Website: www.jsil.com

Board of Directors

Mr. Suleman Lalani	Non-Executive Director / Chairman
Ms. Iffat Zehra Mankani	Chief Executive Officer
Mr. Hasan Shahid	Non-Executive Director
Mr. Mirza M. Sadeed H. Barlas	Non-Executive Director
Mr. Atif Salim Malik	Non-Executive Director
Ms. Aisha Fariel Salahuddin	Non-Executive Independent Director
Ms. Mediha Kamal Afsar	Non-Executive Independent Director
Mr. Farooq Ahmed Malik	Non-Executive Independent Director

Chief Executive Officer

Ms. Iffat Zehra Mankani

Chief Financial Officer

Mr. Raheel Rehman

Chief Investment Officer

Mr. Syed Hussain Haider

Chief Operating Officer & Company Secretary

Mr. Muhammad Khawar Iqbal

Statutory Auditors

Grant Thornton Anjum Rahman, Chartered Accountants

Legal Advisors

Bawaney and Partners
3rd & 4th Floor, 68-C, Lane-13
Bokhari Commercial Area
Phase-VI DHA, Karachi

Audit Committee

Ms. Mediha Kamal Afsar (Chairperson)
Mr. Hasan Shahid (Member)
Mr. Mirza M. Sadeed H. Barlas (Member)

Trustee

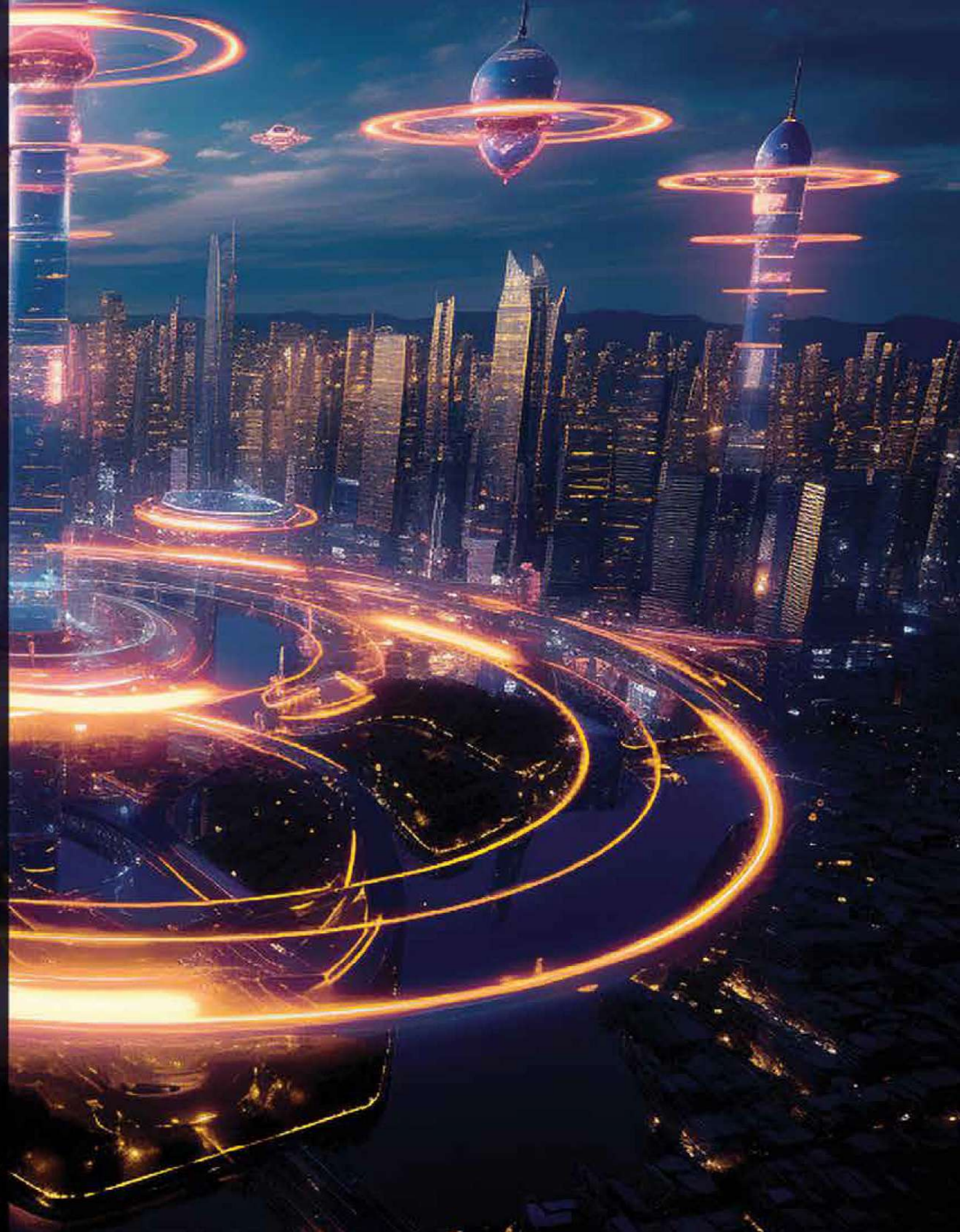
Central Depository Company of Pakistan Limited
CDC House, 99-B, Block 'B', S.M.C.H.S.,
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Tel: (92-21) 111-111-500
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Shariah Advisors

AI – Hilal Shariah Advisors (Pvt) Limited

Vision

To be the preferred choice of every investor, offering diverse and innovative investment solutions





DIRECTORS' REPORT TO THE UNIT HOLDERS

FOR THE PERIOD ENDING JUNE 30, 2024

The Board of Directors of JS Investments Limited, the Management Company of **JS Islamic Fund** (the Fund), is pleased to present the Annual Report for the year ended June 30, 2024.

Economic Review:

The fiscal year 2024 has been a period of significant transition for the country, moving from a precarious trajectory towards a path of relative stability in both political and economic spheres. The caretaker setup initially introduced a stabilization agenda that guided much of the year. Following this, a new government was formed post-Federal elections, providing a clearer direction for the country despite some initial uncertainties during the election process. This transition offered some reassurance, given the significant challenges the nation has faced in recent years. The macroeconomic framework under the IMF's Stand-By Agreement (SBA), which included a short-term US\$3 billion funding facility signed in June of the previous year and largely executed by the caretaker government, concluded at the end of April with a final disbursement of US\$1 billion.

Turning to the real economy, the robust growth of 6.5% in agriculture, encompassing all major crops and livestock, significantly boosted the provisional GDP growth for FY24 to 2.38%, surpassing the projections of the IMF (2%), ADB (1.9%), and the World Bank (1.8%). This underscores the resilience of the economy. Against this backdrop, two key macroeconomic events during the period were the easing of monetary policy and the simultaneous tightening of fiscal policy, trends expected to continue into the next fiscal year. Observing how these policies will ultimately impact overall economic growth will be critical, especially as the industry has been under unprecedented pressure from a highly challenging business environment characterized by cost-push inflation and sluggish demand.

The Federal Budget for FY25 envisions a substantial 40% increase in FBR revenues, with the government projecting an inflation rate of 12% and a real GDP growth rate of 3.6%. According to the government's estimates presented in the budget, the fiscal deficit, expected to close at 7.4% for the current year—revised from the previous year's budgeted target of 6.5%—is projected to decrease to 5.9% for FY25.

The external account experienced considerable strengthening, with SBP FX Reserves more than doubling from their lows at the end of June 2023 to reach US\$9.4 billion by the end of June 2024. The Pakistani rupee appreciated by 2.8%, closing at 278 against the US dollar. The current account deficit has decreased markedly to US\$ 464 million for the 11 months up to May 2024, compared to US\$ 3.76 billion during the same period last year, instilling confidence in the balance of payments situation. Building on this, Pakistan's upcoming new and larger funding program with the IMF holds paramount importance, as it will significantly strengthen the country's fundamental macroeconomic pillars, particularly fiscal operations, while also providing essential support for managing external debt obligations.

Equity Market Review:

The fiscal year 2024 marked a significant trend reversal in the local equity market, characterized by consistent sharp gains throughout the period. The bull rally commenced at the beginning of the year following the signing of the IMF's Stand-By Arrangement (SBA) funding facility. The KSE-100 index surged by 89.2%, closing at 78,445. Similarly, other key equity indices, such as the KSE-30 Total Return Index and the KMI-30 Index, rose by 95.1% and 78.7%, respectively, by the end of June 2024. The notable performance disparity between the conventional indices (KSE-100 and KSE-30) and the Shari'ah-compliant index (KMI-30) reflects the sharp gains in commercial banking stocks, which significantly outperformed the broader indices and accounted for the majority of the market gains during this period.

Foreign investors and local insurance companies emerged as the most significant net buyers in the equity market during the year, purchasing equities worth US\$157 million and US\$127 million, respectively. In contrast, banks/DFIs and individual investors were the major net sellers, offloading US\$150 million and US\$60 million worth of equities, respectively.

While the year 2024 saw a generally robust performance of global equity markets, the gains were uneven across regions due to a combination of local economic conditions, central bank policies, and geopolitical factors. Key themes included optimism around AI and technology, expectations of peaking interest rates, and slower-than-expected growth in China, while improving economic fundamentals in other select countries.

Review of Fund Performance

The Fund return was 71.81% for the year ended June 30, 2024 against the benchmark return of 78.70%. The Fund's Net Assets increased from PKR 183.74 million as at June 30, 2023, to PKR 284.58 million as at June 30, 2024. The total expense ratio is 5.03%, which includes 0.53% of government levies on the Fund.

Asset Manager Rating

Pakistan Credit Rating Agency Limited (PACRA) has maintained our Management Company's asset manager rating of 'AM2+' with a 'stable outlook'. This rating underscores our dedication to maintaining high-quality management standards and reflects positively on the overall performance and outlook of our operations.

Auditors

The external auditors of the Fund Messrs Grant Thornton Anjum Rahman, Chartered Accountants retire and being eligible offer themselves for reappointment. The Board of Directors, upon recommendation of the Audit Committee of the Board has approved the appointment of Messrs Grant Thornton Anjum Rahman, Chartered Accountants, as the Fund's auditors for the ensuing year ending June 30, 2025.

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, 2025.

Additional Matters

- a. Annexed to the Annual Report is the Fund Manager's Report, providing a description of principal risks and uncertainties along with a reasonable indication of future profit prospects.
- b. The Pattern of Unit holding as of June 30, 2024, 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.

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.



Chief Executive Officer



Director

Karachi: August 20, 2024

شراکت داروں کے لیے ڈائریکٹرز رپورٹ

جے ایس انویسٹمنٹس لمیٹڈ کے بورڈ آف ڈائریکٹرز، JS اسلامک فنڈ (دی فنڈ) کی منجمنٹ کمپنی نے 30 جون 2024 کو ختم ہونے والے سال کے لیے سالانہ رپورٹ پیش کرتے ہوئے خوشی محسوس کرتے ہیں۔

معاشی جائزہ

مالی سال 2024 ملک کے لیے اہم تبدیلی کا دور رہا ہے، جو ایک غیر یقینی راستے سے سیاسی اور معاشی دونوں شعبوں میں نسبتاً استحکام کی راہ پر گامزن ہے۔ مگر ان سیٹ آپ نے ابتدائی طور پر استحکام کا ایجنڈا متعارف کرایا جس نے سال کے زیادہ تر حصے کے رہنمائی کی۔ اس کے بعد، وفاقی انتخابات کے بعد ایک نئی حکومت تشکیل دی گئی، جس نے انتخابی عمل کے دوران کچھ ابتدائی غیر یقینی صورتحال کے باوجود ملک کو ایک واضح سمت فراہم کی۔ حالیہ برسوں میں قوم کو دوڑ پیش اہم چیلنجوں کے پیش نظر اس تبدیلی نے کچھ یقین دہانی کرائی ہے۔ آئی ایم ایف کے اسٹینڈ بائی ایگریمنٹ (SBA) کے تحت میکرو اکنامک فریم ورک، جس میں گزشتہ سال جون میں دستخط شدہ 3 بلین امریکی ڈالر کی قلیل مدتی فنڈنگ سہولت شامل تھی اور جس پر نگران حکومت نے بڑے پیمانے پر عمل درآمد کیا تھا، 1 بلین امریکی ڈالر کی حتمی تقسیم کے ساتھ اپریل کے آخر میں اختتام پذیر ہوئی۔

حقیقی معیشت کی طرف گامزن ہوتے ہوئے، زراعت میں 6.5 فیصد کی مضبوط نمو، بشمول تمام اہم فصلیں اور لائیو اسٹاک، نے مالی سال 2024 کے لیے عبوری GDP کی نمو کو نمایاں طور پر بڑھا کر 2.38 فیصد کر دیا، جو IMF (2 فیصد)، ایشیائی ترقیاتی بینک (1.9 فیصد) اور عالمی بینک (1.8 فیصد) کے تخمینوں سے زیادہ ہے۔ اس سے معیشت کی لچک کی نشاندہی ہوتی ہے۔ اس پس منظر میں، اس مدت کے دوران زری پالیسی میں نرمی اور بیک وقت مالیاتی پالیسی میں سختی دو اہم میکرو اکنامک واقعات تھے، ان رجحانات کا اگلے مالی سال تک جاری رہنے کی توقعات ہیں۔ یہ دیکھنا کہ یہ پالیسیاں بالآخر مجموعی معاشی ترقی کو کس طرح متاثر کریں گی، اہم ہوں گا، خاص طور پر جب صنعت کو انتہائی چیلنجنگ کاروباری ماحول کا سامنا ہے جو لاگت میں اضافے والی افراط زر اور دست طلب سے موصوم ہے۔

مالی سال 2025 کے وفاقی بجٹ میں ایف بی آر (FBR) کے محصولات میں 40 فیصد اضافے کا تخمینہ لگایا گیا ہے، حکومت نے افراط زر کی شرح 12 فیصد اور حقیقی جی ڈی پی (GDP) کی شرح نمو 3.6 فیصد پیش کی ہے۔ بجٹ میں پیش کی گئی حکومتی تخمینوں کے مطابق مالی خسارہ رواں مالی سال میں 7.4 فیصد رہنے کا امکان ہے جو گزشتہ سال کے بعد 6.5 فیصد کے بجٹ ہدف سے نظر ثانی شدہ۔ مالی سال 2025 کے لیے کم ہو کر 5.9 فیصد رہ جائے گا۔

بیرونی کھاتے میں کافی مضبوطی دیکھی گئی اور اسٹیٹ بینک آف پاکستان کے غیر ملکی زرمبادلہ کے ذخائر جون 2023 کے اختتام پر اپنی کم ترین سطح سے دگنا ہو کر جون 2024 کے اختتام پر 9.4 بلین امریکی ڈالر تک پہنچ گئے۔ پاکستانی روپے امریکی ڈالر کے مقابلے میں 2.8 فیصد کے اضافے سے 278 پر بند ہوا۔ مئی 2024 تک 11 ماہ کے دوران کرنٹ اکاؤنٹ خسارہ نمایاں طور پر کم ہو کر 464 ملین امریکی ڈالر رہ گیا ہے جو گزشتہ سال کے اسی مدت کے دوران 3.76 بلین امریکی ڈالر تھا، جس سے ادائیگیوں کے توازن کی صورتحال پر اعتماد پیدا ہوا۔ اس کی بنیاد پر، پاکستان کا آئی ایم ایف (IMF) کے ساتھ آئندہ آنے والا نیا اور بڑا فنڈنگ پروگرام انتہائی اہمیت کا حامل ہے، کیونکہ یہ ملک کی میکرو اکنامک بنیادوں بالخصوص مالی آپریشنز کو نمایاں طور پر مضبوط کرے گا، بیرونی قرضوں کی ذمہ داریوں کے انتظام کے لیے ضروری معاونت مہیا کرے گا۔

ایکیویٹی مارکیٹ کا جائزہ

مالی سال 2024 میں مقامی ایکویٹی مارکیٹ میں ایک اہم رجحان میں تبدیلی کی نشاندہی کی، جو اس مدت میں مسلسل تیز اضافے سے موصوم ہے۔ اس تیز رہی کا آغاز سال کی شروعات میں آئی ایم ایف کی اسٹینڈ بائی آرٹھیمنٹ (ایس بی اے) فنڈنگ فیصلیٹی پر دستخط کے بعد ہوا تھا۔ KSE - 100 انڈیکس 89.2 فیصد اضافے سے 78,445 پر بند ہوا۔ اسی طرح دیگر اہم ایکویٹی انڈیکس جیسے KSE - 30 ٹوٹل ریٹرن انڈیکس اور KMI - 30 انڈیکس میں جون 2024 کے اختتام تک بالترتیب 95.1 فیصد اور 78.7 فیصد اضافہ ہوا۔ روایتی انڈیکس (KSE - 100 اور KSE - 30) اور شریعہ کمپلائنڈ انڈیکس (KMI - 30) کے درمیان کارکردگی میں نمایاں فرق کمرشل بینکنگ حصص میں تیز اضافے کی عکاسی کرتا ہے، جس نے وسیع تر اشاریوں سے نمایاں طور پر بہتر کارکردگی کا مظاہرہ کیا اور اس مدت کے دوران مارکیٹ میں زیادہ تر اضافے کا سبب بنے۔

اس مدت کے دوران ایکویٹی مارکیٹ میں غیر ملکی سرمایہ کار اور مقامی انشورنس کمپنیاں سب سے اہم خریدار کے طور پر ابھر کر سامنے آئے، انہوں نے بالترتیب 157 ملین امریکی ڈالر اور 127 ملین امریکی ڈالر کی ایکویٹی خریدی۔ اس کے برعکس بینکوں / ڈی ایف آئی اور انفرادی سرمایہ کار بڑے فروخت کنندگان تھے، جنہوں نے بالترتیب 150 ملین امریکی ڈالر اور 60 ملین امریکی ڈالر مالیت کی ایکویٹی فروخت کیں۔

اگرچہ سال 2024 میں عالمی ایکویٹی مارکیٹوں کی عمومی طور پر مضبوط کارکردگی دیکھی گئی، لیکن مقامی معاشی حالات، مرکزی بینک کی پالیسیوں اور جغرافیائی سیاسی عوامل کے امتزاج کے سبب

خطوں میں فوائد غیر مساوی تھے۔ کلیدی موضوعات میں مصنوعی ذہانت اور ٹیکنالوجی کے بارے میں امید، شرح سود میں اضافے کی توقعات، اور چین میں توقع سے سست ترقی شامل ہیں، جبکہ دیگر منتخب ممالک میں معاشی بنیادوں کو بہتر بنانا شامل ہے۔

فنڈ کی کارکردگی کا جائزہ

30 جون 2024 کو ختم ہونے والے سال کے لیے فنڈ کا منافع 78.70 فیصد اپنے بیچ مارک منافع کے مقابلے میں 71.81 فیصد رہا۔ 30 جون 2024 کو خالص اثاثہ جات 30 جون 2023 کے 183.74 ملین روپے سے 284.58 ملین روپے پر پہنچ گئے۔ کل اخراجات کا تناسب 5.03 فیصد ہے، جس میں فنڈ پر حکومتی محصولات کا 0.53 فیصد شامل ہے۔

ایسیٹ مینجمنٹ ریٹنگ

پاکستان کریڈٹ ریٹنگ ایجنسی لمیٹڈ (PACRA) نے ہماری مینجمنٹ کمپنی کی "AM 2+" ایسیٹ مینجمنٹ ریٹنگ کو "مستحکم" منظر نامے کے ساتھ برقرار رکھا ہے۔ یہ ریٹنگ اعلیٰ معیار کے انتظامی معیار کو برقرار رکھنے کے لیے ہماری لگن کی نشاندہی کرتی ہے، جو ہمارے آپریشنز کی مجموعی کارکردگی اور منظر نامے پر مثبت عکاسی کرتی ہے۔

آڈیٹرز

ریٹائر ہونے والے بیرونی آڈیٹرز میسرز گریٹ تھورنٹن انجم رحمان، 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 گریٹ تھورنٹن انجم رحمان، چارٹرڈ اکاؤنٹنٹس کی 30 جون 2025 کو ختم ہونے والے سال کے لیے تقرری کی منظوری دی۔

شریعیہ ایڈوائزرز

میسرز ال۔ ہلال شریعی 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 شریعی ایڈوائزرز کو 30 جون 2025 کو ختم ہونے والے سال کے لیے تقرری کی منظوری دی۔

اضافی معاملات

اس سالانہ رپورٹ کے ساتھ فنڈ مینجمنٹ 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۔ 30 جون 2024 تک یونٹ ہولڈنگ کے نمونہ اس سالانہ رپورٹ کے ساتھ منسلک ہے۔ 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۔

اظہار تشکر

ڈائریکٹرز ہمیں قدر معانت، مدد اور رہنمائی پر سیکورٹیز اینڈ ایکسچینج کمیشن آف پاکستان (SECP) اور سینٹرل ڈپازٹری کمپنی آف پاکستان لمیٹڈ (CDCPL) سے اظہار 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۔



ڈائریکٹر



چیف ایگزیکٹو آفیسر

کراچی: 20 اگست 2024

FUND MANAGER REPORT

Annual Report 2024

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

- **Statement of Collective Investment Scheme's investment objective**

JS Islamic Fund [JS ISF] aims to grow investor's capital in the long term in adherence with principles of Shariah compliance as advised by the Shariah Advisory Council (SAC) of this fund. The fund investments are limited to asset classes approved by the Shariah Advisory Council (SAC) and all companies under investment consideration are semiannually screened for Shariah compliance.

- **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-23	Aug-23	Sep-23	Oct-23	Nov-23	Dec-23	Jan-24	Feb-24	Mar-24	Apr-24	May-24	Jun-24	FY24
JSISF	14.16%	-8.63%	3.46%	10.85%	12.91%	7.21%	-0.34%	2.68%	2.76%	5.96%	5.55%	0.88%	71.81%
Benchmark	13.60%	-6.72%	3.60%	13.59%	15.27%	2.98%	-0.97%	4.96%	3.23%	6.30%	5.30%	0.51%	78.70%
Diff.	0.56%	-1.91%	-0.14%	-2.74%	-2.36%	4.23%	0.63%	-2.27%	-0.46%	-0.34%	0.25%	0.37%	-6.89%

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

During the year, the fund shifted its focus toward growth-oriented sectors with strong fundamentals, capturing opportunities in undervalued Sharia-complaint stocks with promising recovery potential. The allocation strategy was adjusted to leverage improving macroeconomic indicators, allowing for a more optimistic positioning in cyclical sectors while maintaining a disciplined approach to risk management.

- **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-24	Jun-23
Cash	10.99%	8.89%
Equity	86.71%	83.28%
Other including receivables	2.30%	7.83%
Total	100.00%	100.00%

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

	Fund		Fund	BM
Information Ratio	(0.05)	Beta	0.9	1.0
Correlation	0.90	Largest Month Gain	21.2%	23.3%
Standard Deviation	22.1%	Largest Month Loss	-28.7%	-37.1%
Expense Ratio**	5.0%	% Positive Months	61.2%	60.0%

Unless otherwise specified, all data is presented on a since-inception basis.

** This includes 0.53% Government levy & SECP fee; 1.07% Selling & marketing expenses.

- **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-24	285	141.93
30-Jun-23	184	82.61

FUND MANAGER REPORT

Annual Report 2024

- **Disclosure of the markets that the Collective Investment Scheme has invested in:**
JS Islamic Fund invests in Shariah-compliant equity securities listed on the Pakistan Stock Exchange (PSX).

- **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, 2024	
Cum NAV (PKR)	141.93
Ex-NAV (PKR)	141.93

- **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 Fund	0.0001	to	9,999.9999	728
	10,000.0000	to	49,999.9999	31
	50,000.0000	to	99,999.9999	4
	100,000.0000	to	499,999.9999	4
	500,000.0000	&	above	-
			Total	767

- **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				
		2024	2023	2022	2021	2020
Net assets - Rupees in "million"		284.58	183.74	335.67	490.87	430.04
Net income / (loss) - Rupees in "million"		125.33	(5.95)	(88.09)	141.42	(21.84)
Total return of the Fund	%	71.81	(2.17)	(19.33)	33.71	(6.48)
Annual dividend distribution	%	-	-	-	-	-
Capital Growth	%	71.81	(2.17)	(19.33)	33.71	(6.48)
Average annual return						
- One Year	%	71.81	(2.17)	(19.33)	33.71	(6.48)
- Two Years	%	34.82	(10.75)	7.19	13.62	(13.34)
- Three Years	%	16.77	4.07	2.63	2.35	(15.48)
NAV per unit	Rs.	141.93	82.61	84.44	104.67	78.28
Highest offer price per unit	Rs.	148.57	90.55	110.52	113.29	99.72
Lowest offer price per unit	Rs.	89.10	81.57	85.34	82.74	58.06
Year-end offer price per unit	Rs.	146.75	85.42	87.31	108.22	80.94
Highest repurchase price per unit	Rs.	143.69	87.58	106.89	109.57	99.72
Lowest repurchase price per unit	Rs.	86.17	78.89	82.54	80.02	58.06
Year-end repurchase price per unit	Rs.	141.93	82.61	84.44	104.67	78.28
Interim distribution	Rs.	-	-	-	-	-
Final distribution	Rs.	-	-	-	-	-
Total distribution as % of par value	Rs.	-	-	-	-	-

Notes

- JS Islamic Fund was launched on December 27, 2002.
- Investment portfolio composition of the Fund is disclosed in note 8 of the financial statements.

Disclaimer

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

September 24, 2024

بِسْمِ اللَّهِ الرَّحْمَنِ الرَّحِيمِ

الحمد لله رب العالمين، والصلاة والسلام على سيد الأئبياء والمرسلين، وعلى آله وصحبه أجمعين، وبعد

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, 2024 comply with the provided Shariah guidelines. Therefore, it is resolved that investments in **JS Islamic fund** managed by **JS Investments Limited** are permissible 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.

والله أعلم بالصواب، وصلى الله على نبينا محمد وعلى آله وصحبه وبارك وسلم

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



Mufti Irshad Ahmad Aijaz
Member Shariah Council



Faraz Younus Bandukda, CFA
Chief Executive

STATEMENT OF COMPLIANCE WITH SHARIAH PRINCIPLES

JS Islamic Fund (the Fund) has fully complied with Shariah Principles specified 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, 2024. The Shariah Advisors has also confirmed 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, 2024

**INDEPENDENT REASONABLE ASSURANCE REPORT
TO THE UNIT HOLDER OF JS ISLAMIC FUND
ON THE STATEMENT OF COMPLIANCE WITH THE
SHARIAH PRINCIPLES**

**Grant Thornton Anjum
Rahman**
1st & 3rd Floor,
Modern Motors House,
Beaumont Road,
Karachi, Pakistan.

T +92 21 35672951-56

Introduction

We were engaged by the Board of Director of JS Investment Limited (the Management Company) to report on the Management Company's assessment of compliance with the Shariah Principles of JS Islamic Fund (the Fund), as set out in the annexed Statement of Compliance with Shariah Principles (the Statement) prepared by the Management Company for the year ended June 30, 2024, in the form of an independent reasonable assurance conclusion about whether the annexed statement reflects, in all material respects the status of compliance of the Fund with the Shariah guidelines approved by the Shariah Advisor. Our engagement was carried out as required by the offering document of the Fund.

Applicable Criteria

The criteria for the assurance engagement against which the annexed Statement is assessed is the Shariah guidelines issued by the Shariah Advisor (the Shariah Principles).

Management's Responsibility

The Management Company of the Fund is responsible for preparation of annexed Statement. This responsibility includes designing, implementing and maintaining internal control relevant to the preparation of annexed Statement that is free from material misstatement, whether due to fraud or error. It also includes ensuring the overall compliance of the Fund with the Shariah Principles.

Our Independence and Quality Control

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

The Firm applies International Standard on Quality Management (ISQM) 1, "Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or Other Assurance and Related Services Engagements" and accordingly maintains a comprehensive system of quality control including documented policies and procedure regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Our engagement was conducted by a team of assurance practitioners.

Our responsibility and summary of work performed

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 Engagement (ISAE) 3000, “Assurance Engagement Other Than Audit or Reviews of Historical Financial Information” issued by the International Auditing and Assurance Standards Board. That Standard requires that we plan and perform our procedure to obtain reasonable assurance about whether the annexed statement reflects the status of compliance of the Fund with the Shariah guidelines duly approved by the Shariah Advisor, in all material respects.

The procedure selected depend on our judgement, including the assessment of the risk of material non-compliance with the Shariah Principles, whether due to fraud or error. In making those risk assessments, we have considered internal control relevant to the Fund’s compliance with the Shariah Principles, in order to design assurance procedure that are appropriate in the circumstances, but not for the purpose of expressing a conclusion as to the effectiveness of the Management Company’s internal control over the Fund’s compliance with the Shariah Principles. A system of internal control, because of its nature, may not prevent and detect all instances of non-compliance with the Shariah Principles, will be met. Also, projection of any evaluation of effectiveness of future periods is subject to the risk that the controls may become inadequate or fail.

The procedures performed primarily comprised the following:

- check compliance of specific guidelines relating to charity, maintaining bank accounts and for making investment of the Fund.
- check that the Shariah Advisor has certified that the operations of the Fund, its investments and placements made during the year ended June 30, 2024 are in compliance with Shariah Principles.

We believe that the evidences we have obtained through performing our procedure were sufficient and appropriate to provide a basis for our conclusion.

Conclusion

Based on the procedure performed during our reasonable assurance engagement, we report that in our opinion, the annexed Statement presents fairly, in all material respects, the status of the Fund’s compliance with the Shariah guidelines approved by the Shariah Advisor for the year ended June 30, 2024.



Chartered Accountants

Karachi:

Date: September 27, 2024

Head Office:

CDC House, 99-B, Block 'B'
S.M.C.H.S., Main Shahr-e-Faisal
Karachi - 74400, Pakistan.
Tel : (92-21) 111-111-500
Fax: (92-21) 34326021 - 23
URL: www.cdcpakistan.com
Email: info@cdcpak.com



TRUSTEE REPORT TO THE UNIT HOLDERS

JS ISLAMIC FUND

Report of the Trustee pursuant to Regulation 41(h) and Clause 8 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 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, 2024 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;
- (iii) The management fee, fee payable to Securities & Exchange Commission of Pakistan and other expenses paid from the Fund during the period are in accordance with the applicable regulatory framework; and
- (iv) 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 24, 2024

INDEPENDENT AUDITOR'S REPORT TO THE UNIT HOLDERS

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of **JS Islamic Fund** (the Fund), which comprise the statement of assets and liabilities as at June 30, 2024, and the related income statement, statement of comprehensive income, statement of movements in unit holder's fund, statement of cash flow for the year ended, and notes to the financial statements, including a summary of material 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, 2024 and of its financial performance and its cash flows for the year then ended in accordance with approved 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 and JS Investments Limited (the Management Company) in accordance with the International Ethics Standards Board for Accountants' *Code of Ethics for Professional Accountants (the 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 these requirements and 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 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.

Key audit matter	How our audit addressed the key audit matter
Net assets value (NAV)	
The balances with banks and investments constitute the most significant component of the net assets value (NAV).	We performed the following audit procedures:

Key audit matter	How our audit addressed the key audit matter
<p>The balances with banks and investments as at June 30, 2024 amounted to Rs. 32.42 million and Rs. 255.87 million as disclosed in note 7 and 8 respectively.</p> <p>The existence and proper valuation of balances with banks and investments for the determination of NAV of the Fund as at June 30, 2024 was considered as a high risk area and therefore we consider this as a Key Audit Matter (KAM).</p>	<ul style="list-style-type: none"> • Obtained independent confirmations for verifying the existence of the balances with banks and investment portfolio as at June 30, 2024 and reconciled it with the books and records of the Fund. • Obtained the reconciliation statements and tested reconciling items on a sample basis. • Obtained an understanding of design effectiveness of the key controls on the investments. • Re-performed valuation to assess that the investments are carried as per the valuation methodology specified in the accounting policies. • Checked presentation and disclosure as per applicable financial reporting framework.

Information Other than the Financial Statements and Auditor's Report Thereon

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 or 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 these financial statements in accordance with the approved 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 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 auditing standards 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 to 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

Further, we report that the Fund's financial statements have been prepared in accordance with the relevant provisions of Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 and Non-Banking Finance Companies and Notified Entities Regulations, 2008.

The engagement partner on the audit resulting in this independent auditor's report is **Muhammad Khalid Aziz**.



Chartered Accountants

Karachi

Date: September 27, 2024

UDIN: AR202410154jOQRwxAc5



Financial Position
& Performance

STATEMENT OF ASSETS AND LIABILITIES

AS AT JUNE 30, 2024

		June 30 2024	June 30 2023
	Note	----- Rupees -----	
Assets			
Balances with banks	7	32,417,870	17,223,167
Investments	8	255,873,095	161,305,915
Bank profit receivable	9	91,295	276,616
Security deposits	10	1,100,000	1,100,000
Other receivables	11	5,600,842	13,787,073
Total assets		295,083,102	193,692,771
Liabilities			
Payable to JS Investments Limited - Management Company	12	6,567,117	6,322,535
Payable to Central Depository Company of Pakistan Limited - Trustee	13	47,681	35,011
Annual fee payable to the Securities and Exchange Commission of Pakistan (SECP)	14	20,043	45,817
Dividend payable		11,533	11,533
Accrued expenses and other liabilities	15	3,853,846	3,534,786
Total liabilities		10,500,220	9,949,682
Contingencies and commitment	16		
Net assets		284,582,882	183,743,089
Unit holders' fund		284,582,882	183,743,089
----- Number of units -----			
Number of units in issue		2,005,157	2,224,208
----- Rupees -----			
Net asset value per unit		141.93	82.61

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



Chief Financial Officer



Chief Executive Officer



Director

INCOME STATEMENT >

FOR THE YEAR ENDED JUNE 30, 2024

		June 30 2024	June 30 2023
	Note	----- Rupees -----	
Income			
Net realized gain/(loss) on sale of investments at fair value through profit or loss		75,675,527	(1,230,591)
Net unrealised gain/(loss) on re-measurement of investments at fair value through profit or loss	8.2	44,394,675	(16,685,706)
Dividend income		14,262,016	16,478,803
Return on bank deposits		2,707,679	6,240,839
Other income		520,531	-
Total income		137,560,428	4,803,345
Expenses			
Remuneration to the Management Company	12.1	4,651,330	4,194,749
Sindh Sales tax on remuneration to the Management Company	12.2	604,673	545,317
Remuneration to the Central Depository Company of Pakistan - Limited Trustee	13.1	465,778	458,207
Sindh Sales tax on remuneration of the trustee	13.2	60,551	59,567
Allocated expenses	12.3	232,580	229,192
Selling and marketing expenses	12.4	2,488,610	2,811,009
Annual fee to the SECP	14	221,176	45,842
Auditors' remuneration	17	687,565	642,434
Shariah advisory fee		147,815	195,591
Annual listing fee		28,250	25,000
SECP supervisory fee on listing fee		2,500	2,500
Printing and stationery		101,468	101,468
Securities transaction cost		2,470,205	1,055,546
Bank, settlement and other charges		67,740	389,255
Total expenses		12,230,241	10,755,677
Net income / (loss) for the year before taxation		125,330,187	(5,952,332)
Taxation	19	-	-
Net income / (loss) for the year after taxation		125,330,187	(5,952,332)
Allocation of net income for the year			
Net income for the year after taxation		125,330,187	-
Income already paid on units redeemed		(22,059,489)	-
Accounting income available for distribution		103,270,698	-
- Relating to capital gain		120,070,202	-
- Excluding capital loss		(16,799,504)	-
		103,270,698	-

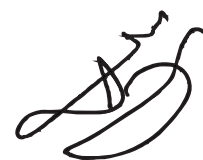
The annexed notes from 1 to 29 form an integral part of these financial statements.



Chief Financial Officer



Chief Executive Officer



Director

STATEMENT OF COMPREHENSIVE INCOME >
 FOR THE YEAR ENDED JUNE 30, 2024

	June 30 2024	June 30 2023
	----- Rupees -----	
Net income / (loss) for the year after taxation	125,330,187	(5,952,332)
Other comprehensive income for the year	-	-
Total comprehensive income / (loss) for the year	<u>125,330,187</u>	<u>(5,952,332)</u>

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



Chief Financial Officer



Chief Executive Officer



Director

STATEMENT OF CASH FLOW >

FOR THE YEAR ENDED JUNE 30, 2024

	June 30 2024	June 30 2023
	----- Rupees -----	
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income / (loss) for the year before taxation	125,330,187	(5,952,332)
Adjustments for:		
Profit on bank balances	(2,707,679)	(6,240,839)
Dividend income	(14,262,016)	(16,478,803)
Net realized (gain)/ loss on sale of investments at fair value through profit or loss	(75,675,527)	1,230,591
Net unrealised (gain)/ loss on re-measurement of investments at fair value through profit or loss	(44,394,675)	16,685,706
Operating loss before working capital changes	(137,039,897)	(4,803,345)
Increase in assets		
Investments - net	25,503,022	79,756,967
Other receivables	8,186,231	(11,023,461)
	33,689,253	68,733,506
Increase/(decrease) in liabilities		
Payable to JS Investments Limited - Management Company	244,582	(806,155)
Payable to Central Depository Company of Pakistan Limited -Trustee	12,670	(28,084)
Annual fee payable to the SECP	(25,774)	(36,426)
Accrued and other liabilities	319,060	1,658,854
	550,538	788,189
Security deposits received	-	1,500,000
Profit received on bank deposits	2,893,000	6,869,143
Dividend received	14,262,016	16,478,803
	17,155,016	24,847,946
Net cash generated from operating activities	39,685,097	83,613,964
NET CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issue of units	107,537,930	11,592,457
Payments on redemption of units	(132,028,324)	(157,591,083)
Net cash used in financing activities	(24,490,394)	(145,998,626)
Net increase / (decrease) in cash and cash equivalents	15,194,703	(62,384,662)
Cash and cash equivalents at beginning of the year	17,223,167	79,607,829
Cash and cash equivalents at end of the year	32,417,870	17,223,167

Note

7

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



Chief Financial Officer



Chief Executive Officer



Director

STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUND >

FOR THE YEAR ENDED JUNE 30, 2024

	For the year ended June 30, 2024			For the year ended June 30, 2023		
	Capital Value	Accumulated losses	Total	Capital Value	Accumulated losses	Total
-----Rupees-----						
Net assets at beginning of the year	502,839,352	(319,096,263)	183,743,089	648,810,198	(313,143,931)	335,666,267
Issue of 957,757 (2023: 104,298 units)						
- Capital value (at net asset value per unit at the beginning of the year)	79,120,859	-	79,120,859	11,846,592	-	11,846,592
- Element of income	28,417,071	-	28,417,071	(254,135)	-	(254,135)
Total proceeds on issuance of units	107,537,930	-	107,537,930	11,592,457	-	11,592,457
Redemption of 1,176,808 (2023: 1,891,358 units)						
- Capital value (at net asset value per unit at the beginning of the year)	(97,216,789)	-	(97,216,789)	(159,703,676)	-	(159,703,676)
- Amount paid out of element of income	-	(22,059,489)	(22,059,489)	-	-	-
- Element of loss	(12,752,046)	-	(12,752,046)	2,140,373	-	2,140,373
Total payments on redemption of units	(109,968,835)	(22,059,489)	(132,028,324)	(157,563,303)	-	(157,563,303)
Total comprehensive income/(loss) for the year	-	125,330,187	125,330,187	-	(5,952,332)	(5,952,332)
Net assets at end of the year	500,408,447	(215,825,565)	284,582,882	502,839,352	(319,096,263)	183,743,089
Undistributed loss brought forward						
- Realized loss	(302,410,557)			(258,514,139)		
- Unrealized loss	(16,685,706)			(54,629,792)		
	(319,096,263)			(313,143,931)		
Accounting income available for distribution						
- Relating to capital gain	120,070,202			-		
- Excluding capital loss	(16,799,504)			-		
	103,270,698			-		
Net income / (loss) during the year	125,330,187			(5,952,332)		
Undistributed loss carried forward	(215,825,565)			(319,096,263)		
Undistributed loss carried forward						
- Realized loss	(260,220,240)			(302,410,557)		
- Unrealized gain / (loss)	44,394,675			(16,685,706)		
	(215,825,565)			(319,096,263)		
	(Rupees)			(Rupees)		
Net assets value per unit at beginning of the year	82.61			84.44		
Net assets value per unit at end of the year	141.93			82.61		

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



Chief Financial Officer



Chief Executive Officer



Director

NOTES TO THE FINANCIAL STATEMENTS >

FOR THE YEAR JUNE 30, 2024

1 LEGAL STATUS AND NATURE OF BUSINESS

- 1.1 JS Islamic Fund (the Fund) was established under a Trust Deed executed between JS Investments Limited as Management Company, a Company incorporated under the Companies Ordinance, 1984 (Now Companies Act, 2017) and the MCB Financial Services Limited (MCBFSL) as Trustee. The Trust Deed was executed on December 16, 2002 and was approved by the Securities and Exchange Commission of Pakistan (SECP) on November 18, 2002 under the Asset Management Companies Rules, 1995 replaced by the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (the Rules).
- 1.2 During the year ended June 30, 2005, MCBFSL voluntarily retired as Trustee of the Fund and Central Depository Company of Pakistan Limited (CDC) was appointed as new Trustee under an amended Trust Deed dated May 28, 2005. Accordingly, the Trust Deed was approved by the SECP on January 27, 2005 under the Rules.
- 1.3 The Trust Deed has been revised through the Deed of Change of Trustee and the First, and Second Supplemental Trust Deeds dated May 28, 2005 and January 28, 2010, respectively with the approval of the Securities and Exchange Commission of Pakistan (SECP). Further, during the period the Trust Deed has also been restated dated June 22, 2021 due to the enactment of Sindh Trusts Act, 2020 (as amended vide Sindh Trusts (Amended) Act, 2021). Accordingly, the Restated Trust Deed was approved by the SECP on September 03, 2021 under the the Rules.
- 1.4 Furthermore, the Offering Document of the Fund has been revised through the First Supplements dated October 07, 2010 with the approval of the SECP. The investment activities and administration of the Fund are managed by JS Investments Limited situated at 19th Floor, The Centre, Abdullah Haroon Road, Saddar, Karachi.
- 1.5 All the activities of the Fund are undertaken in accordance with the Islamic Shariah rules and principles. The Management Company has appointed a Shariah Supervisory Council whose advice is followed to ensure that activities of the Fund are in compliance with Shariah.
- 1.6 The Fund is an open-end mutual fund categorised as 'Shariah Compliant (Islamic) Scheme' as per Circular No. 07 of 2009 issued by SECP, and its units are listed on Pakistan Stock Exchange Limited .
- 1.7 The Management Company of the Fund has been licensed to act as an Asset Management Company under the Non-Banking Finance Companies (Establishment and Regulations) Rules, 2003 (the NBFC Rules) through a certificate of registration issued by the SECP. The registered office of JS Investments Limited is situated at 19th floor, The Centre, Abdullah Haroon Road, Saddar, Karachi. The Management Company is a member of the Mutual Funds Association of Pakistan (MUFAP).
- 1.8 Pakistan Credit Rating Agency Limited (PACRA) has maintained an asset manager rating of 'AM2+' with 'stable outlook' dated December 27, 2023 (June 2023: 'AM2+' with 'stable outlook') to the Management Company.
- 1.9 The title to the assets of the Fund are held in the name of Central Depository Company of Pakistan Limited as the Trustee of the Fund.

2 SIGNIFICANT EVENTS OR TRANSACTIONS

There are no significant events or transactions during the year.

3 BASIS OF PREPARATION

The transactions undertaken by the Fund in accordance with the process prescribed under the Shariah guidelines issued by the Shariah Advisor are accounted for on substance rather than the form prescribed by the aforementioned guidelines. This practice is being followed to comply with the requirements of the accounting and reporting standards as applicable in Pakistan.

3.1 Statement of compliance

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

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

3.2 Basis of Measurement

These financial statements have been prepared under the historical cost convention except for investments which are valued as stated in notes 8.1.

3.3 Functional and presentation currency

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

4 CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS

The preparation of financial statements in accordance with the accounting and reporting standards as applicable in Pakistan requires the management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates, judgments and associated assumptions are based on historical experience and various other factors including expectations of future events that are believed to be reasonable under the circumstances, the results of which form the basis of making judgments about carrying values of assets and liabilities. The estimates and underlying 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 assumption are significant to the financial statements relate to classification, impairment and valuation of investments (notes 6.1 and 8), provision for Federal Excise Duty (note 12.5) and provision for taxation (notes 6.7 and 20).

5 STANDARDS, AMENDMENTS AND INTERPRETATIONS TO APPROVED ACCOUNTING STANDARDS

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

There are certain new and amended standards, amendments and interpretations that are mandatory for the Fund's accounting periods beginning on or after July 01, 2023 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.

5.2 Standards, amendments and interpretations to the published standards that may be relevant but not yet effective and not early adopted by the Fund

In addition certain new standards, amendments and interpretations to approved accounting standards are not yet effective. The Fund is in the process of assessing the impact of these Standards, amendments and interpretations to the published standards on the financial statements of the Fund.

5.3 Standards, amendments and interpretations to the published standards that are not yet notified by the Securities and Exchange Commission of Pakistan (SECP)

Further, certain new standards, amendments and interpretations have been issued by the International Accounting Standards Board (IASB) which are yet to be notified by the SECP for the purpose of applicability in Pakistan.

6 SUMMARY OF MATERIAL ACCOUNTING POLICIES

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

6.1 Financial Assets

6.1.1 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.

6.1.2 Classification and subsequent measurement

a) 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 dividend income for equity securities classified under FVOCI are to be recognised in the income statement. However, any surplus / (deficit) arising as a result of subsequent movement in the fair value of equity securities classified as FVOCI is to be recognised in other comprehensive income and is not recycled to the income statement on derecognition.

The Fund has not made an irrevocable election upon adoption of IFRS 9 to present in other comprehensive income subsequent changes in the fair value of investments in equity instruments and accordingly all investments in equity instruments have been designated as FVTPL.

b) 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.

6.1.3 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.

6.1.4 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.

6.2 Derivatives

Derivative instruments are initially recognised at fair value and subsequent to initial measurement each derivative instrument is remeasured to its fair value and the resultant gain or loss is recognised in the income statement.

6.3 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 value 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. Financial liabilities include payable to the Management Company and other liabilities.

6.4 Offsetting of financial assets and 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 realise the assets and settle the liabilities simultaneously.

6.5 Cash and cash equivalents

Cash and cash equivalents comprise of balances with banks and short-term highly liquid investments that are readily convertible to known amount of cash and are subject to an insignificant risk of changes in value with original maturities of three months or less.

6.6 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 are regularly reviewed and adjusted to reflect the current best estimate.

6.7 Taxation

Current

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 in cash.

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.

6.8 Issue and redemption of units

Units issued are recorded at the offer price, determined by the Management Company for the applications received by the Management Company / distributors during business hours on that day. The offer price represents the Net Asset Value (NAV) 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. Sales load collected, if any, is payable to the Management Company.

Units redeemed are recorded at the redemption price, as per the constitutive documents, applicable to units for which the Management Company / distributors receive redemption requests during business hours of that day. The redemption price represents daily Net Asset Value (NAV) announced as of the close of the dealing day, provisions for transaction costs and any provision for duties and charges, if applicable.

NOTES TO THE FINANCIAL STATEMENTS >

FOR THE YEAR JUNE 30, 2024

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

Element of income represents the difference between net assets value per unit on the issuance or redemption date, as the case may be, of units and the net assets 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 will be refunded on units in the same proportion as dividend bears to accounting income available for distribution.

6.10 Distributions to unit holders

Distributions to 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 SECP, distribution for the year also includes 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.

6.11 Revenue Recognition

- Realised capital gains / (losses) arising on sale of investments are included in the income statement and are recognised when the transaction takes place.
- Dividend income on equity securities is recognised when the right to receive the dividend is established, i.e. on the date of commencement of book closure of the investee company / institution declaring the dividend.
- Unrealised gains / (losses) arising on the revaluation of investments classified as 'at fair value through profit or loss' are included in the income statement in the year in which they arise.
- Profit on saving accounts with the banks are recognised on an accrual basis.

6.12 Expenses

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

6.13 Net asset value per unit

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

6.14 Earning / (loss) per unit

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

7 BALANCES WITH BANKS

- In saving accounts
- In current accounts

	June 30, 2024	June 30, 2023
Note	-----Rupees-----	
	29,661,512	16,005,323
	2,756,358	1,217,844
7.1 & 7.2	32,417,870	17,223,167

7.1 This includes balance of Rs. 0.070 million (June 30, 2023: Rs. 0.070 million) with BankIslami Pakistan Limited (related party) that carries profit at 18.50% per annum (June 30, 2023: 19.75% per annum). Other PLS accounts of the Fund carry profit rates ranging from 15.00% to 18.50% per annum (June 30, 2023: 14.50% to 19.75% per annum).

7.2 This also includes balance of Rs. 1.79 million (June 30, 2023: Rs.0.92 million) in current account with JS Bank Limited (related party).

8 INVESTMENTS

At fair value through profit or loss

Listed equity securities

	June 30, 2024	June 30, 2023
Note	-----Rupees-----	
8.1	255,873,095	161,305,915

NOTES TO THE FINANCIAL STATEMENTS >

FOR THE YEAR JUNE 30, 2024

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

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

Sector/companies	Holding (Opening)	During the period			Holding (Closing)	Carrying value	Market value	Net Assets	Investee Capital
		Acquired	Bonus/right	Disposed					
------(Number of shares)-----					------(Rupees)-----		------(%)-----		
Oil & Gas Exploration Companies									
Mari Petroleum Compay Limited	10,958	4,500	-	9,067	6,391	11,245,834	17,334,565	6.09	0.00
Oil & Gas Development Company Limited (Note 8.1.1)	113,000	331,000	-	251,200	192,800	24,953,748	26,099,336	9.17	0.00
Pakistan Petroleum Limited (Note 8.1.1)	147,000	311,000	-	311,400	146,600	13,360,762	17,168,326	6.03	0.01
Pakistan Oilfields Limited	14,469	24,000	-	38,469	-	-	-	-	-
						49,560,344	60,602,227	21.30	0.01
Oil & Gas Marketing Companies									
Pakistan State Oil Company Limited (Note 8.1.1)	51,500	134,975	-	88,750	97,725	15,585,987	16,242,872	5.71	0.02
Sui Northern Gas Pipeline Limited	165,000	388,000	-	553,000	-	-	-	-	0.00
						15,585,987	16,242,872	5.71	0.02
Power Generation & Distribution									
Nishat Chunian Power Limited	-	315,000	-	15,000	300,000	7,429,012	8,985,000	3.16	0.08
Hub Power Company Limited (Note 8.1.1)	112,269	337,600	-	252,769	197,100	28,287,318	32,143,068	11.29	0.02
K-Electric Limited	-	4,215,000	-	2,746,000	1,469,000	7,015,540	6,801,470	2.39	0.01
Nishat Power Limited	-	264,000	-	12,500	251,500	6,349,064	9,941,795	3.49	0.07
						49,080,934	57,871,333	20.34	0.18
Glass & Ceramics									
Tariq Glass Industries Limited	-	88,500	-	42,000	46,500	4,920,260	5,419,575	1.90	0.03
Ghani Glass Holding Limited (Face value of Rs. 5 each)	-	167,000	-	167,000	-	-	-	-	-
						4,920,260	5,419,575	1.90	0.03
Chemicals									
Descon Oxychem Limited	100,000	-	-	100,000	-	-	-	0.00	0.06
Engro Polymer & Chemicals Limited	85,000	150,000	-	235,000	-	-	-	0.00	0.01
						-	-	0.00	0.07
Commercial Banks									
Meezan Bank Limited	113,933	53,000	-	113,500	53,433	5,932,406	12,791,326	4.49	0.00
Faysal Bank Limited	-	100,000	-	80,000	20,000	799,310	1,048,800	0.37	0.00
BankIslami Pakistan Limited (related party)	602,500	640,000	-	1,242,500	-	-	-	0.00	0.00
						6,731,716	13,840,126	4.86	-
Pharmaceuticals									
Highnoon Laboratories Limited	27,422	-	-	27,422	-	-	-	-	0.00
AGP Limited	85,099	-	-	85,099	-	-	-	-	0.00
						-	-	-	-

NOTES TO THE FINANCIAL STATEMENTS >

FOR THE YEAR JUNE 30, 2024

Sector/companies	Holding (Opening)	During the period			Holding (Closing)	Carrying value	Market value
		Acquired	Bonus/right	Disposed			
------(Number of shares)-----					------(Rupees)-----		
Cement							
Lucky Cement Limited	8,331	35,300	-	20,550	23,081	16,066,452	20,928,230
D. G. Khan Cement Company Limited	80,000	630,000	-	605,500	104,500	8,529,758	9,433,210
Cherat Cement Company Limited	34,000	41,800	-	75,800	-	-	-
Maple Leaf Cement Factory Limited	363,500	903,500	-	1,017,200	249,800	8,828,356	9,492,400
Fauji Cement Company Limited	-	200,000	-	200,000	-	-	-
Pioneer Cement Limited	-	66,000	-	26,600	39,400	5,183,683	6,644,810
						38,608,249	46,498,660
Textile Composite							
Nishat Mills Limited	-	99,000	-	99,000	-	-	-
						-	-
Fertilizer							
Engro Corporation Limited (Note 8.1.1)	13,000	63,800	-	46,500	30,300	8,568,537	10,081,113
Engro Fertilizers Limited	116,500	125,500	-	211,500	30,500	3,714,647	5,069,710
Fauji Fertilizers Bin Qasim Limited	-	331,000	-	-	331,000	11,077,710	11,740,570
						23,360,894	26,891,393
Refinery							
Attock Refinery Limited	20,000	5,000	-	25,000	-	-	-
Pakistan Refinery Limited	-	175,000	-	175,000	-	-	-
						-	-
Engineering							
Aisha Steels Mills Limited	-	1,870,000	-	905,500	964,500	6,508,812	7,098,720
Amreli Steels Limited	-	95,000	-	20,000	75,000	2,033,011	2,024,250
Mughal Iron & Steels Industries Limited	-	202,003	-	91,000	111,003	7,858,132	10,323,270
						16,399,955	19,446,240
Technology And Communications							
Air Link Communication Limited	131,731	220,500	-	250,231	102,000	7,230,081	9,060,660
Systems Limited	35,500	53,500	-	89,000	-	-	-
Avanceon limited	69,000	65,000	-	134,000	-	-	-
Octopus Digital Limited	41,400	-	-	41,400	-	-	-
						7,230,081	9,060,660
Miscellaneous/ Properties							
TPL Properties Limited	-	200,000	-	200,000	-	-	-
						-	-
Total as at June 30, 2024						211,478,420	255,873,090
Cost as at June 30, 2024							212,454,680

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NOTES TO THE FINANCIAL STATEMENTS >

FOR THE YEAR JUNE 30, 2024

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

	June 30, 2024	June 30, 2023	June 30, 2024	June 30, 2023
	-Number of shares-		----- Rupees-----	
Engro Corporation Limited	-	13,000	-	3,378,570
Oil & Gas Development Company Limited	60,000	-	8,122,200	-
Pakistan State Oil Company Limited	78,000	-	12,964,380	-
Pakistan Petroleum Limited	113,000	-	13,233,430	-
The Hub Power Company Limited	-	112,269	-	7,811,677
	251,000	125,269	34,320,010	11,190,247

		June 30, 2024	June 30, 2023
	Note	-----Rupees-----	
8.2 Unrealised loss on re-measurement of investments at fair value through profit or loss			
Fair value of investments	8.1	255,873,095	161,305,915
Less: carrying value of investments	8.1	(211,478,420)	(177,991,621)
		44,394,675	(16,685,706)
9 BANK PROFIT RECEIVABLE			
Accrued profit on bank deposits		91,295	276,616
10 SECURITY DEPOSITS			
Security deposit with:			
- National Clearing Company of Pakistan Limited		1,000,000	1,000,000
- Central Depository Company of Pakistan Limited		100,000	100,000
		1,100,000	1,100,000
11 OTHER RECEIVABLES			
Receivable from JS Investments Limited - Management Company	11.1	520,531	-
Receivable against settlement		2,976,158	11,682,920
Withholding tax recoverable	11.2	2,104,153	2,104,153
		5,600,842	13,787,073

11.1 This represents amount of adjustment for the compliance of total expense ratio (refer note 18)

11.2 As per clause 47(B) of part IV of the Second Schedule to the Income Tax Ordinance, 2001 (the Ordinance), payments made to collective investment schemes (CISs) are exempt from withholding tax under section 151 and 150 of the Ordinance. However, withholding tax on dividend and Profit on savings account to the Fund was deducted by various withholding agents based on the interpretation issued by FBR vide letter C. no. 1(43) DG (WHT)/2008-VOL.II-66417-F 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 withholder. The tax withheld on dividends and profit on bank deposits amounts to Rs 0.010 million and Rs 2.094 million respectively.

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 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

NOTES TO THE FINANCIAL STATEMENTS >

FOR THE YEAR JUNE 30, 2024

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 judgement of the SHC. Pending resolution of the matter, the amount of withholding tax deducted on profit received by the Fund on dividends and profit on bank deposits has been shown as other receivables as at June 30, 2024 as, in the opinion of the management, the amount of tax deducted at source will be refunded to the Fund.

12	PAYABLE TO JS INVESTMENTS LIMITED- MANAGEMENT COMPANY	Note	June 30,	June 30,
			2024	2023
			-----Rupees-----	
	Remuneration payable to the Management Company	12.1	421,926	302,773
	Sindh Sales tax payable on remuneration of the Management Company	12.2	732,457	722,029
	Allocated expenses payable	12.3	21,102	15,137
	Selling and marketing expenses payable	12.4	661,729	499,791
	Federal Excise Duty payable on remuneration of the Management Company	12.5	4,636,905	4,636,905
	Shariah advisor fee		17,961	23,946
	Printing charges payable		75,037	121,954
			6,567,117	6,322,535

12.1 The management fee from open-end Schemes is calculated by charging the specified rates to the net asset value / income of such schemes as at the close of business of each calendar day. As per Regulation 61 of the NBFC Regulations, 2008, an Asset Management Company shall be entitled to a remuneration equal to an amount not exceeding 2% (June 30, 2023: 2%) of the average annual net assets in case of equity, balanced, asset allocation and capital protected (dynamic asset allocation-direct exposure) schemes, that has been verified by the trustee and is paid in arrears on a monthly basis.

12.2 The Provincial Government of Sindh has levied Sindh Sales Tax at the rate of 13% (2023: 13%) on the remuneration of the Management Company through the Sindh Sales Tax on Services Act, 2011. Above liability includes Rs. 0.68 million (June 30, 2023: 0.68 million) accrued on Federal Excise Duty (FED) on the Management Company's remuneration. Had the provision on FED not been made, net asset value per unit of the Fund as at year end would have been higher by Rs. 0.34 (June 30, 2023: Rs. 0.31) per unit.

12.3 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 charged such expenses at the rate of 0.1% (June 30, 2023: 0.1%) of the average annual net assets of the Fund during the year."

12.4 In accordance with Circular 11 dated July 5, 2019 with respect to charging selling and marketing expenses, the Management Company based on its own discretion has charged selling and marketing expenses at 1.07% (June 30, 2023: 1.07%) of the average annual net assets of the Fund during the year subject to not being higher than the actual expense incurred.

12.5 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.

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FOR THE YEAR JUNE 30, 2024

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 management fee from July 1, 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 4.64 million (June 30, 2023: 4.64 million) is being retained in the financial statements of the Fund as the matter is pending before the Supreme Court of Pakistan. Had the provision not been made, the Net Asset Value per unit of the Fund would have been higher by Rs 2.31 (2023: Rs 2.08) per unit.

13	PAYABLE TO CENTRAL DEPOSITORY COMPANY OF PAKISTAN LIMITED - TRUSTEE	Note	June 30,	June 30,
			2024	2023
			-----Rupees-----	
	Remuneration payable to the trustee	13.1	42,195	30,285
	Sindh sales tax payable on trustee remuneration	13.2	5,486	3,937
	Settlement charges payable		-	789
			47,681	35,011

13.1 The Trustee is entitled to a monthly remuneration for services rendered to the Fund under the provisions of the Trust Deed as per the tariff structure specified therein, based on the daily net assets of the Fund.

Based on the Trust Deed, the tariff structure applicable to the Fund as at June 30, 2024 is as follows:

Net assets	Tariff per annum
Up to Rs 1,000 million	0.2% per annum of the daily net assets.
Exceeding Rs 1,000 million	Rs 2 million plus 0.1% per annum of the daily net assets of the Fund exceeding Rs 1,000 million.

13.2 The Sindh Provincial Government levied Sindh Sales Tax at the rate of 13% (June 30, 2023: 13%) on the remuneration of the Trustee through Sindh Sales Tax on Services Act, 2011.

14 ANNUAL FEE PAYABLE TO SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN

In accordance with the NBFC Regulations, a Collective Investment Scheme (CIS) is required to pay annual fee to the Securities and Exchange Commission of Pakistan (SECP). As per the guideline issued by the SECP vide SRO No. 592 (I) 2023 dated May 17, 2023, the Fund has charged the SECP Fee at the rate of 0.095% (2023: 0.02%) of net assets during the current year ended June 30, 2024

15	ACCRUED AND OTHER LIABILITIES	Note	June 30,	June 30,
			2024	2023
			-----Rupees-----	
	Auditors' remuneration		519,369	423,518
	Withholding tax and capital gain tax payable		75,310	85,356
	Charity payable	15.1	1,077,836	1,280,393
	Zakat payable		-	105,008
	Other payables		2,082,590	1,542,956
	Sales load payable		98,741	97,555
			3,853,846	3,534,786

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FOR THE YEAR JUNE 30, 2024

15.1 According to the instructions of the Shariah Advisor, if any income is earned by the Fund from the investments whereby a portion of income of such investee has been derived from prohibited sources, such proportion of income of the Fund should be donated for charitable purposes.

15.2 During the current year, Non Shariah Compliant income amounting to Rs.0.60 million (2023: Rs.0.94 million) was set off against the dividend income of the Fund. The movement of charity payable is as follows:

	June 30, 2024	June 30, 2023
	-----Rupees-----	
Balance as at July 1	1,280,393	990,692
Haram income for the year	597,443	940,367
Paid during the year - Fakhr-e-Imdad Foundation & LRBT	(800,000)	(650,666)
Balance as at June 30	1,077,836	1,280,393

16 CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments as at June 30, 2024 (June 30, 2023: Nil).

17 AUDITORS' REMUNERATION

	June 30, 2024	June 30, 2023
	-----Rupees-----	
Annual audit fee	341,220	310,200
Half yearly review of financial statements	195,470	164,357
Out of pocket expenses	99,944	120,289
	636,634	594,846
Sales tax	50,931	47,588
	687,565	642,434

18 TOTAL EXPENSE RATIO

The total expense ratio (TER) of the Fund for the year ended June 30, 2024 after the adjustment of the reimbursement of excess expense is 5.03% (June 30, 2023: 4.69%) which includes 0.53% (June 30, 2023: 0.34%) representing government levies on the Fund such as sales taxes, annual fee payable to the SECP, etc. This ratio is within the maximum limit of 4.5% .

19 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 Company has distributed the required minimum percentage of income earned by the Fund for the year ended June 30, 2024 to the unit holders in a 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 the Section 113 (minimum tax) under clause 11A of Part IV of the Second Schedule to the Income Tax Ordinance, 2001.

20 NUMBER OF UNITS IN ISSUE

	June 30, 2024	June 30, 2023
	-----Rupees-----	
Total outstanding as of July 01	2,224,208	3,975,268
Issued during the year	957,757	140,298
Redemption during the year	(1,176,808)	(1,891,358)
Total outstanding as of June 30	2,005,157	2,224,208

21 TRANSACTIONS WITH CONNECTED PERSONS / RELATED PARTIES

Related party / connected person include JS Investments Limited being the Management Company, CDC-Trustee being the Trustee, Jahangir Siddiqui and Co. Limited (holding 71.20% shares of JS Bank Ltd) being the holding company of JS Bank Limited (JSBL-which is the holding company of the Management Company - holding 84.56% shares of JS Investments Ltd), BankIslami Pakistan Limited (which is a fellow subsidiary of JSBL - 75.12% shares held by JS Bank Ltd), JS Global Capital Limited (which is a fellow subsidiary of JSBL- 92.90% shares held by JS Bank Ltd) 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 June 30, 2024. It also includes the staff retirement benefits of the above related parties / connected persons.

Transactions with connected persons are carried out in normal course of business at contracted rates and thus determined in accordance with the market terms. Further, Remuneration of the Management Company is determined in accordance with the provisions of the Regulations and the Trust Deed.

Transactions and balances with related parties other than disclosed elsewhere in these financial statements are as follows:

21.1 Transactions during the period:

JS Investments Limited (Management Company)

Remuneration of the Management Company
Sales Tax on Management Company's remuneration
Purchase of units: 369,158 (2023 : 11,876)
Sales of units: 369,158 (2023: 11,876)

Sales load for the year

Selling and marketing expenses

Allocated expenses

Shariah advisory fee

Expense incurred

Income from AMC-Expense ratio adjustment

Central Depository Company of Pakistan Limited - Trustee

Remuneration of the Trustee
Sindh Sales Tax on remuneration of the trustee
Settlement charges

JS Bank Limited - Parent Company of JSIL

Proceeds from sale of share of BankIslami Pakistan Limited

Bank Islami Pakistan Limited - Associate of JSCL

Return on bank balances

JS Fund of Funds - Fund under JSIL Management

Purchase of units: 109,063 (2023: Nil)

Sales of units: 109,063 (2023 : Nil)

JS Global Capital Limited (Fellow Subsidiary of JSBL)

Brokerage expense

Key Management Personnel & Directors

Issue of units: 6,205 (2023: Nil)

	June 30, 2024	June 30, 2023
	-----Rupees-----	
	4,651,330	4,194,749
	604,673	545,317
	35,000,000	1,000,000
	44,395,964	1,022,328
	83,416	-
	2,488,610	2,811,009
	232,580	229,192
	147,815	195,591
	101,468	101,468
	520,531	-
	465,778	458,207
	60,551	59,567
	55,224	32,690
	13,384,885	
	199	-
	10,000,000	-
	9,992,366	-
	278,266	126,926
	1,097,018	-

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FOR THE YEAR JUNE 30, 2024

	June 30, 2024	June 30, 2023
	-----Rupees-----	
21.2 Details of balances with related parties / connected persons as at period end		
JS Investments Limited - Management Company		
Remuneration to the Management Company	421,926	302,773
Sindh sales tax on remuneration to the Management Company	732,457	722,029
Federal Excise Duty payable on remuneration to the management company	4,636,905	4,636,905
Allocated expenses payable	21,102	15,137
Selling and marketing expenses payable	661,729	499,791
Shariah advisor fee	17,961	23,946
Printing charges payable	75,037	121,954
Receivable from AMC	520,531	
Central Depository Company of Pakistan Limited - Trustee		
Remuneration payable to the trustee	42,195	30,285
Sindh sales tax payable on remuneration to the trustee	5,486	3,937
Settlement charges payable	4,106	789
Security deposit	100,000	100,000
JS Bank Limited - Parent Company of JSIL		
Balances with bank	1,793,179	917,811
Bank Islami Pakistan Limited - Associate of JSCL		
Balances with bank	69,828	69,629
Key Management Personnel & Directors		
Units held: 9,342 (2023: Nil)	1,325,947	-
JS Global Capital Limited (Fellow Subsidiary of JSBL)		
Brokerage expense payable	-	632

22 RECONCILIATION OF LIABILITIES ARISING OUT OF FINANCING ACTIVITIES

	Receivable against issuance of units	Payable against redemption of units	Total
	-----Rupees-----		
June 30, 2024			
Balance as at July 01, 2023	-	-	-
Receivable against issuance of units	107,537,930		107,537,930
Payable against redemption of units		(132,028,324)	(132,028,324)
	107,537,930	(132,028,324)	(24,490,394)
Amount received on issuance of units	(107,537,930)	-	(107,537,930)
Amount paid on redemption of units	-	132,028,324	132,028,324
	(107,537,930)	132,028,324	24,490,394
Balance as at June 30, 2024	-	-	-

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	Receivable against issuance of units	Payable against redemption of units	Total
	-----Rupees-----		
June 30, 2023			
Balance as at July 01, 2022	-	(27,780)	(27,780)
Receivable against issuance of units	11,592,457		11,592,457
Payable against redemption of units		(157,563,303)	(157,563,303)
	11,592,457	(157,563,303)	(145,970,846)
Amount received on issuance of units	(11,592,457)	-	(11,592,457)
Amount paid on redemption of units	-	157,591,083	157,591,083
	(11,592,457)	157,591,083	145,998,626
Balance as at June 30, 2023	-	-	-

23 FINANCIAL INSTRUMENTS BY CATEGORY

Particulars	-----As at June 30, 2024-----		
	At amortised cost	Financial asset at 'fair value through profit or loss'	Total
	-----Rupees-----		
Financial assets			
Balances with banks	32,417,870	-	32,417,870
Investments	-	255,873,095	255,873,095
Bank profit receivable	91,295	-	91,295
Security deposits	1,100,000	-	1,100,000
Other receivables	3,496,689	-	3,496,689
	<u>37,105,854</u>	<u>255,873,095</u>	<u>292,978,949</u>
Financial liabilities			
Payable to JS Investments Limited - Management Company	1,197,755	-	1,197,755
Payable to Central Depository Company of Pakistan Limited - Trustee	42,195	-	42,195
Annual fee payable to the Securities and Exchange Commission of Pakistan	20,043	-	20,043
Dividend payable	11,533	-	11,533
Accrued expenses and other liabilities	3,778,536	-	3,778,536
	<u>5,050,063</u>	<u>-</u>	<u>5,050,063</u>

Particulars	-----As at June 30, 2023-----		
	At amortised cost	Financial asset at 'fair value through profit or loss'	Total
	-----Rupees-----		
Financial assets			
Balances with banks	17,223,167	-	17,223,167
Investments	-	161,305,915	161,305,915
Bank profit receivable	276,616	-	276,616
Security deposits	1,100,000	-	1,100,000
Other receivables	11,682,920	-	11,682,920
	<u>30,282,703</u>	<u>161,305,915</u>	<u>191,588,618</u>
Financial liabilities			
Payable to JS Investments Limited - Management Company	963,601	-	963,601
Payable to Central Depository Company of Pakistan Limited - Trustee	31,074	-	31,074
Annual fee payable to the Securities and Exchange Commission of Pakistan	45,817	-	45,817
Dividend payable		-	11,533
Accrued expenses and other liabilities	3,344,422	-	3,344,422
	<u>4,396,447</u>	<u>-</u>	<u>4,396,447</u>

24 FINANCIAL RISK MANAGEMENT

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

Risk management framework

The Fund's Board of Directors has an 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 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. 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 the internal audit. The 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.

24.1 Market risk

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

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

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

24.1.1 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.

24.1.2 Profit rate risk

Yield / profit 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 banks.

a) Sensitivity analysis for variable rate instruments

Presently, the Fund does not hold any variable rate instrument except for balances in profit and loss sharing accounts amounting Rs 29.66 million (2023: Rs 16.01 million) which carry profit at rates ranging from 15.00% to 18.50% (2023: 14.5% to 19.75%) per annum.

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 0.30 million (2023: Rs 0.16 million). The analysis assumes that all other variables remain constant.

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

b) Sensitivity analysis for fixed rate instruments

Presently, the Fund does not hold any fixed rate instrument that exposes the Fund to any material interest rate risk.

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.

Particulars	----- June 30, 2024 -----					
	Interest rate	Total	-----Exposed to interest rate risk----			Not exposed to interest rate risk
			Upto three months	More than three months and upto one year	More than one year	
%	-----Rupees-----					

On-balance sheet financial instruments

Financial assets

Balances with banks	15% to 18.5%	32,417,870	29,661,512	-	-	2,756,358
Investments		255,873,095	-	-	-	255,873,095
Bank profit receivable		91,295	-	-	-	91,295
Security deposits		1,100,000	-	-	-	1,100,000
Other receivables		3,496,689	-	-	-	3,496,689
		292,978,949	29,661,512	-	-	263,317,437

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FOR THE YEAR JUNE 30, 2024

Particulars	----- June 30, 2024 -----					
	Interest rate	Total	-----Exposed to interest rate risk----			Not exposed to interest rate risk
			Upto three months	More than three months and upto one year	More than one year	
%	-----Rupees-----					

Financial liabilities

Payable to JS Investments Limited - Management Company	1,197,755	-	-	-	-	1,197,755
Payable to Central Depository Company of Pakistan Limited - Trustee	42,195	-	-	-	-	42,195
Annual fee payable to the Securities and Exchange of Pakistan	20,043	-	-	-	-	20,043
Dividend payable	11,533	-	-	-	-	11,533
Accrued expenses and other liabilities	3,778,536	-	-	-	-	3,778,536
	5,050,063	-	-	-	-	5,050,063
On-balance sheet gap (a)	287,928,887	29,661,512	-	-	-	258,267,374
Off-balance sheet financial instruments	-	-	-	-	-	-
Off-balance sheet gap (b)	-	-	-	-	-	-
Total interest rate sensitivity gap (a+b)	287,928,887	29,661,512	-	-	-	258,267,374
Cumulative interest rate sensitivity gap		29,661,512	-	-	-	

Particulars	----- June 30, 2023 -----					
	Interest rate	Total	-----Exposed to interest rate risk----			Not exposed to interest rate risk
			Upto three months	More than three months and upto one year	More than one year	
%	-----Rupees-----					

On-balance sheet financial instruments

Financial assets

Balances with banks	14.50% to 19.75%	17,223,167	16,005,323	-	-	1,217,844
Investments		161,305,915	-	-	-	161,305,915
Bank profit receivable		276,616	-	-	-	276,616
Security deposits		1,100,000	-	-	-	1,100,000
Other receivables		11,682,920	-	-	-	11,682,920
		191,588,618	16,005,323	-	-	175,583,295

Financial liabilities

Payable to JS Investments Limited - Management Company		963,601	-	-	-	963,601
Payable to Central Depository Company of Pakistan Limited - Trustee		31,074	-	-	-	31,074
Annual fee payable to the Securities and Exchange Commission of Pakistan		45,817	-	-	-	45,817
Dividend payable		11,533	-	-	-	11,533
Accrued expenses and other liabilities		3,344,422	-	-	-	3,344,422
		4,396,447	-	-	-	4,396,447
On-balance sheet gap (a)		187,192,171	16,005,323	-	-	171,186,848
Off-balance sheet financial instruments		-	-	-	-	-
Off-balance sheet gap (b)		-	-	-	-	-
Total interest rate sensitivity gap (a+b)		187,192,171	16,005,323	-	-	171,186,848
Cumulative interest rate sensitivity gap			16,005,323	-	-	

24.1.3 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 management of the Fund monitors the proportion of equity securities in its investment portfolio based on market indices. 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 the 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 the 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. The Fund's equity investments are concentrated in the sectors given in note 8.1.

At June 30, 2024, the fair value of equity securities exposed to price risk are disclosed in note 8.1.

All of the Fund's equity investments are listed on the Pakistan Stock Exchange (PSX). In case of 5% increase / decrease in PSX 100 index on June 30, 2024, net income for the year would increase / decrease by Rs 12.79 million (2023: Rs 8.07 million) and net assets of the Fund would increase / decrease by the same amount as a result of gains / losses on equity securities at fair value through profit or loss. The sensitivity analysis is based on the Fund's equity securities as at the statement of assets and liabilities date with all other variables held constant.

The analysis is based on the assumption that equity index had increased / decreased by 5% with all other variables held constant. The composition of the Fund's investment portfolio and the correlation thereof to the PSX 100 index, is expected to change over time. Accordingly, the aforementioned sensitivity analysis prepared as of June 30, 2024 is not necessarily indicative of the effect on the Fund's net assets of future movements in the level of the PSX 100 Index.

24.2 Credit risk

Credit risk is the risk of financial loss to the Fund if a customer or counter party to a financial instrument fails to meet its contractual obligations. This mainly arises principally from bank balances, security deposits and receivable against sale of securities.

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

	June 30, 2024		June 30, 2023	
	Balances as per statement of assets and liabilities	Maximum exposure	Balances as per statement of assets and liabilities	Maximum exposure
	-----Rupees-----		-----Rupees-----	
Balances with banks	32,417,870	32,417,870	17,223,167	17,223,167
Investments	255,873,095	-	161,305,915	-
Bank profit receivable	91,295	91,295	276,616	276,616
Security deposits	1,100,000	1,100,000	1,100,000	1,100,000
Other receivables	3,496,689	3,496,689	11,682,920	11,682,920
	292,978,949	37,105,854	191,588,618	30,282,703

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Difference in the balance as per the statement of assets and liabilities and maximum exposure is due to the fact that investments in equity securities are not exposed to credit risk.

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 the NBFC Rules and the 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 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.
- Analyses 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 of the counter party 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.

The Fund's policy is to enter into financial contracts in accordance with the internal risk management policies and investment guidelines approved by the Investment Committee. The Fund does not expect to incur material credit losses on its financial assets.

The analysis below summarises the credit quality of the Fund's financial assets:

24.2.1 Credit quality of balances held by the Fund's bank accounts

Name Of The Bank	-----June 30, 2024-----		
	Rating agency	Latest available published rating	Percentage
Soneri Bank Limited	PACRA	AA-	0.45%
BankIslami Pakistan Limited	PACRA	AA-	0.21%
Dubai Islamic Bank Pakistan Limited	JCR-VIS	AA	90.06%
Askari Bank Limited	PACRA	AA+	0.04%
Faysal Bank Limited	PACRA	AA	0.00%
Habib Metropolitan Bank Limited	PACRA	AA+	0.23%
Allied Bank Limited	PACRA	AAA	0.03%
MCB Bank Limited	PACRA	AAA	3.32%
JS Bank Limited	PACRA	AA	5.53%
NRSP Microfinance Bank Limited	PACRA	A-	0.04%
United Bank Limited	JCR-VIS	AAA	0.05%
AL Baraka Bank (Pakistan) Limited	JCR-VIS	A+	0.04%
Habib Bank Limited	JCR-VIS	AAA	0.00%

24.2.2 Concentration of credit risk

The concentration of credit risk exists when changes in economic or industry factors similarly affect groups of counterparties whose aggregate credit exposure is significant in relation to the Fund's total credit exposure. The Fund's portfolio of financial instruments is broadly diversified and transactions are entered into with diverse credit-worthy counterparties thereby mitigating any significant concentrations of credit risk.

NOTES TO THE FINANCIAL STATEMENTS >

FOR THE YEAR JUNE 30, 2024

24.3 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 the daily settlement of equity securities and 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. The Fund's policy is, therefore, to invest the majority of its assets in investments that can be readily realised. The Fund's listed securities are considered readily realisable as they are listed on the Pakistan Stock Exchange.

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 liabilities into relevant maturity groupings based on the remaining period at the reporting date to the contractual maturity date. The amounts in the table are the contractual undiscounted cash flows.

Particulars	June 30, 2024			
	Total	Upto three months	Over three months and upto one year	Over one year
-----Rupees-----				
Financial Liabilities				
Payable to JS Investments Limited - Management Company	1,197,755	1,197,755	-	-
Payable to Central Depository Company of Pakistan Limited - Trustee	42,195	42,195	-	-
Annual fee payable to the Securities and Exchange Commission of Pakistan	20,043	20,043	-	-
Dividend payable	11,533	11,533	-	-
Accrued expenses and other liabilities	3,778,536	3,778,536	-	-
	5,050,062	5,050,062	-	-

Particulars	June 30, 2023			
	Total	Upto three months	Over three months and upto one year	Over one year
-----Rupees-----				
Financial Liabilities				
Payable to JS Investments Limited - Management Company	963,601	963,601	-	-
Payable to Central Depository Company of Pakistan Limited - Trustee	31,074	31,074	-	-
Annual fee payable to the Securities and Exchange Commission of Pakistan	45,817	45,817	-	-
Dividend payable	11,533	11,533	-	-
Accrued expenses and other liabilities	3,344,422	3,344,422	-	-
	4,396,447	4,396,447	-	-

25 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 as of the close of the business day less any back end load, provision for transaction cost and any provision for duty and charge, if applicable. 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 24, 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.

26 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.

Fair value hierarchy

International Financial Reporting Standard 13, 'Fair Value Measurement' 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:

'Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities;

'Level 2: 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); and

'Level 3: inputs for the asset or liability that are not based on observable market data (i.e. unobservable inputs).

As at June 30, 2024 and June 30, 2023, all investments are categorised in level 1. The outstanding amounts of these investments are shown in note 8 to these financial statements.

27 SUPPLEMENTARY NON FINANCIAL INFORMATION

The information regarding units holding pattern, top ten brokers, particulars of members of the Investment Committee and fund manager, particulars of 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 are as follows:

NOTES TO THE FINANCIAL STATEMENTS >

FOR THE YEAR JUNE 30, 2024

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

S. No.	Name	Designation	Experience in years	Qualification
1	Ms. Iffat Zehra Mankani	Chief Executive Officer	23	MBA
2	Mr. Khawar Iqbal	Chief Operating Officer and Company Secretary	31	MBA
3	Mr. Syed Hussain Haider	Chief Investment officer / Fund Manager	22	CFA
4	Mr. Syed Sabih Ul Hasnain	Vice President Equity Fund manager	6	BBA

27.2 Transactions with Brokers/Dealers

27.2.1 List of top 10 brokers by percentage of commission charged during the year ended June 30, 2024:

S. No.	Name	Percentage of Commission/ Brokerage
1	JS Global Capital Limited	15.93%
2	Optimus Capital Management (Private) Limited	15.41%
3	DJM Securities Limited	14.77%
4	Taurus Securities Ltd	9.11%
5	Spectrum Securities Limited	9.01%
6	Topline Securities Limited	8.85%
7	Multiline Securities Limited	7.81%
8	Intermarket Securities (Pvt) Limited	6.33%
9	Ktrade securities LTd	4.40%
10	Habib Metropolitan Financial Services Limited	3.62%

27.2.2 List of top 10 brokers by percentage of commission charged during the year ended June 30, 2023

S. No.	Name	Percentage of Commission/ Brokerage
1	Intermarket Securities Limited	15.34%
2	DJM Securities Limited	14.98%
3	JS Global Capital Limited	14.71%
4	Optimus Capital Management (Private) Limited	14.52%
5	Multiline Securities Limited	13.95%
6	Adam Securities Limited	6.02%
7	Topline Securities Limited	5.38%
8	Spectrum Securities Limited	5.03%
9	Habib Metropolitan Financial Services Limited	4.12%
10	Abbasi & Company (Private) Limited	2.89%

NOTES TO THE FINANCIAL STATEMENTS >

FOR THE YEAR JUNE 30, 2024

27.3 Pattern of unit holding

Particulars	June 30, 2024			
	Number of unitholders	Number of units held	Net asset value of the amount invested (Rs in million)	% age of total investment
Individuals	750	1,344,451	190.81	67%
Retirement Fund	8	396,378	56.26	20%
Corporate	5	77,707	11.03	4%
Insurance Companies	1	169,302	24.03	8%
Others	3	17,319	2.46	1%
	767	2,005,157	284.58	100%

Particulars	June 30, 2023			
	Number of unitholders	Number of units held	Net asset value of the amount invested (Rs in million)	% age of total investment
Individuals	791	1,539,991	127.22	69%
Retirement Fund	8	396,378	32.75	18%
Corporate	8	178,160	14.72	8%
Others	4	109,679	9.06	5%
	811	2,224,208	183.74	100%

27.4 Attendance at the meeting of the Board of Directors of the Management Company

The 169th, 170th, 171th, 172th, 173th and 174th meetings of the Board of Directors were held on August 04, 2023, August 18, 2023, October 20, 2023, December 28, 2023, February 20, 2024 and April 24, 2024 respectively. Information in respect of attendance by the directors and other persons in the meetings is given below:

S. No	Name of Directors	Meetings held on						
		Meetings attended	August 04, 2023	August 18, 2023	October 20, 2023	December 28, 2023	February 20, 2024	April 24, 2024
1	Mr. Suleman Lalani	6	✓	✓	✓	✓	✓	✓
2	Ms. Iffat Zehra Mankani	6	✓	✓	✓	✓	✓	✓
3	Mr. Hasan Shahid	6	✓	✓	✓	✓	✓	✓
4	Ms. Aisha Fariel Salahuddin	2	-	-	✓	✓	-	-
5	Mr. Mirza M. Sadeed Hasan Barlas	4	✓	✓	-	✓	✓	-
6	Mr. Atif Salim Malik	5	-	✓	✓	✓	✓	✓
7	Ms. Mediha Kamal Afsar	6	✓	✓	✓	✓	✓	✓
8	Mr. Farooq Ahmed Malik	5	-	✓	✓	✓	✓	✓

27.5 Meetings of the audit committee

S. No	Name of Directors	Meetings held on				
		Meetings attended	August 17, 2023	October 20, 2023	February 19, 2024	April 22, 2024
1	Ms. Mediha Kamal Afsar	4	✓	✓	✓	✓
2	Mr. Hasan Shahid	4	✓	✓	✓	✓
3	Mr. Mirza M. Sadeed Hasan Barlas	2	✓	-	-	✓

NOTES TO THE FINANCIAL STATEMENTS >

FOR THE YEAR JUNE 30, 2024

27.6 Meetings of the Human Resource and Remuneration Committee

S. No	Name of Directors	Meetings held on		
		Meetings attended	November 30, 2023	February 24, 2024
1	Ms. Aisha Fariel Salahuddin	2	✓	✓
2	Mr. Suleman Lalani	2	✓	✓
3	Ms. Iffat Zehra Mankani	2	✓	✓

28 GENERAL

28.1 Certain corresponding figures have been re-arranged where necessary.

29 DATE OF AUTHORISATION FOR ISSUE

These financial statements were authorized for issue by Board of Directors of the Management Company of the Fund on August 20, 2024.



Chief Financial Officer



Chief Executive Officer



Director



JS INVESTMENTS OFFICES

- **Head Office - Karachi**
19th Floor, The Centre, Plot No. 28, SB-5,
Abdullah Haroon Road, Saddar, Karachi.
- **Regional Office - Lahore**
Ground Floor, No. 25, Block 13, Plot No.1-4,
Usman Block, New Garden Town, Lahore
- **Wealth Centre**
Ground Floor, Plot No. 97-C, Main
Khayaban-e-Shaheen, DHA Phase 8,
Karachi
- **Regional Office - Islamabad**
Office No. 414, 4th Floor, PSX Building,
Jinnah Avenue, Islamabad

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JS KPK PENSION FUND

ANNUAL REPORT 2024



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COMPANY INFORMATION

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	Non-Executive Director / Chairman
Ms. Iffat Zehra Mankani	Chief Executive Officer
Mr. Hasan Shahid	Non-Executive Director
Mr. Mirza M. Sadeed H. Barlas	Non-Executive Director
Mr. Atif Salim Malik	Non-Executive Director
Ms. Aisha Fariel Salahuddin	Non-Executive Independent Director
Ms. Mediha Kamal Afsar	Non-Executive Independent Director
Mr. Farooq Ahmed Malik	Non-Executive Independent Director

Chief Executive Officer

Ms. Iffat Zehra Mankani

Chief Financial Officer

Mr. Raheel Rehman

Chief Investment Officer

Mr. Syed Hussain Haider

Chief Operating Officer & Company Secretary

Mr. Muhammad Khawar Iqbal

Statutory Auditors

Grant Thornton Anjum Rahman, Chartered Accountants

Legal Advisors

Bawaney and Partners
3rd & 4th Floor, 68-C, Lane-13
Bokhari Commercial Area
Phase-VI DHA, Karachi

Audit Committee

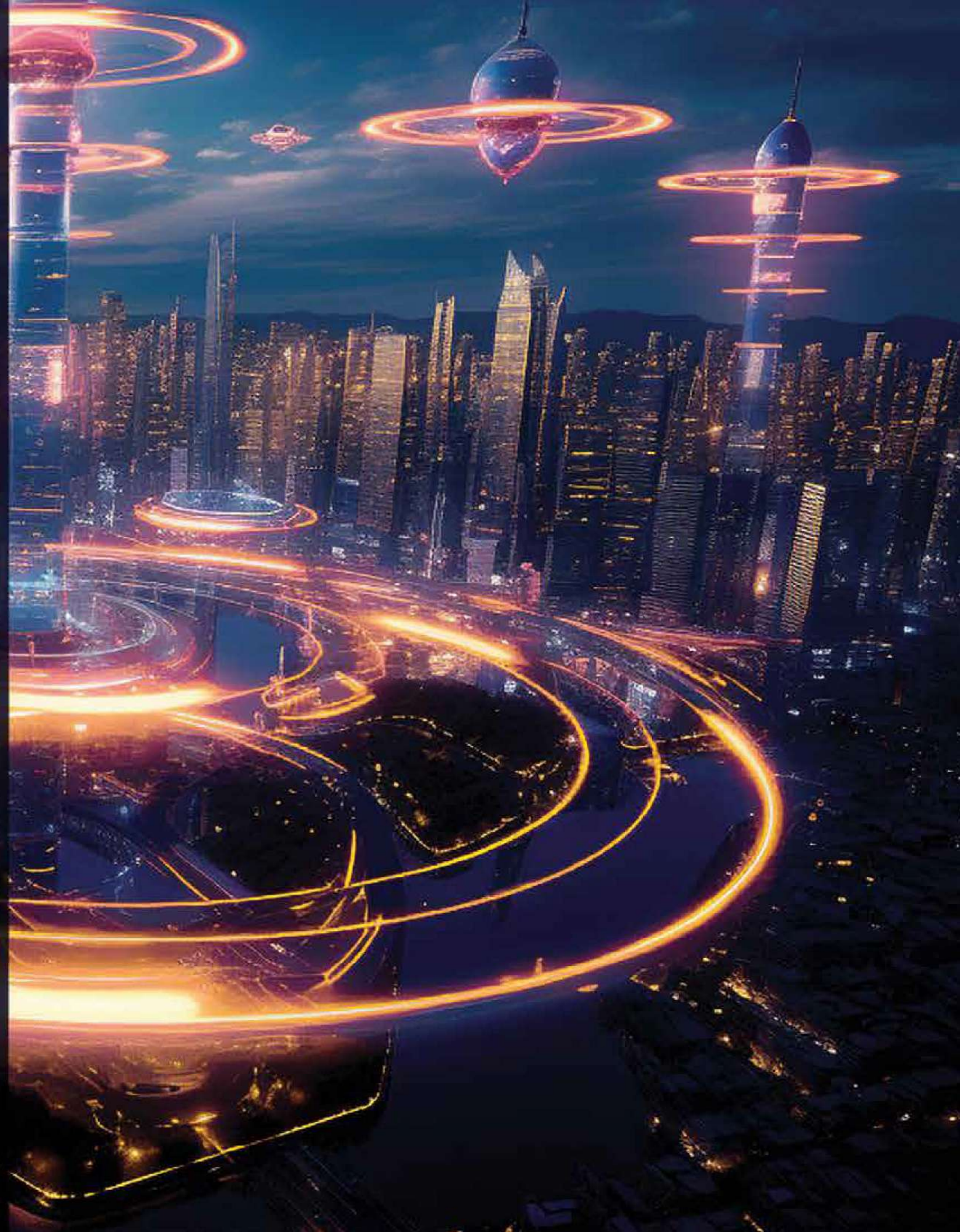
Ms. Mediha Kamal Afsar (Chairperson)
Mr. Hasan Shahid (Member)
Mr. Mirza M. Sadeed H. Barlas (Member)

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

Vision

To be the preferred choice of every investor, offering diverse and innovative investment solutions





DIRECTORS' REPORT TO THE UNIT HOLDERS

FOR THE PERIOD ENDING JUNE 30, 2024

The Board of Directors of JS Investments Limited, the Pension Fund Manager of **JS KPK Pension Fund** (the Fund), is pleased to present the Annual Report for the period ended from December 15, 2023 to June 30, 2024.

Economy:

The fiscal year 2024 has been a period of transition for the country, shifting from a precarious trajectory to a path of stability in both political and economic spheres. Initially, the caretaker setup paved the way for a much-needed stabilization agenda for the better part of the year. Subsequently, a new government formed post-Federal elections provided a sense of immediate direction for the country despite the initial uncertainty during the election process. This development was particularly reassuring given the acute challenges the nation has faced in recent years. The macroeconomic framework under the IMF's Stand-By Agreement (SBA), which included a short-term US\$3 billion funding facility signed in June of last year and executed mainly by the caretaker government, concluded at the end of April with a final disbursement of US\$1 billion.

Turning to the real economy, the robust growth of 6.5% in agriculture, encompassing all major crops and livestock, significantly boosted the provisional GDP growth for FY24 to 2.38%, surpassing the projections of the IMF (2%), ADB (1.9%), and the World Bank (1.8%), underscoring the resilience of the economy. Against this backdrop, two key macroeconomic events during the period were the easing of monetary policy and the simultaneous tightening of fiscal policy, a trend expected to continue into the next fiscal year. Observing how these policies will ultimately impact overall economic growth will be interesting. This is particularly important as the industry has been under unprecedented pressure from a highly challenging business environment characterized by cost-push inflation and sluggish demand.

The Federal Budget for FY25 envisions a substantial 40% increase in FBR revenues, with the government projecting an inflation rate of 12% and a real GDP growth rate of 3.6%. According to the government's estimates presented in the budget, the fiscal deficit, which is expected to close at 7.4% for the current year—revised from the previous year's budgeted target of 6.5%—is projected to decrease to 5.9% for FY25.

The external account experienced considerable strengthening, with SBP FX Reserves more than doubling from their lows at the end of June 2023 to reach US\$9.4 billion by the end of June 2024. The Pakistani rupee appreciated by 2.8%, closing at 278 against the US dollar. The current account deficit has decreased markedly to US\$ 464 million for the 11 months up to May 2024, compared to US\$ 3.76 billion during the same period last year, instilling confidence in the balance of payments situation. Building on this, Pakistan's upcoming new and larger funding program with the IMF holds paramount importance, as it will significantly strengthen the country's fundamental macroeconomic pillars, particularly fiscal operations, while also providing essential support for managing external debt obligations.

Equity Market Review:

The fiscal year 2024 marked a significant trend reversal in the local equity market, with consistent sharp gains throughout the period. The bull rally commenced at the beginning of the year, following the signing of the IMF's Stand-By Arrangement (SBA) funding facility. The KSE-100 index surged by 89.2%, closing at 78,445. Similarly, other key equity indices, such as the KSE-30 Total Return Index and the KMI-30 Index, rose by 95.1% and 78.7%, respectively, by the end of June 2024. The notable performance disparity between the conventional indices (KSE-100 and KSE-30) and the Shariah-compliant index (KMI-30) reflects the sharp gains in commercial banking stocks, which significantly outperformed the broader indices and accounted for most of the market gains during this period.

Foreign investors and local insurance companies were the most significant net buyers in the equity market during the year. They purchased equities worth US\$157 million and US\$127 million, respectively. In contrast, banks/DFIs and individual investors were the major net sellers, offloading US\$150 million and US\$60 million worth of equities, respectively.

While the year 2024 saw a generally robust performance of global equity markets, the gains were uneven across regions due to a combination of local economic conditions, central bank policies, and geopolitical factors. Key themes were optimism around AI and technology, expectations of peaking interest rates, and slower-than-expected growth in China while improving economic fundamentals in other select countries.

Income / Money Market Review:

During the fiscal year 2024, the yield curve shifted markedly downward, with yields falling across all tenors. The most notable decline was observed in the 12-month paper, which closed at 18.68%, down by 425 basis points from the end of

June 2023. The SBP's Monetary Policy Committee (MPC) cut the policy rate by 150 basis points in its June 10th meeting. This much-anticipated decision followed a more-than-expected drop in the headline inflation rate for May, which stood at 11.8%, primarily due to a welcome decline in food inflation.

The steady accumulation of FX reserves and the softening inflation outlook gradually instilled market confidence, which was reflected in higher levels of participation in 12M T-Bill in recent auctions. The offer-to-target ratio in the auctions for 12M tenor almost doubled to 5.9x during the year's second half compared to the preceding first half. M2 growth continued to be a function of government borrowings, as evident in the continuously rising trend of net outstanding liquidity injections via open market operations (OMOs).

Globally, the European Central Bank and the Bank of Canada commenced rate cuts in early June, following Switzerland's lead in easing monetary policy. Conversely, the US Federal Reserve remained cautious, seeking additional assurance before implementing the expected monetary policy changes.

Review of Fund Performance

The Fund currently comprises four sub-funds: Equity Sub-Fund, Equity Index Sub-Fund, Debt Sub-Fund, and Money Market Sub-Fund. Equity Sub-Fund, Equity Index Sub-Fund, and Debt Sub-Fund are not yet operational and hold seed capital of PKR 0.5 million each. The Money Market Sub-Fund, however, has delivered a return of 20.37% for the period from December 15, 2023, to June 30, 2024, with net assets totaling PKR 34.72 million as of June 30, 2024.

The Fund has 81 participants as on June 30, 2024.

Pension Fund Manager Rating

Pakistan Credit Rating Agency Limited has maintained an asset manager rating of 'AM2+' with 'stable outlook' dated December 27, 2023 (June 2023: 'AM2+' with 'stable outlook') to the JS Investments Limited (Pension Fund Manager).

Auditors

The external auditors of the Fund Messrs Grant Thornton Anjum Rahman Chartered Accountant, retire and being eligible offer themselves for reappointment. The Board of Directors, upon recommendation of the Audit Committee of the Board has approved the appointment of Messrs Grant Thornton Anjum Rahman Chartered Accountants, as the Fund's auditors for the ensuing year ending June 30, 2025.

Pattern of Unit Holding:

Category	NBFCs			Individuals			Total Rupees in million	% of total investment
	No. of Unit holders	No. of Units held	Rupees in million	No. of Unit holders	No. of Units held	Rupees in million		
Money Market Sub-Fund	-	-	-	81	6,855	0.75	0.75	2.07
Money Market Sub-Fund	1	305,626	33.97	-	-	-	33.97	93.79
Equity Sub-Fund	1	5,000	0.50	-	-	-	0.50	1.38
Equity Index Sub-Fund	1	5,000	0.50	-	-	-	0.50	1.38
Debt Sub-Fund	1	5,000	0.50	-	-	-	0.50	1.38
	4	320,626	35.47	81	6,855	0.75	36.22	100.00

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 Pension Fund Manager for their dedication and hard work and the participants for their confidence in the Management.



Chief Executive Officer



Director

Karachi: August 20, 2024

شراکت داروں کے لیے ڈائریکٹرز رپورٹ

ہے ایس انوسٹمنٹس لمیٹڈ کے بورڈ آف ڈائریکٹرز، KPK JS پینشن سیویج فنڈ (دی فنڈ) کے پینشن فنڈ مینجر 15 دسمبر 2023 سے 30 جون 2024 کو ختم ہونے والی مدت کے لیے سالانہ رپورٹ پیش کرتے ہوئے خوشی محسوس کرتے ہیں۔

معاشی جائزہ

مالی سال 2024 ملک کے لیے اہم تبدیلی کا دور رہا ہے، جو ایک غیر یقینی راستے سے سیاسی اور معاشی دونوں شعبوں میں نسبتاً استحکام کی راہ پر گامزن ہے۔ نگران سیٹ آپ نے ابتدائی طور پر استحکام کا ایجنڈا متعارف کرایا جس نے سال کے زیادہ تر حصے کے رہنمائی کی۔ اس کے بعد، وفاقی انتخابات کے بعد ایک نئی حکومت تشکیل دی گئی، جس نے انتخابی عمل کے دوران کچھ ابتدائی غیر یقینی صورتحال کے باوجود ملک کو ایک واضح سمت فراہم کی۔ حالیہ برسوں میں قوم کو درپیش اہم چیلنجوں کے پیش نظر اس تبدیلی نے کچھ یقین دہانی کرائی ہے۔ آئی ایم ایف کے اسٹینڈ بائی ایگریمنٹ (SBA) کے تحت میکرو اکنامک فریم ورک، جس میں گزشتہ سال جون میں دستخط شدہ 3 بلین امریکی ڈالر کی قلیل مدتی فنڈنگ سہولت شامل تھی اور جس پر نگران حکومت نے بڑے پیمانے پر عمل درآمد کیا تھا، 1 بلین امریکی ڈالر کی تاحتی تقسیم کے ساتھ اپریل کے آخر میں اختتام پذیر ہوئی۔

حقیقی معیشت کی طرف گامزن ہوتے ہوئے، زراعت میں 6.5 فیصد کی مضبوط نمو، بشمول تمام اہم فصلیں اور لائیو اسٹاک، نے مالی سال 2024 کے لیے عبوری GDP کی نمو کو نمایاں طور پر بڑھا کر 2.38 فیصد کر دیا، جو IMF (2 فیصد)، ایشیائی ترقیاتی بینک (1.9 فیصد) اور عالمی بینک (1.8 فیصد) کے تخمینوں سے زیادہ ہے۔ اس سے معیشت کی چلک کی نشاندہی ہوتی ہے۔ اس پس منظر میں، اس مدت کے دوران زری پالیسی میں نرمی اور بیک وقت مالیاتی پالیسی میں سختی دو اہم میکرو اکنامک واقعات تھے، ان رجحانات کا اگلے مالی سال تک جاری رہنے کی توقعات ہیں۔ یہ دیکھنا کہ یہ پالیسیاں بالآخر مجموعی معاشی ترقی کو کس طرح متاثر کریں گی، اہم ہوں گا، خاص طور پر جب صنعت کو انتہائی چیلنجنگ کاروباری ماحول کا سامنا ہے جو لاگت میں اضافے والی افراط زراورست طلب سے موصوم ہے۔

مالی سال 2025 کے وفاقی بجٹ میں ایف بی آر (FBR) کے محصولات میں 40 فیصد اضافے کا تخمینہ لگایا گیا ہے، حکومت نے افراط زری کی شرح 12 فیصد اور حقیقی جی ڈی پی (GDP) کی شرح نمو 3.6 فیصد پیش کی ہے۔ بجٹ میں پیش کی گئی حکومتی تخمینوں کے مطابق مالی خسارہ رواں مالی سال میں 7.4 فیصد رہنے کا امکان ہے جو گزشتہ سال کے بعد 6.5 فیصد کے بجٹ ہدف سے نظر ثانی شدہ۔ مالی سال 2025 کے لیے کم ہو کر 5.9 فیصد رہے گا۔

بیرونی کھاتے میں کافی مضبوطی دیکھی گئی اور اسٹیٹ بینک آف پاکستان کے غیر ملکی زرمبادلہ کے ذخائر جون 2023 کے اختتام پر اپنی کم ترین سطح سے دگنا ہو کر جون 2024 کے اختتام پر 9.4 بلین امریکی ڈالر تک پہنچ گئے۔ پاکستانی روپے امریکی ڈالر کے مقابلے میں 2.8 فیصد کے اضافے سے 278 پر بند ہوا۔ مئی 2024 تک 11 ماہ کے دوران کرنٹ اکاؤنٹ خسارہ نمایاں طور پر کم ہو کر 464 بلین امریکی ڈالر رہ گیا ہے جو گزشتہ سال کے اسی مدت کے دوران 3.76 بلین امریکی ڈالر تھا، جس سے ادائیگیوں کے توازن کی صورتحال پر اعتماد پیدا ہوا۔ اس کی بنیاد پر، پاکستان کا آئی ایم ایف (IMF) کے ساتھ آئندہ آنے والا نیا اور بڑا فنڈنگ پروگرام انتہائی اہمیت کا حامل ہے، کیونکہ یہ ملک کی میکرو اکنامک بنیادوں بالخصوص مالی آپریشنز کو نمایاں طور پر مضبوط کرے گا، بیرونی قرضوں کی ذمہ داریوں کے انتظام کے لیے ضروری معاونت مہیا کرے گا۔

ایکیویٹی مارکیٹ کا جائزہ

مالی سال 2024 میں مقامی ایکویٹی مارکیٹ میں ایک اہم رجحان میں تبدیلی کی نشاندہی کی، جو اس مدت میں مسلسل تیز اضافے سے موصوم ہے۔ اس تیز رہی کا آغاز سال کی شروعات میں آئی ایم ایف کی اسٹینڈ بائی ارنجمنٹ (ایس بی اے) فنڈنگ فیصلیٹی پر دستخط کے بعد ہوا تھا۔ KSE - 100 انڈیکس 89.2 فیصد اضافے سے 78,445 پر بند ہوا۔ اسی طرح دیگر اہم ایکویٹی انڈیکس جیسے KSE - 30 ٹوٹل ریٹرن انڈیکس اور KMI - 30 انڈیکس میں جون 2024 کے اختتام تک بالترتیب 95.1 فیصد اور 78.7 فیصد اضافہ ہوا۔ روایتی انڈیکس (KSE - 100 اور KSE - 30) اور شریعہ کمپلائنس انڈیکس (KMI - 30) کے درمیان کارکردگی میں نمایاں فرق کمزور بینکنگ حصص میں تیز اضافے کی عکاسی کرتا ہے، جس نے وسیع تر اشاریوں سے نمایاں طور پر بہتر کارکردگی کا مظاہرہ کیا اور اس مدت کے دوران مارکیٹ میں زیادہ تر اضافے کا سبب بنے۔

اس مدت کے دوران ایکویٹی مارکیٹ میں غیر ملکی سرمایہ کار اور مقامی انشورنس کمپنیاں سب سے اہم خریدار کے طور پر ابھر کر سامنے آئے، انہوں نے بالترتیب 157 بلین امریکی ڈالر اور 127 بلین امریکی ڈالر کی ایکویٹی خریدی۔ اس کے برعکس بینکوں / ڈی ایف آئی اور انفرادی سرمایہ کار بڑے فروخت کنندگان تھے، جنہوں نے بالترتیب 150 بلین امریکی ڈالر اور 60 بلین امریکی ڈالر مالیت کی ایکویٹی فروخت کیں۔ اگرچہ سال 2024 میں عالمی ایکویٹی مارکیٹوں کی عمومی طور پر مضبوط کارکردگی دیکھی گئی، لیکن مقامی معاشی حالات، مرکزی بینک کی پالیسیوں اور جغرافیائی سیاسی عوامل کے متزاج کے سبب خطوں میں فوائد غیر مساوی تھے۔ کلیدی موضوعات میں مصنوعی ذہانت اور ٹیکنالوجی کے بارے میں امید، شرح سود میں اضافے کی توقعات، اور چین میں توقع سے سست ترقی شامل ہیں، جبکہ دیگر منتخب ممالک میں معاشی بنیادوں کو بہتر بنانا شامل ہے۔

انکم / منی مارکیٹ کا جائزہ

مالی سال 2024 کے دوران، پیداوار کی قوس واضح طور پر نیچے کی جانب منتقل ہو گئی، اور پیداوار تمام مدتوں میں زوال پذیر ہوئی۔ 12 ماہ کے سرمایہ کاری کے پیچھے سب سے واضح کمی دیکھنے میں آئی، جو دسمبر 2023 کے اختتام سے 425 پیسے پوائنٹس کمی کے ساتھ 18.68 فیصد پر بند ہوا۔ اسٹیٹ بینک آف پاکستان کی ماہی پالیسی کمیٹی (MPC) نے 10 جون کو اپنے اجلاس میں پالیسی کی شرح میں 150 پیسے پوائنٹس کمی کی تھی۔ یہ فیصلہ مئی کی کلیدی افراط زری شرح میں توقع سے زیادہ کمی کے بعد کیا گیا تھا، جو 11.8 فیصد رہی، جس کی بنیاد پر وچھڈائی افراط زری میں کمی تھی۔

زرمبادلہ کے ذخائر کی مستحکم جمع ہونے اور افراط زری میں کمی نے آہستہ آہستہ مارکیٹ کا اعتماد پیدا کیا، جس کی عکاسی 12 ماہ کے ٹریڈری بلز (T - Bills) کی حالیہ نیلامیوں میں اعلیٰ سطحوں کی شرکت سے ہوتی ہے۔ سال کی گزشتہ ششماہی کے مقابلے میں سال کی دوسری ششماہی کے دوران 12 ماہ کی مدت کے لیے نیلامی میں آفر ٹو ٹارگٹ کا تناسب تقریباً دو گنا ہو کر 5.9 گنا ہو گیا ہے۔ ایم ٹی کو نمونہ حکومتی قرضوں کی وجہ

سے جاری رہی، جو اوپن مارکیٹ آپریشنز (OMOs) کے ذریعے خالص بقایا لیکویڈیٹی انجکشن کے مسلسل بڑھتے ہوئے رجحان سے ظاہر ہوتی ہے۔

فنڈ کی کارکردگی کا جائزہ

فنڈ اس وقت چارڈیلی فنڈ کا حامل ہے جو ایکویٹی سب فنڈ، ایکویٹی انڈیکس سب فنڈ، ڈیٹ سب فنڈ اور مٹی مارکیٹ سب فنڈ ہیں۔ ایکویٹی سب فنڈ، ایکویٹی انڈیکس سب فنڈ اور ڈیٹ سب فنڈ ابھی تک فعال نہیں ہیں اور ہر ایک کے پاس 0.5 ملین پاکستانی روپے کا سیدھی ٹریڈنگ رکھا۔ تاہم، مٹی مارکیٹ سب فنڈ نے 15 دسمبر 2023 سے 30 جون 2024 تک کی مدت کے دوران 20.37 فیصد منافع پہنچایا، جس کے خالص اثاثہ جات 30 جون 2024 تک 34.72 ملین روپے تھے۔

30 جون 2024 کو فنڈ کے 81 شرکت کنندگان ہیں۔

بینشن فنڈ مینجر ریٹنگ

پاکستان کریڈٹ ریٹنگ ایجنسی لمیٹڈ (PACRA) نے جے ایس انویسٹمنٹس لمیٹڈ (بینشن فنڈ مینجر) کو مورخہ 27 دسمبر 2023 کو "AM 2+" کی ایسیڈ مینجر ریٹنگ کو "مشکلم" منظر نامے (جون 2023: AM 2+)، "مشکلم منظر نامے" کے ساتھ (کے ساتھ) کے ساتھ برقرار رکھا ہے۔

آڈیٹرز

ریٹائر ہونے والے پیرونی آڈیٹرز مہرزگر پینٹ تھورن انجم رحمان، چارڈاکا وٹنٹس اہلیت کی بنیاد پر خود کو دوبارہ تقرری کے لیے پیش کرتے ہیں۔ بورڈ آف ڈائریکٹرز نے، آڈٹ کمیٹی کی تجویز پر، مہرزگر پینٹ تھورن انجم رحمان، چارڈاکا وٹنٹس کی 30 جون 2025 کو ختم ہونے والے سال کے لیے تقرری کی منظوری دی۔

یونٹ ہولڈنگ کا نمونہ

کل سرمایہ کاری	میزان	انفرادی			NBFCs			کیٹیگری
		(روپے ملین میں)	ملکیتی یونٹ کی تعداد	یونٹ ہولڈرز کی تعداد	(روپے ملین میں)	ملکیتی یونٹ کی تعداد	یونٹ ہولڈرز کی تعداد	
2.07	0.75	0.75	6,855	81	-	-	-	مٹی مارکیٹ سب فنڈ
93.79	33.97	-	-	-	33.97	305,626	1	مٹی مارکیٹ سب فنڈ
1.38	0.50	-	-	-	0.50	5,000	1	ایکیویٹی سب فنڈ
1.38	0.50	-	-	-	0.50	5,000	1	ایکیویٹی انڈیکس سب فنڈ
1.38	0.50	-	-	-	0.50	5,000	1	ڈیٹ سب فنڈ
100.00	36.22	0.75	6,855	81	35.47	320,626	4	

اظہار تشکر

ڈائریکٹرز پیش قدمی، مدد اور رہنمائی پر سیکورٹیز اینڈ ایکسچینج کمیشن آف پاکستان (SECP) اور سینٹرل ڈپازٹری کمپنی آف پاکستان لمیٹڈ (CDCPL) سے اظہار تشکر کرتے ہیں۔ بورڈنگ اور انتھک محنت پر بینشن فنڈ مینجر کے ملازمین اور انتظامیہ پر اعتماد پر شرکت کنندگان کا بھی شکریہ ادا کرتا ہے۔



ڈائریکٹر



چیف ایگزیکٹو آفیسر

کراچی: 20 اگست 2024

FUND MANAGER REPORT

Annual Report 2024

- **Description of the Collective Investment Scheme/Voluntary Pension Scheme category and type**

Voluntary Pension Scheme

- **Statement of VPS's investment objective**

The investment objective of JSKPKPF is to provide long-term investment growth to its participants. The fund aims to achieve its objective by investing in a diversified portfolio of money market instruments. The fund seeks to maximize returns while minimizing risks, providing a stable return over the long term.

- **Explanation as to whether the VPS has achieved its stated objective**

The VPS achieved its stated objective.

- **Statement of benchmark(s) relevant to the VPS**

None

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

	Jul-23	Aug-23	Sep-23	Oct-23	Nov-23	Dec-23	Jan-24	Feb-24	Mar-24	Apr-24	May-24	Jun-24	FY24
JSKPKPF-MMSF	n/a	n/a	n/a	n/a	n/a	17.94%	17.95%	18.28%	19.08%	19.65%	22.83%	19.83%	20.37%

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

During the year, the sub-fund's asset allocation was primarily directed toward short-term money market instruments, such as treasury bills, commercial papers, and bank cash balances. The duration was adjusted upward to capitalize on anticipated monetary easing, allowing the fund to benefit from declining interest rates while maintaining liquidity and risk management in light of improved macroeconomic indicators.

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

JSKPKPF - Money Market Sub Fund	Jun-24	Jun-23
Cash	10.73%	n/a
TFCs / Sukkuks	17.07%	n/a
T Bills	69.09%	n/a
Other including receivables	3.12%	n/a
Total	100.00%	n/a

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

Money Market Sub Fund

	Net Assets Excluding JSIL FoFs (PKR mn)	NAV per Unit (PKR)
30-Jun-24	35	111.11
30-Jun-23	n/a	n/a

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

The fund invests in short-term debt securities such as treasury bills, cash, and near cash instruments, which includes cash in bank accounts (excluding TDRs), money market placements, deposits, certificate of deposits (COD), certificates of musharakas (COM), Term Deposit Receipt (TDR), commercial papers and reverse repos.

FUND MANAGER REPORT

Annual Report 2024

- **Description and explanation of any significant changes in the state of affairs of the VPS 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 KPK Pension Fund - Money Market Sub-Fund	0.0001	to	9,999.9999	81
	10,000.0000	to	49,999.9999	-
	50,000.0000	to	99,999.9999	-
	100,000.0000	to	499,999.9999	1
	500,000.0000	&	above	-
			Total	82

- **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 VPS, 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

2024

JS KPK Pension Fund

Equity Sub Fund

Net assets - Rupees in "000"		500
Net income / (loss) - Rupess in "000"		-
NAV per unit	Rs.	100.00
Highest NAV price per unit	Rs.	100.00
Lowest NAV price per unit	Rs.	100.00

Equity Index Sub Fund

Net assets - Rupees in "000"		500
Net income / (loss) - Rupess in "000"		-
NAV per unit	Rs.	100.00
Highest NAV price per unit	Rs.	100.00
Lowest NAV price per unit	Rs.	100.00

Debt Sub Fund

Net assets - Rupees in "000"		500
Net income / (loss) - Rupess in "000"		-
NAV per unit	Rs.	100.00
Highest NAV price per unit	Rs.	100.00
Lowest NAV price per unit	Rs.	100.00

Money Market Sub Fund

Net assets - Rupees in "000"		34,719
Net income / (loss) - Rupess in "000"		3,416
NAV per unit	Rs.	111.11
Highest NAV price per unit	Rs.	110.99
Lowest NAV price per unit	Rs.	100.00

Notes

- JS KPK Pension Fund was launched on December 14, 2023.
- Investment portfolio composition of the Fund is disclosed in note 6 of the financial statements.

Disclaimer

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

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TRUSTEE REPORT TO THE PARTICIPANTS

JS KPK PENSION FUND

Report of the Trustee pursuant to Regulation 67D in conjunction with Regulation 41(h) of the Non-Banking Finance Companies and Notified Entities Regulations, 2008

We, Central Depository Company of Pakistan Limited, being the Trustee of JS KPK Pension Fund (the Fund) are of the opinion that JS Investment Limited being the Pension Fund Manager has in all material respects managed the Fund during the period from December 15, 2023 to June 30, 2024 in accordance with the provisions of the constitutive documents of the Fund, the Voluntary Pension System Rules, 2005 and the Non-Banking Finance Companies and Notified Entities Regulations, 2008.

Further, in our opinion, the management fee, fee payable to Securities & Exchange Commission of Pakistan and other expenses paid from the Fund during the period are in accordance with the applicable regulatory framework.


Badiuddin Akber
Chief Executive Officer
Central Depository Company of Pakistan Limited

Karachi, September 24, 2024

INDEPENDENT AUDITOR'S REPORT

To the Participants of JS KPK Pension Fund

Report on the Audit of the Financial Statements

**Grant Thornton Anjum
Rahman**

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Opinion

We have audited the financial statements of JS KPK Pension Fund (the Fund), which comprise the statement of assets and liabilities as at June 30, 2024, and the income statement, statement of comprehensive income, statement of movement in participants' sub-funds and statement of cash flow for the period from December 15, 2023 to June 30, 2024, and notes to the financial statements, including summary of material accounting policy information.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Fund as at June 30, 2024, and of its financial performance and its cash flows for the period then ended in accordance with the accounting and reporting standards as applicable in Pakistan.

Basis for Opinion

We conducted our audit in accordance with the 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.

Information Other than the Financial Statements and Auditor's Report Thereon

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 Pension Fund Manager 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.

Board of Directors of the Pension Fund Manager 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.
- 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 Pension Fund Manager 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 to 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.

Report on Other Legal and Regulatory Requirements

Based on our audit, we further report that in our opinion:

- a) the financial statements prepared for the period ended have been properly drawn in accordance with the relevant provisions of the Trust Deed and the Voluntary Pension System Rules, 2005 including the guidelines thereunder;
- b) the allocation and reallocation of units of the sub-funds for all the participants have been made in accordance with the Voluntary Pension System Rules, 2005;
- c) the cost and expenses debited to the Fund and apportionment of expenses between sub-funds are as specified in the constitutive documents of the Fund;
- d) a true and fair view is given of the disposition of the pension fund at the end of the period and of the transactions of pension fund of the period then ended;
- e) the financial statements prepared are in agreement with the Fund's books and records; and
- f) we were able to obtain all the information and explanations which, to the best of our knowledge and belief, were necessary for the purpose of the audit.

The engagement partner on the audit resulting in this independent auditor's report is **Muhammad Khalid Aziz**.



Chartered Accountants

Karachi

Dated: September 27, 2024

UDIN: AR202410154ckKIZBG2i



Financial Position
& Performance

STATEMENT OF ASSETS AND LIABILITIES >

AS AT JUNE 30, 2024

		June 30, 2024				
		Equity Sub Fund	Equity Index Sub Fund	Debt Sub Fund	Money Market Sub Fund	Total
Note		------(Rupees)-----				
Assets						
Balances with banks	5	510,000	510,000	510,000	3,772,630	5,302,630
Investments	6	-	-	-	30,299,325	30,299,325
Profit receivables	7	-	-	-	472,677	472,677
Deferred formation cost	8	134,836	134,836	134,836	134,836	539,344
Deposits and other receivables	9	-	-	-	476,920	476,920
Total assets		644,836	644,836	644,836	35,156,388	37,090,896
Liabilities						
Payable to JS Investment Limited Pension Fund Manager	10	144,836	144,836	144,836	154,836	589,344
Payable to Central Depository Company of Pakistan Limited - Trustee	11	-	-	-	5,310	5,310
Payable to the Securities and Exchange Commission of Pakistan	12	-	-	-	7,042	7,042
Accrued expenses and other liabilities	13	-	-	-	270,000	270,000
Total liabilities		144,836	144,836	144,836	437,188	871,696
Contingencies and commitments	15					
Net assets		500,000	500,000	500,000	34,719,200	36,219,200
Participants' sub-funds (as per the statement attached)		500,000	500,000	500,000	34,719,200	36,219,200
------(Number of units)-----						
Number of units in issue		5,000	5,000	5,000	312,481	
------(Rupees)-----						
Net asset value per unit		100.00	100.00	100.00	111.11	

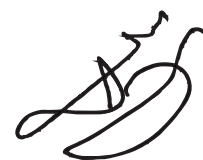
The annexed notes from 1 to 28 form an integral part of these financial statements.



Chief Financial Officer



Chief Executive Officer



Director

INCOME STATEMENT >

FOR THE PERIOD FROM DECEMBER 15, 2023 TO JUNE 30, 2024

		For the period from December 15, 2023 to June 30, 2024				
		Equity Sub Fund	Equity Index Sub Fund	Debt Sub Fund	Money Market Sub Fund	Total
Note		------(Rupees)-----				
Income						
Profit on investments and bank balance	14	-	-	-	3,465,612	3,465,612
Unrealised gain on remeasurement of investments at fair value through profit and loss		-	-	-	10,765	10,765
Net loss on sale of investments		-	-	-	(16,364)	(16,364)
		-	-	-	3,460,013	3,460,013
Expenses						
Remuneration of Central Depository Company of Pakistan Limited - Trustee	11.1	-	-	-	26,407	26,407
Sindh sales tax on remuneration of the Trustee	11.2	-	-	-	3,433	3,433
Annual fee of the Securities and Exchange Commission of Pakistan	12.1	-	-	-	7,042	7,042
Bank and settlement charges		-	-	-	7,339	7,339
Total expenses		-	-	-	44,221	44,221
Net income for the period before taxation		-	-	-	3,415,792	3,415,792
Taxation	16	-	-	-	-	-
Net income for the period after taxation		-	-	-	3,415,792	3,415,792

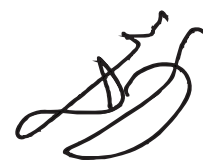
The annexed notes from 1 to 28 form an integral part of these financial statements.



Chief Financial Officer



Chief Executive Officer



Director

STATEMENT OF COMPREHENSIVE INCOME >

FOR THE PERIOD FROM DECEMBER 15, 2023 TO JUNE 30, 2024

For the period from December 15, 2023 to June 30, 2024					
Equity Sub Fund	Equity Index Sub Fund	Debt Sub Fund	Money Market Sub Fund	Total	
----- (Rupees) -----					
Net income for the period after taxation	-	-	-	3,415,792	3,415,792
Other comprehensive income for the period	-	-	-	-	-
Total comprehensive income for the period	-	-	-	3,415,792	3,415,792

The annexed notes from 1 to 28 form an integral part of these financial statements.



Chief Financial Officer



Chief Executive Officer



Director

STATEMENT OF CASH FLOW >

FOR THE PERIOD FROM DECEMBER 15, 2023 TO JUNE 30, 2024

For the period from December 15, 2023 to June 30, 2024					
	Equity Sub Fund	Equity Index Sub Fund	Debt Sub Fund	Money Market Sub Fund	Total
Note	------(Rupees)-----				
CASH FLOWS FROM OPERATING ACTIVITIES					
Net income for the period before taxation	-	-	-	3,415,792	3,415,792
ADJUSTMENTS FOR:					
Net loss on sale of investments	-	-	-	16,364	16,364
Net unrealized gain on investment at fair value through profit and loss	-	-	-	(10,765)	(10,765)
	-	-	-	3,421,391	3,421,391
Increase in assets					
Profit receivables	-	-	-	(472,677)	(472,677)
Investments- net	-	-	-	(30,304,924)	(30,304,924)
Deposits and other receivables	-	-	-	(476,920)	(476,920)
Deffered formation cost	(134,836)	(134,836)	(134,836)	(134,836)	(539,344)
	(134,836)	(134,836)	(134,836)	(31,389,357)	(31,793,865)
Increase in liabilities					
Payable to JS Investment Limited Pension Fund Manager	144,836	144,836	144,836	154,836	589,344
Payable to Central Depository Company of Pakistan Limited - Trustee	-	-	-	5,310	5,310
Payable to the Securities and Exchange Commission of Pakistan	-	-	-	7,042	7,042
Accrued expenses and other liabilities	-	-	-	270,000	270,000
	144,836	144,836	144,836	437,188	871,696
Net cash generated from (used in) operating activities	10,000	10,000	10,000	(27,530,778)	(27,500,778)
CASH FLOWS FROM INVESTING ACTIVITIES					
	-	-	-	-	-
CASH FLOWS FROM FINANCING ACTIVITIES					
Amounts received against issuance of units	500,000	500,000	500,000	31,303,408	32,803,408
Net cash generated from financing activities	500,000	500,000	500,000	31,303,408	32,803,408
Net increase in cash and cash equivalents during the period	510,000	510,000	510,000	3,772,630	5,302,630
Cash and cash equivalents at the end of the period	510,000	510,000	510,000	3,772,630	5,302,630

The annexed notes from 1 to 28 form an integral part of these financial statements.



Chief Financial Officer



Chief Executive Officer



Director

STATEMENT OF MOVEMENT PARTICIPANTS' SUB-FUNDS >

FOR THE PERIOD FROM DECEMBER 15, 2023 TO JUNE 30, 2024

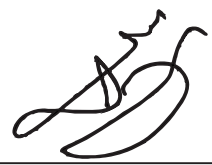
For the period from December 15, 2023 to June 30, 2024															
Equity Sub Fund			Equity Index Sub Fund			Debt Sub Fund			Money Market Sub Fund			Total			
Capital value	Undistribute Income	Total	Capital value	Undistribute Income	Total	Capital value	Undistribute Income	Total	Capital value	Undistribute Income	Total	Capital value	Undistribute Income	Total	
------(Rupees)-----															
Amount received on issuance of units	500,000	-	500,000	500,000	-	500,000	500,000	-	500,000	31,303,408	-	31,303,408	32,803,408	-	32,803,408
Amount paid on redemption of units	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total comprehensive income for the period	500,000	-	500,000	500,000	-	500,000	500,000	-	500,000	31,303,408	-	31,303,408	32,803,408	-	32,803,408
	-	-	-	-	-	-	-	-	-	-	3,415,792	3,415,792	-	3,415,792	3,415,792
Net assets at the end of the period	500,000	-	500,000	500,000	-	500,000	500,000	-	500,000	31,303,408	3,415,792	34,719,200	32,803,408	3,415,792	36,219,200

	(Rupees)			(Rupees)			(Rupees)			(Rupees)					
Net asset value per unit at start of the Fund	<u>100.00</u>			<u>100.00</u>			<u>100.00</u>			<u>100.00</u>			<u>100.00</u>		
Net asset value per unit at the end of the period	<u>100.00</u>			<u>100.00</u>			<u>100.00</u>			<u>111.11</u>			<u>111.11</u>		

The annexed notes from 1 to 28 form an integral part of these financial statements.


 Chief Financial Officer


 Chief Executive Officer


 Director

1 LEGAL STATUS AND NATURE OF BUSINESS

1.1 JS KPK Pension Fund ("the Fund") has been established under the Voluntary Pension System Rules, 2005 (the VPS Rules) and has been approved as a pension fund by the Securities and Exchange Commission of Pakistan (the SECP) on September 26, 2023. It has been constituted under the Sindh Trust Act, 2020 between JS Investments Limited as the Pension Fund Manager and Central Depository Company of Pakistan Limited as the Trustee dated July 21, 2023. The Pension Fund Manager (the PFM) of the Fund has been licensed to act as a Pension Fund Manager under the VPS Rules through a certificate of registration issued by the SECP. The registered office of JS Investments Limited is situated at 19th Floor, The Centre, Plot No. 28, SB-5 Abdullah Haroon Road, Saddar, Karachi.

JS KPK Pension Fund is only for Employees of KP Government appointed/recruited under the Khyber Pakhtunkhwa Civil Servants (Amendment) Act, 2022 or an employee of the KP Government, regularized as civil servant through any legal instrument, issued after coming into force of the Khyber Pakhtunkhwa Civil Servants (Amendment) Act, 2022 irrespective of the effective date of regularization shall be eligible to contribute to the Pension Fund.

1.2 The Fund is consist of four sub-Funds as under

- JS KPK Pension Fund - Equity Sub Fund (the Equity Sub-Fund);
- JS KPK Pension Fund - Equity Index Sub Fund (the Equity Index Sub-Fund)
- JS KPK Pension Fund - Debt Sub Fund (the Debt Sub-Fund); and
- JS KPK Pension Fund - Money Market Sub Fund (the Money Market Sub-Fund).

1.2.1 The Employee(s) for the first three years only use Money Market Sub Fund in an allocation scheme; subsequently this allocation may be changed at Employees' instruction as per life cycle allocation scheme or in case no instruction after the first three years then on the basis of Default Allocation Scheme.

1.3 The Fund is an open-end mutual fund and offers units for KPK civil servants on a continuous basis. The units are nontransferable except in the circumstances mentioned in the Voluntary Pension System Rules, 2005 and can be redeemed by surrendering them to the Fund. Further, as per the offering document, the Fund shall not distribute any income or dividend from the Fund whether in cash or otherwise from any of the Sub-Funds.

1.4 Pakistan Credit Rating Agency Limited (PACRA) has assigned an asset manager rating of 'AM2+' with 'stable outlook' dated 27 December 2023 to the Pension Fund Manager. This rating denotes high management quality.

1.5 The title to the assets of the Fund are held in the name of Central Depository Company of Pakistan Limited as Trustee of the Fund.

1.6 The objective of the Fund is to provide Employees with an individualized, funded (based on defined contribution) as well as flexible pension scheme which is managed by professional investment managers to assist them to plan and provide for their retirement. The design of the allocation scheme empowers the Employees to invest their pension savings as per their desired asset allocations.

The Pension Fund Manager shall invest assets of the Pension Fund in those securities which are declared eligible by the Commission.

Prior to the contribution date the Trustee shall hold the Trust Property in respect of each Sub-Fund in cash in a separate account for each Sub-Fund with a commercial bank having at least the minimum rating by a credit rating agency as specified by the Commission or shall invest such cash in short term money market investments, as advised by the Pension Fund Manager. Any income from such investments shall accrue to the Sub Fund to which it pertains. After the contribution date all cash shall be invested by the Trustee strictly in compliance with the Investment Policy at the direction of the Pension Fund Manager, in authorized investments or in cash.

All the investments of the Pension Fund shall be strictly in compliance with the Prescribed Investment Policy (subject to relaxations if any, granted by the Commission from time to time). Subject to prior approval of the Commission, the Pension Fund may invest in foreign securities issued, listed or otherwise and traded outside Pakistan on such terms, guidelines and directions as may be prescribed by the Commission and the State Bank of Pakistan from time to time.

Equity Sub-Fund

Assets of an Equity Sub-Fund shall be invested in equity securities which are listed on the Pakistan Stock Exchange or in securities the application for listing has been approved by the Pakistan Stock Exchange. At least 90% of Net Assets of an Equity Sub-Fund shall remain invested in listed equity securities. Pension fund manager may make investment maximum up to 5% of net assets of equity sub fund in units of Private equity and venture Capital funds registered under Private Funds Regulations, 2015 . The Pension Fund Manager may make investment maximum up to 10% of net assets of Equity Sub Fund in public offering and and pre initial public offering of equity securities. Investment in equity securities of any single company shall not exceed 15% of Net Assets of Equity Sub-Fund or paid-up capital of that single company.

Pension fund manager may invest up to 35% or the index weight, whichever is higher, subject to maximum of 40% of net assets of an Equity Sub-Fund in equity securities of companies belonging to a single sector as classified by Pakistan Stock Exchange. The Pension Fund Manager may invest any surplus funds in government securities having less than one-year time to maturity or keep as deposits with scheduled commercial banks.

There is a balance of seed capital invested by Pension Fund manager in the Equity Sub-fund for the period ended June 30, 2024. Further there were no transaction in the Equity Sub-Fund during the year.

Equity Index Sub Fund

The Investment Objective of the Equity Index Sub-Fund is to provide investors an opportunity to track closely the performance of the KMI – 30 index by investing in companies of the Index in proportion to their weightages. Exposure to any security shall not exceed weight of security in the index or its subset. Exposure to securities issued by entities of a single sector shall not exceed weight of sector in the index or its subset. Index Sub-fund may select an index (or a subset thereof) established by a recognized independent third party.

There is a balance of seed capital invested by Pension Fund manager in the Equity Index Sub-fund for the period ended June 30, 2024. Further there were no transaction in the Equity Index Sub-Fund during the year.

Debt Sub Fund

The Debt Sub-Fund shall consist of debt securities and such other assets as specified in the offering documents. The weighted average time to maturity of securities held in the portfolio of a Debt Sub-Fund shall not exceed 5 years. At least 25% Net Assets of the Debt Sub-Fund shall be invested in deposits with scheduled commercial banks (excluding TDRs) or government securities not exceeding 90 days' maturity. Exposure to any single entity shall not exceed 15% of net assets of debt sub fund . Exposure in debt security of an entity shall not exceed 15% of net assets for debt sub fund or 10% of size of the issue of that debt security, whichever is lower. Exposure to securities issued by entities of a single sector shall not exceed 25% of Net Assets of Debt Sub-fund. A pension fund manager shall not place funds (including TDR, PLS Saving Deposit, COD, COM, COI and money market placements) of more than 25% of net assets of debt sub-fund with all microfinance banks, non-banking finance companies and Modarabas. The Rating of any security in the portfolio, bank, and DFI with which funds are placed should not be lower than A+ and that of NBFC and Modaraba with which funds are placed should not be lower than AA.

There is a balance of seed capital invested by Pension Fund manager in the Debt Sub-fund for the period ended June 30, 2024. Further there were no transaction in the Debt Sub-Fund during the year.

Money Market Sub Fund

The Money market Sub Fund shall consist of debt securities and such other assets as specified in the offering documents. The weighted average time to maturity of net assets of a Money Market Sub-Fund shall be up to 1 year. Time to maturity of any asset in the portfolio of MoneyMarket Sub-Fund shall not exceed 6 months except in

case of Government Securities such as Government Ijarah Sukuks which may be up to five 5 years. Exposure to securities issued by entities of a single sector shall not exceed twenty five percent 25% of Net Assets of a money market Sub-fund. Exposure in security of entity shall not exceed 15% of net assets for money market sub fund or 10% of size of the issue of that security. Exposure in security of entity shall not exceed 15% of net assets for money market sub fund or 10% of size of the issue of that security. The Rating of any security in the portfolio, bank and DFI with which funds are placed should not be lower than AA and that of NBFC and Modaraba with which funds are placed should not be lower than AAA.

1.7 These are the first year financial statements for the period June 30, 2024 and therefore, comparative figures have not been included.

1.8 There are no significant events or transactions during the period.

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 for financial reporting. The accounting and reporting standards applicable in Pakistan for financial reporting comprise of:

- International Financial Reporting Standards (IFRSs) 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 VIII A of the repealed Companies Ordinance, 1984; and
- Voluntary Pension Rules, 2005 (the VPS Rules) and the requirements of the Trust Deed.

Where provisions of and directives issued under the Companies Act, 2017, part VIII A of the repealed Companies Ordinance, 1984, the VPS Rules and the requirements of the Trust Deed differ with the requirements of IAS 34, the provisions of and directives issued under the Companies Act, 2017, part VIII A of the repealed Companies Ordinance, 1984, the VPS Rules and the requirements of the Trust Deed have been followed.

2.2 Basis of measurement

This financial information has been prepared under the historical cost convention, except investment property which is stated at fair value.

2.3 Functional and presentation currency

These financial statements are presented in Pakistani Rupees which is the Scheme's functional and presentation currency.

2.4 Standards, amendments and interpretations to the published standards that may be relevant but not yet effective and not early adopted by the Fund

In addition certain IFRS, amendments and interpretations to approved accounting standards are not yet effective. The Fund is in the process of assessing the impact of these Standards, amendments and interpretations to the published standards on the financial statements of the Fund.

2.5 Standards, amendments and interpretations to the published standards that are not yet notified by the Securities and Exchange Commission of Pakistan (SECP)

Further, certain IFRS have been issued by the International Accounting Standards Board (IASB) which are yet to be notified by the SECP for the purpose of applicability in Pakistan.

3 CRITICAL ACCOUNTING ESTIMATE AND JUDGEMENT

The preparation of these financial statements in accordance with the accounting and reporting standards as applicable in Pakistan requires the management to make judgements, estimates and assumptions that effect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates, judgements and associated assumptions are based on historical experience and various other factors including expectations of future events that are believed to be reasonable under the circumstances, the result of which form the basis of making judgements about carrying values of assets and liabilities. The estimates and underlying

assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates is revised if the revision affects only that period, or in the period of revision and future periods if the revision affects both current and future period.

The areas involving a degree of judgment or complexity, or areas where estimates and assumption are significant to these financial statements relate to:

- Impairment of financial assets (note 4.1.3)
- Taxation (note 4.5)
- Provisions (note 4.4)

4 SUMMARY OF MATERIAL ACCOUNTING POLICIES

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

4.1 Financial assets

4.1.1 Initial recognition and measurement

Financial assets are recognized at the time the Fund becomes a party to the contractual provisions of the instruments. These are initially recognized 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 recognized at fair value and transaction costs are recognized in the Income Statement.

4.1.2 Classification and subsequent measurement

4.1.2.1 Debt instruments

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

- at amortized cost
- at fair value through other comprehensive income "(FVOCI)"; and
- at fair value through profit or loss (FVPL) 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 recognized at FVPL. The Fund primarily invests in debt securities and their performance is measured on a fair value basis. Hence, the management has classified the debt securities invested through the Money Market Sub-Fund as FVPL.

4.1.2.2 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 recognized 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 management considers its investment in equity securities being managed as a group of assets and hence has classified them as FVPL. Accordingly, the irrevocable option has not been considered.

The dividend income for equity securities classified under FVPL is recognized in the Income Statement.

Since all investments in equity instruments have been designated as FVPL, the subsequent movement in the fair value of equity securities is routed through the Income Statement.

4.1.3 Impairment

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

NOTES TO THE FINANCIAL STATEMENTS >

FOR THE PERIOD FROM DECEMBER 15, 2023 TO JUNE 30, 2024

- 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 forecasts of future economic conditions.

A financial asset is measured at amortized cost if it meets both of the following conditions and is not designated as at FVTPL:

4.1.4 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 management's assessment made in line with its provisioning policy approved by the Board of Directors of the Pension Fund Manager in accordance with the guidelines issued by the SECP. Impairment losses recognized on debt securities can be reversed through the Income Statement.

As allowed by the SECP, the Pension Fund Manager may make provision against debt securities over and above the minimum provision requirement prescribed by the SECP, considering the specific credit and financial condition of the debt security issuer and in accordance with the provisioning policy duly approved by the Board of Directors of the Pension Fund Manager.

4.1.5 Regular way contracts

All regular way purchases and sales of financial assets are recognized 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.

4.1.6 Derecognition

Financial assets are derecognized 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 arising on derecognition of financial assets is taken to the Income Statement.

4.2 Financial liabilities

4.2.1 Classification and subsequent measurement

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

4.2.2 Derecognition

A financial liability is derecognized when the obligation under the liability is discharged, cancelled or expired. Any gain or loss on derecognition of financial liabilities is taken to Income Statement.

4.3 Offsetting of financial assets and financial liabilities

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

4.4 Provisions

Provisions are recognized when the Scheme 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 are regularly reviewed and adjusted to reflect the current best estimate.

4.5 Taxation

The income of the Fund is exempt from income tax under clause 57 (3) (viii) of the Part I of the Second Schedule to the Income Tax Ordinance, 2001.

The Scheme 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.

4.6 Revenue recognition

- Profit on saving accounts with banks is recognized on a time proportion basis using the effective yield method
- Income on sukuk certificates, term finance certificates, government securities and commercial papers is recognized on a time proportionate basis using the effective yield method, except for the securities which are classified as Non-Performing Asset under Circular No. 33 of 2012 issued by the SECP for which the profit are recorded on cash basis.
- Dividend income is recognized when the Fund's right to receive the same is established i.e. on the commencement of date of book closure of the investee company / institution declaring the dividend.
- Realised gains / (losses) arising on sale of investments are included in Income Statement and are recognized when transaction takes place
- Unrealised gains / (losses) 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 year in which they arise.

4.7 Expenses

All expenses chargeable to the Fund including remuneration of the Pension Fund Manager, Trustee and annual fee of the SECP are recognized in the Income Statement on an accrual basis.

4.8 Issue, allocation, reallocation and redemption of units

The prescribed application form, completed in all respects including payment (on realised basis), received by the Pension Fund Manager or distributor at its / their authorized branches during business hours on any dealing day from any participant shall be immediately credited to the individual pension account of the participant after deducting the front-end fee (sale charges) or takaful contributions, if any. Such amount in the individual pension account shall be used to purchase the units of Sub-Funds of the Fund as per the allocation scheme selected by the participant, at the Net Asset Value (NAV) notified by the Pension Fund Manager at the close of that dealing day for each Sub-Fund. Any form received after business hours will be transferred to the next dealing day. The front-end fee is payable to the distributors and the Pension Fund Manager.

The Pension Fund Manager shall make reallocation of the units between the Sub-Funds as per the VPS Rules and the Offering Document at least once a year to ensure that the allocation of units of all the participants are according to the allocation schemes selected by the participants or where no selection has been made, according to the default allocation scheme. In case of withdrawal before retirement, units are redeemed at the net asset value of each of the Sub-Fund as of the close of the business day on which such request is received by the distributor before the cut off time. Redemption of units is recorded on acceptance of application for redemption.

At the date of retirement of the participant, all the units of the Sub-Funds of participant account shall be redeemed at the Net Asset Value (NAV) notified at close of the day of retirement and the amount due shall be credited to participant individual pension account in the lower volatility scheme where no option is selected by the participant offered by the Pension Fund Manager.

In case of retirement of the participant, units are redeemed at the net asset value of each of the sub-fund as of the close of the business day on which retirement age is reached and the amount due shall be credited to participant individual pension account in the lower volatility scheme where no option is selected by the participant offered by the Pension Fund Manager.

A participant can transfer his individual pension account with the Pension Fund Manager to another Pension Fund Manager or from one pension fund to another pension fund. Units are redeemed at the net asset value of each of the sub-fund as of the close of the business day corresponding to the date of change specified by the participant in accordance with the VPS Rules.

NOTES TO THE FINANCIAL STATEMENTS >

FOR THE PERIOD FROM DECEMBER 15, 2023 TO JUNE 30, 2024

4.9 Net asset value (NAV) per unit

The net asset value (NAV) per unit for each Sub-Fund, as disclosed in the 'Statement of Assets and Liabilities', is calculated by dividing the net assets of the Sub-Fund by the number of units in issue of the respective sub-fund at the year end.

4.10 Earnings per unit

Earnings per unit is calculated by dividing the net income for the year after taxation of each sub-fund by the weighted average number of units outstanding during the year for the respective sub-fund. Earnings per unit has not been disclosed as, in the opinion of the management, the determination of weighted average units for calculating Earnings per unit is not practicable.

4.11 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 recognized in the Income Statement.

4.12 Cash and cash equivalents

These comprise of balances with banks in savings and current accounts and other short-term highly liquid investments with original maturities of three months or less.

		June 30, 2024				
		Equity Sub Fund	Equity Index Sub Fund	Debt Sub Fund	Money Market Sub Fund	Total
5	BALANCES WITH BANKS	Note -----(Rupees)-----				
	Balance with banks in savings accounts	510,000	510,000	510,000	3,772,630	5,302,630

5.1 These include Bank balances held by Money Market Sub-Fund, Equity Index Sub-Fund, Equity Sub-Fund and Debt Sub-Fund that carry profit at the rate of 18.50% to 20.50% per annum.

		June 30, 2024					
		Equity Sub Fund	Equity Index Sub Fund	Debt Sub Fund	Money Market Sub Fund	Total	
6	INVESTMENTS	Note -----(Rupees)-----					
	Government securities	6.1.1	-	-	-	24,299,325	24,299,325
	Sukuk certificates - unlisted	6.1.2	-	-	-	6,000,000	6,000,000
			-	-	-	30,299,325	30,299,325

6.1 Securities - 'at fair value through profit and loss'

Particulars	Maturity date	Yield per annum	Purchased during the period	Sold / Matured during the period	As at June 30, 2024	Balance as at June 30, 2024			Market value as a		
						Carrying value	Market value	Unrealised appreciation	Net Assets of the sub fund	Total investments of the sub	
						-----Number of Certificates----- (Rupees) ----- % -----					
6.1.1	Treasury Bills										
	Face Value of Rs 100,000 each										
	Treasury Bills 3 Months										
	Treasury Bills (March 7, 2024)	May 05, 2024	250	250	-	-	-	-	-	-	
	Treasury Bills (May 30, 2024)	August 22, 2024	250	-	250	24,288,560	24,299,325	10,765	69.99	80.20	
						24,288,560	24,299,325	10,765	69.99	80.20	
6.1.2	Short term Sukuks										
	Face Value of Rs 100,000 each										
	K-Electric Limited (Sukuk STS-23) (February 14, 2024)	August 14, 2024	21.51%	3	-	3	3,000,000	3,000,000	-	8.64	9.90
	Lucky Electric Power Company Limited (LEPCL 17) (March 26, 2024)	September 26, 2024	21.60%	3	-	3	3,000,000	3,000,000	-	8.64	9.90
							6,000,000	6,000,000	-	17.28	19.80

NOTES TO THE FINANCIAL STATEMENTS

FOR THE PERIOD FROM DECEMBER 15, 2023 TO JUNE 30, 2024

		June 30, 2024				
		Equity Sub Fund	Equity Index Sub Fund	Debt Sub Fund	Money Market Sub Fund	Total
7	PROFIT RECEIVABLES	----- (Rupees) -----				
	Profit receivable on:					
	Bank balances	-	-	-	55,249	55,249
	Investments	-	-	-	417,428	417,428
		-	-	-	472,677	472,677

		June 30, 2024				
		Equity Sub Fund	Equity Index Sub Fund	Debt Sub Fund	Money Market Sub Fund	Total
8	DEFERRED FORMATION COSTS	----- (Rupees) -----				
	Preliminary Expenses and formation costs	134,836	134,836	134,836	134,836	539,344
	Less: amortization during the period	-	-	-	-	-
	Preliminary Expenses and formation costs	134,836	134,836	134,836	134,836	539,344

		June 30, 2024				
		Equity Sub Fund	Equity Index Sub Fund	Debt Sub Fund	Money Market Sub Fund	Total
9	DEPOSITS AND OTHER RECEIVABLES	----- (Rupees) -----				
	Receivable from AMC	-	-	-	376,920	376,920
	Security deposit with Central Depository Company of Pakistan Limited	-	-	-	100,000	100,000
		-	-	-	476,920	476,920

		June 30, 2024				
		Equity Sub Fund	Equity Index Sub Fund	Debt Sub Fund	Money Market Sub Fund	Total
10	PAYABLE TO JS INVESTMENT LIMITED PENSION FUND MANAGER	----- (Rupees) -----				
		Note				
	Payable Against deferred formation cost	134,836	134,836	134,836	134,836	539,344
	Other Payable	10,000	10,000	10,000	20,000	50,000
		144,836	144,836	144,836	154,836	589,344

10.1	This includes amount payable to pension fund manager against deferred formation cost.					
10.2	As per the provisions of the Voluntary Pension System Rules, 2005, JS Investments Limited, the Pension Fund Manager of the Fund, is allowed to charge annual management fee, selling and marketing fee and accounting and operational fee up to rate as decided by the Pension Fund Manager within the limits of total expense ratio of the average daily net assets of each of the Sub-Funds. During the period, no fee were charged from the Sub-Funds.					

		June 30, 2024				
		Equity Sub Fund	Equity Index Sub Fund	Debt Sub Fund	Money Market Sub Fund	Total
11	PAYABLE TO CENTRAL DEPOSITORY COMPANY OF PAKISTAN LIMITED - TRUSTEE	----- (Rupees) -----				
		Note				
	Trustee fee payable	-	-	-	4,199	4,199
	Sindh Sales Tax on remuneration of the Trustee	-	-	-	546	546
	Settlement charges payable	-	-	-	565	565
		-	-	-	5,310	5,310

NOTES TO THE FINANCIAL STATEMENTS >

FOR THE PERIOD FROM DECEMBER 15, 2023 TO JUNE 30, 2024

- 11.1 The Trustee is entitled to monthly remuneration for services rendered to the Fund under the provisions of the trust deed at the rate of 0.15% per annum of net assets of the Fund.
- 11.2 The Sindh Provincial Government levied Sindh Sales Tax at the rate of 13% on the remuneration of the Trustee through Sindh Sales Tax on Services Act, 2011.

		June 30, 2024				
		Equity Sub Fund	Equity Index Sub Fund	Debt Sub Fund	Money Market Sub Fund	Total
----- (Rupees) -----						
12	PAYABLE TO THE SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN					
	Annual fee payable	12.1	-	-	-	7,042
						7,042

- 12.1 In accordance with the NBFC Regulations, a Collective Investment Scheme (CIS) is required to pay annual fee to the Securities and Exchange Commission of Pakistan (SECP) at the rate of 0.04% per annum of average annual net assets of the Fund.

		June 30, 2024				
		Equity Sub Fund	Equity Index Sub Fund	Debt Sub Fund	Money Market Sub Fund	Total
----- (Rupees) -----						
13	ACCRUED EXPENSES AND OTHER LIABILITIES					
	Auditors' remuneration payable	-	-	-	270,000	270,000
	Auditors' remuneration payable	-	-	-	270,000	270,000

		For the period from December 15, 2023 to June 30, 2024				
		Equity Sub Fund	Equity Index Sub Fund	Debt Sub Fund	Money Market Sub Fund	Total
----- (Rupees) -----						
14	PROFIT ON INVESTMENTS AND BANK BALANCE					
	Profit on Bank Balance	-	-	-	1,659,911	1,659,911
	Profit on Investment	-	-	-	1,805,701	1,805,701
					3,465,612	3,465,612

15 CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments outstanding as at June 30, 2024.

16 TAXATION

The income of the Fund is exempt from taxation under clause 57 (3) (viii) of the Part I of the Second Schedule to the Income Tax Ordinance, 2001. Therefore, no provision has been made for current and deferred taxation in these financial statements

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.

17 EARNINGS PER UNIT

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

18 TOTAL EXPENSE RATIO

The Total Expense Ratio (TER) of the Money market Sub-fund is 0.25% including government levies of 0.11% on the Sub Funds such as Sales Taxes, annual fee to the SECP, etc. This ratio is within the maximum limit of 2% (excluding government levies) of Money Market Sub Fund prescribed under the NBFC Regulations for a pension scheme.

NOTES TO THE FINANCIAL STATEMENTS >

FOR THE PERIOD FROM DECEMBER 15, 2023 TO JUNE 30, 2024

		June 30, 2024				
		Equity Sub Fund	Equity Index Sub Fund	Debt Sub Fund	Money Market Sub Fund	Total
19	NUMBER OF UNITS IN ISSUE	------(Rupees)-----				
	Units issued during the year	5,000	5,000	5,000	312,481	327,481

20 CONTRIBUTION TABLE

For the period from December 15, 2023 to June 30, 2024									
Equity Sub fund		Equity Index Sub fund		Debt Sub fund		Money Market Sub fund		Total	
Units	Rupees	Units	Rupees	Units	Rupees	Units	Rupees	Rupees	
From:									
Individuals/ corporates	5,000	500,000	5,000	500,000	5,000	500,000	312,481	31,303,408	32,803,408

21 TRANSACTIONS WITH CONNECTED PERSONS AND RELATED PARTIES

- 21.1** Related parties / connected persons include JS Investments Limited (JSIL) being the Pension Fund Manager of the Fund, Central Depository Company of Pakistan Limited being the Trustee of the Fund, JS Bank Limited (JSBL) being the Holding Company of JSIL (Holding 84.56% shares of JSIL), Jahangir Siddiqui and Co. Limited (JSCL) (Holding 71.20% shares of JSBL) being the Holding Company of JSBL, BankIslami Pakistan Limited (BIPL) (75.12% shares held by JSBL) being the fellow subsidiary of JSBL, JS Global Capital Limited (JSGCL) (92.90% shares held by JSBL) 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 June 30, 2024. 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:
- 21.2** Transactions with connected persons essentially comprise sale and redemption of units, fee on account of managing the affairs of the Fund, sales load, other charges and distribution payments to connected persons. Transactions with connected persons are in the normal course of business, at contracted rates and terms determined in accordance with market rates.
- 21.3** Remunerations to the Pension Fund Manager and the Trustee of the Fund are determined in accordance with the provisions of the VPS Rules and the Trust Deed respectively.
- 21.4** The details of transactions carried out by the Fund with connected persons during the period and balances with them as at period end are as follows:

For the period from December 15, 2023 to June 30, 2024						
		Equity Sub Fund	Equity Index Sub Fund	Debt Sub Fund	Money Market Sub Fund	Total
Transactions during the period:		------(Rupees)-----				
JS Investments Limited - Pension Fund Manager						
Amount received against seed capital		500,000	500,000	500,000	30,562,603	32,062,603
Units issued (Numbers)		5,000	5,000	5,000	305,626	320,626
Central Depository Company of Pakistan Limited (the Trustee)						
Remuneration of the Trustee		-	-	-	26,407	26,407
Sindh sales tax on remuneration of the Trustee		-	-	-	3,433	3,433
CDC security deposit		-	-	-	100,000	100,000
Settlement charges		-	-	-	2,260	2,260

NOTES TO THE FINANCIAL STATEMENTS >
FOR THE PERIOD FROM DECEMBER 15, 2023 TO JUNE 30, 2024

June 30, 2024					
Equity Sub Fund	Equity Index Sub Fund	Debt Sub Fund	Money Market Sub Fund	Total	
Balances outstanding as at period end:					
------(Rupees)-----					
Payable to JS Investment Limited					
Payable against deferred formations cost	134,836	134,836	134,836	134,836	539,344
Payable against bank account opening	10,000	10,000	10,000	20,000	50,000
Investments at period end	500,000	500,000	500,000	30,562,603	32,062,603
Units outstanding (Numbers of units)	5,000	5,000	5,000	305,626	320,626
Central Depository Company of Pakistan Limited - Trustee					
Trustee fee payable	-	-	-	4,199	4,199
Sindh Sales Tax on remuneration of the Trustee	-	-	-	546	546
CDC security deposit	-	-	-	100,000	100,000
Settlement charges payable	-	-	-	565	565

22 RECONCILIATION OF LIABILITIES ARISING OUT OF FINANCING ACTIVITIES

JS KPK Pension Fund - Money Market Sub Fund

June 30, 2024

Balance as at December 15, 2023

Receivable against issuance of units
Payable against redemption of units

Receivable against issuance of units	Payable against redemption of units	Total
------(Rupees)-----		
-	-	-
31,303,408	-	31,303,408
-	-	-
31,303,408	-	31,303,408
(31,303,408)	-	(31,303,408)
-	-	-
(31,303,408)	-	(31,303,408)
-	-	-

Balance as at June 30, 2024

JS KPK Pension Fund - Debt Sub Fund

June 30, 2024

Balance as at December 15, 2023

Receivable against issuance of units
Payable against redemption of units

Receivable against issuance of units	Payable against redemption of units	Total
------(Rupees)-----		
-	-	-
500,000	-	500,000
-	-	-
500,000	-	500,000
(500,000)	-	(500,000)
-	-	-
(500,000)	-	(500,000)
-	-	-

Amount received on issuance of units
Amount paid on redemption of units

Balance as at June 30, 2024

-	-	-
500,000	-	500,000
-	-	-
500,000	-	500,000
(500,000)	-	(500,000)
-	-	-
(500,000)	-	(500,000)
-	-	-

NOTES TO THE FINANCIAL STATEMENTS >

FOR THE PERIOD FROM DECEMBER 15, 2023 TO JUNE 30, 2024

JS KPK Pension Fund - Equity Sub Fund

June 30, 2024

Balance as at December 15, 2023

Receivable against issuance of units
Payable against redemption of units

Amount received on issuance of units
Amount paid on redemption of units

Balance as at June 30, 2024

Receivable against issuance of units	Payable against redemption of units	Total
------(Rupees)-----		
-	-	-
500,000	-	500,000
-	-	-
500,000	-	500,000
(500,000)	-	(500,000)
-	-	-
(500,000)	-	(500,000)
-	-	-

JS KPK Pension Fund - Equity Index Sub Fund

June 30, 2024

Balance as at December 15, 2023

Receivable against issuance of units
Payable against redemption of units

Amount received on issuance of units
Amount paid on redemption of units

Balance as at June 30, 2024

Receivable against issuance of units	Payable against redemption of units	Total
------(Rupees)-----		
-	-	-
500,000	-	500,000
-	-	-
500,000	-	500,000
(500,000)	-	(500,000)
-	-	-
(500,000)	-	(500,000)
-	-	-

23 FINANCIAL INSTRUMENTS BY CATEGORY

Financial assets

Balances with banks

Profit receivables

Deposits and other receivables

June 30, 2024				
Equity Sub Fund	Equity Index Sub Fund	Debt Sub Fund	Money Market Sub Fund	Total
------(Rupees)-----				
510,000	510,000	510,000	3,772,630	5,302,630
-	-	-	472,677	472,677
-	-	-	476,920	476,920
510,000	510,000	510,000	4,722,227	5,775,307

Financial liabilities

Payable to JS Investment Limited
Pension Fund Manager

Payable to Central Depository Company of
Pakistan Limited - Trustee

Payable to the Securities and Exchange
Commission of Pakistan

Accrued expenses and other liabilities

144,836	144,836	144,836	154,836	589,344
-	-	-	4,764	4,764
-	-	-	7,042	7,042
-	-	-	270,000	270,000
144,836	144,836	144,836	436,642	871,150

24 FINANCIAL INSTRUMENTS BY CATEGORY

The Fund's objective in managing risk is the creation and protection of participants' 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 Pension Fund Manager, the constitutive documents of the Fund 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 Pension Fund Manager supervises the overall risk management approach within the Fund. The Fund is exposed to market risk, liquidity risk and credit risk arising from the financial instruments it holds.

24.1 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 the changes in market prices.

The Pension Fund Manager manages the market risk through diversification of the investment portfolio and by following the internal guidelines established by the Investment Committee and the Regulations laid down by SECP.

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

24.1.1 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. The Sub-Funds does not have any financial instruments in foreign currencies and hence is not exposed to such risk.

24.1.2 Profit / interest rate risk

Profit / 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. As of June 30, 2024, the Fund is exposed to such risk on its balances held with banks and Sukuk certificates. The Investment Committee of the Fund reviews the portfolio of the Fund on a regular basis to ensure that the risk is managed within the acceptable limits.

June 30, 2024				
Equity Sub Fund	Equity Index Sub Fund	Debt Sub Fund	Money Market Sub Fund	Total
------(Rupees)-----				
Variable rate instruments (financial assets)				
Balances with banks	510,000	510,000	3,772,630	5,302,630

Sensitivity analysis of variable rate instruments

The Fund hold balances with bank and investment in debt securities which expose the Fund to cash flow profit rate risk. In case of 100 basis points increase / decrease in applicable rates at the reporting date with all other variables held constant, the net income / loss for the year and net assets of the Funds would have been higher or lower by as follow:

June 30, 2024				
Equity Sub Fund	Equity Index Sub Fund	Debt Sub Fund	Money Market Sub Fund	Total
------(Rupees)-----				
Change in basis points				
Increase in 100 basis points	5,100	5,100	37,726	53,026
Decrease in 100 basis point	(5,100)	(5,100)	(37,726)	(53,026)

The composition of the Fund's investment portfolio, KIBOR rates and the rates announced by the Financial Markets Association of Pakistan (FMAP) are expected to change over time. Accordingly, the sensitivity analysis prepared as of June 30, 2024 is not necessarily indicative of the impact on the Fund's net assets of future movements in profit rates.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE PERIOD FROM DECEMBER 15, 2023 TO JUNE 30, 2024

Profit / 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 the settlement date.

JS KPK Pension Fund - Money Market Sub Fund

Particulars	June 30, 2024					
	Interest rate	Total	-----Exposed to interest rate risk-----			Not exposed to interest rate risk
			Upto three months	More than three months and upto one year	More than one year	
%	-----Rupees-----					
On-balance sheet financial instruments						
Financial assets						
Balances with banks	18.50-20.50	3,772,630	3,772,630	-	-	-
Profit receivables		472,677	-	-	-	472,677
Deposits and other receivables		476,920	-	-	-	476,920
		4,722,227	3,772,630	-	-	949,597
Financial liabilities						
Payable to JS Investment Limited Pension Fund Manager		154,836	-	-	-	154,836
Payable to Central Depository Company of Pakistan Limited - Trustee		4,764	-	-	-	4,764
Payable to the Securities and Exchange Commission of Pakistan		7,042	-	-	-	7,042
Accrued expenses and other liabilities		270,000	-	-	-	270,000
		436,642	-	-	-	436,642
On-balance sheet gap (a)		4,285,585	3,772,630	-	-	512,955
Off-balance sheet financial instruments		-	-	-	-	-
Off-balance sheet gap (b)		-	-	-	-	-
Total interest rate sensitivity gap (a+b)		4,285,585	3,772,630	-	-	512,955
Cumulative interest rate sensitivity gap			3,772,630	-	-	

JS KPK Pension Fund - Debt Sub Fund

Particulars	June 30, 2024					
	Interest rate	Total	-----Exposed to interest rate risk-----			Not exposed to interest rate risk
			Upto three months	More than three months and upto one year	More than one year	
%	-----Rupees-----					
On-balance sheet financial instruments						
Financial assets						
Balances with banks	18.50	510,000	510,000	-	-	-
		510,000	510,000	-	-	-
Financial liabilities						
Payable to JS Investment Limited Pension Fund Manager		144,836	-	-	-	144,836
		144,836	-	-	-	144,836
On-balance sheet gap (a)		365,164	510,000	-	-	(144,836)
Off-balance sheet financial instruments		-	-	-	-	-
Off-balance sheet gap (b)		-	-	-	-	-
Total interest rate sensitivity gap (a+b)		365,164	510,000	-	-	(144,836)
Cumulative interest rate sensitivity gap			510,000	-	-	

NOTES TO THE FINANCIAL STATEMENTS >
FOR THE PERIOD FROM DECEMBER 15, 2023 TO JUNE 30, 2024

JS KPK Pension Fund - Equity Index Sub Fund

Particulars	June 30, 2024					
	Interest rate	Total	-----Exposed to interest rate risk-----			Not exposed to interest rate risk
			Upto three months	More than three months and upto one year	More than one year	
%	-----Rupees-----					
On-balance sheet financial instruments						
Financial assets						
Balances with banks	18.50	510,000	510,000	-	-	-
		510,000	510,000	-	-	-
Financial liabilities						
Payable to JS Investment Limited Pension Fund Manager		144,836	-	-	-	144,836
		144,836	-	-	-	144,836
On-balance sheet gap (a)		365,164	510,000	-	-	(144,836)
Off-balance sheet financial instruments		-	-	-	-	-
Off-balance sheet gap (b)		-	-	-	-	-
Total interest rate sensitivity gap (a+b)		365,164	510,000	-	-	(144,836)
Cumulative interest rate sensitivity gap			510,000	-	-	

JS KPK Pension Fund - Equity Sub Fund

Particulars	June 30, 2024					
	Interest rate	Total	-----Exposed to interest rate risk-----			Not exposed to interest rate risk
			Upto three months	More than three months and upto one year	More than one year	
%	-----Rupees-----					
On-balance sheet financial instruments						
Financial assets						
Balances with banks	18.50	510,000	510,000	-	-	-
		510,000	510,000	-	-	-
Financial liabilities						
Payable to JS Investment Limited Pension Fund Manager		144,836	-	-	-	144,836
		144,836	-	-	-	144,836
On-balance sheet gap (a)		365,164	510,000	-	-	(144,836)
Off-balance sheet financial instruments		-	-	-	-	-
Off-balance sheet gap (b)		-	-	-	-	-
Total interest rate sensitivity gap (a+b)		365,164	510,000	-	-	(144,836)
Cumulative interest rate sensitivity gap			510,000	-	-	

24.1.3 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 profit 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 Sub Funds are not exposed to any price risk.

NOTES TO THE FINANCIAL STATEMENTS >

FOR THE PERIOD FROM DECEMBER 15, 2023 TO JUNE 30, 2024

24.2 Credit risk

Credit risk represents the risk of a loss if the counter parties fail to perform as contracted. Credit risk in Sub-Funds mainly arises from deposits with banks, credit exposure arising as a result of profit receivable on deposits with banks, deposits and investment in debt securities. For banks and financial institutions balances are kept with reputed parties. Credit risk on deposit receivable is minimal due to statutory protection. All transactions in listed securities are settled / paid for upon delivery as per market clearing system. The risk of default is considered minimal due to inherent systematic measures taken therein. Debt securities held by the debt sub fund and money market sub fund mainly consist of government securities are government backed and therefore not exposed to credit risk. The remaining debts securities are with reputable counter parties and therefore credit risk is minimal.

Credit risk is managed and controlled by the Pension Fund Manager of the Fund in the following manner:

- The Fund limits its exposure to credit risk by only investing in liquid debt securities that have at minimum an investment grade as rated by a credit rating agency approved by the SECP. In the absence of issue rating, the Fund ensures that the entity has an investment grade as rated by a credit rating agency approved by the SECP.
- The risk of counter party exposure due to failed trades causing a loss to the Fund is mitigated by a periodic review of trade reports, credit ratings and financial statements on a regular basis

		June 30, 2024				
		Equity Sub Fund	Equity Index Sub Fund	Debt Sub Fund	Money Market Sub Fund	Total
		------(Rupees)-----				
24.2.1	The Sub Funds' maximum exposure to credit risk are as follows					
	Balances with banks	510,000	510,000	510,000	3,772,630	5,302,630
	Profit and other receivables	-	-	-	472,677	472,677
	Deposits and other receivables	-	-	-	476,920	476,920
		<u>510,000</u>	<u>510,000</u>	<u>510,000</u>	<u>4,722,227</u>	<u>6,252,227</u>

24.2.2 The analysis below summaries the available published credit ratings of the Fund's financial assets as at June 30, 2024:

JS KPK Pension Fund - Money Market Sub Fund

Name Of The Bank	Rating agency	Latest available published rating	Percentage
------------------	---------------	-----------------------------------	------------

JS KPK Pension Fund - Equity Sub Fund:

Dubai Islamic Bank Limited	VIS	AA	22%
Bank AlFalah Limited	Alpha Credit Rating	AA+	78%

JS KPK Pension Fund - Equity Index Sub Fund:

Dubai Islamic Bank Limited	VIS	AA	100%
----------------------------	-----	----	------

JS KPK Pension Fund - Debt Sub Fund:

Dubai Islamic Bank Limited	VIS	AA	100%
----------------------------	-----	----	------

JS KPK Pension Fund - Money Market Sub Fund:

Dubai Islamic Bank Limited	VIS	AA	100%
----------------------------	-----	----	------

24.2.3 Concentration of credit risk

Concentration of credit risk exists when changes in economic or industry factors similarly affect groups of counter parties whose aggregate credit exposure is significant in relation to the Fund's total credit exposure. The Fund's portfolio of financial assets is mainly held with credit worthy counterparties thereby mitigating any credit risks

24.3 Liquidity risk

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

NOTES TO THE FINANCIAL STATEMENTS >

FOR THE PERIOD FROM DECEMBER 15, 2023 TO JUNE 30, 2024

The Fund is exposed to redemptions of its redeemable units on a regular basis. 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. The Fund's policy is, therefore, to invest the majority of its assets either in short term instruments or in investments that are traded in an active market and can be readily disposed and are considered readily realizable in order to maintain liquidity.

The Fund can borrow in the short term to ensure settlement in Sub-Funds. The maximum amount available to the Sub-Funds from the borrowing would be limited to fifteen percent of its net assets up to 90 days and would be secured by the assets of the Sub-Funds. The facility would bear borrowing cost at commercial rates. However, no borrowing was obtained by any Sub-Fund during the current year.

In order to manage the Fund's overall liquidity, the Fund may also withhold daily redemption requests in excess of ten percent of the 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 summarizes the maturity profile of the Fund's financial instruments. The analysis into relevant maturity groupings is based on the remaining year at the end of the reporting year to the contractual maturity date. However liabilities that are receivable / payable on demand including bank balances have been included in the maturity grouping of one month.

JS KPK Pension Fund - Money Market Sub Fund

Particulars	Balance as at June 30, 2024			
	Total	Upto three months	Over three months and upto one year	Over one year
	-----Rupees-----			
Financial Liabilities				
Payable to JS Investment Limited	154,836	154,836	-	-
Payable to Central Depository Company of Pakistan Limited - Trustee	4,764	4,764	-	-
Payable to the Securities and Exchange Commission of Pakistan	7,042	7,042	-	-
Accrued expenses and other liabilities	270,000	270,000	-	-
	436,642	436,642	-	-

JS KPK Pension Fund - Debt Sub Fund

Particulars	Balance as at June 30, 2024			
	Total	Upto three months	Over three months and upto one year	Over one year
	-----Rupees-----			
Financial Liabilities				
Payable to JS Investment Limited	144,836	144,836	-	-

JS KPK Pension Fund - Equity Index Sub Fund

Particulars	Balance as at June 30, 2024			
	Total	Upto three months	Over three months and upto one year	Over one year
	-----Rupees-----			
Financial Liabilities				
Payable to JS Investment Limited	144,836	144,836	-	-

JS KPK Pension Fund - Equity Sub Fund

Particulars	Balance as at June 30, 2024			
	Total	Upto three months	Over three months and upto one year	Over one year
	-----Rupees-----			
Financial Liabilities				
Payable to JS Investment Limited	144,836	144,836	-	-

25 FAIR VALUE MEASUREMENT

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 at the reporting date. The estimated fair value of all other financial assets and liabilities is considered not to be significantly different from the respective book values.

Fair value hierarchy

International Financial Reporting Standard 13, 'Fair Value Measurement' 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:

'Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities;

'Level 2: 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); and

'Level 3: inputs for the asset or liability that are not based on observable market data (i.e. unobservable inputs).

The fair value and carrying value of government securities and sukuks are disclosed in Note 6.1 which has been done based on PKRV valuation technique taken by MUFAP and rates announced by the Mutual Fund Association of Pakistan (MUFAP) in accordance with the methodology prescribed by the SECP respectively.

The Fund has not disclosed the fair value of other financial assets and liabilities as their fair values are approximately equal to their carrying value.

26 PARTICIPANTS' SUB-FUND RISK MANAGEMENT

The participants' Fund is represented by redeemable units of the Sub-Funds. These units are entitled to payment of a proportionate share, based on the Fund's Net Asset Value per unit on the redemption date.

The Fund has no restrictions on the subscription and redemption of units. There is no specific capital requirement which is applicable to the Fund

The Fund's objectives when managing funds received are to safeguard its ability to continue as a going concern so that it can continue to provide returns for participants and to maintain a strong base of asset under management.

In accordance with the risk management policies, all the Sub-Funds of the Fund endeavor to invest the subscriptions received in appropriate investments while maintaining sufficient liquidity to meet redemption. All the Sub-Funds of the Fund have invested with a long term objective, the possibility of a significant redemption pressure is limited, such liquidity being augmented by borrowing arrangements (which can be entered if necessary) or disposal of investments where necessary.

NOTES TO THE FINANCIAL STATEMENTS >

FOR THE PERIOD FROM DECEMBER 15, 2023 TO JUNE 30, 2024

All units, including the core units, and fractions thereof represent an undivided share in the pertinent Sub-Funds of the fund and rank parri passu as their rights in the net assets and earning of the sub-fund are not tradable or transferable. Each participant has a beneficial interest in the Sub-Fund proportionate to the units held by such participant in such Sub-Fund.

27 GENERAL

Figures have been rounded off to the nearest rupee.

28 DATE OF AUTHORISATION FOR ISSUE

These financial statements were authorized for issue by the Board of Directors of the Management Company on August 20, 2024.



Chief Financial Officer



Chief Executive Officer



Director



JS INVESTMENTS OFFICES

- **Head Office - Karachi**
19th Floor, The Centre, Plot No. 28, SB-5,
Abdullah Haroon Road, Saddar, Karachi.
- **Wealth Centre**
Ground Floor, Plot No. 97-C, Main
Khayaban-e-Shaheen, DHA Phase 8,
Karachi
- **Regional Office - Lahore**
Ground Floor, No. 25, Block 13, Plot No.1-4,
Usman Block, New Garden Town, Lahore
- **Regional Office - Islamabad**
Office No. 414, 4th Floor, PSX Building,
Jinnah Avenue, Islamabad

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JS KPK ISLAMIC PENSION FUND

ANNUAL REPORT 2024



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COMPANY INFORMATION

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	Non-Executive Director / Chairman
Ms. Iffat Zehra Mankani	Chief Executive Officer
Mr. Hasan Shahid	Non-Executive Director
Mr. Mirza M. Sadeed H. Barlas	Non-Executive Director
Mr. Atif Salim Malik	Non-Executive Director
Ms. Aisha Fariel Salahuddin	Non-Executive Independent Director
Ms. Mediha Kamal Afsar	Non-Executive Independent Director
Mr. Farooq Ahmed Malik	Non-Executive Independent Director

Chief Executive Officer

Ms. Iffat Zehra Mankani

Chief Financial Officer

Mr. Raheel Rehman

Chief Investment Officer

Mr. Syed Hussain Haider

Chief Operating Officer & Company Secretary

Mr. Muhammad Khawar Iqbal

Statutory Auditors

Grant Thornton Anjum Rahman, Chartered Accountants

Legal Advisors

Bawaney and Partners
3rd & 4th Floor, 68-C, Lane-13
Bokhari Commercial Area
Phase-VI DHA, Karachi

Audit Committee

Ms. Mediha Kamal Afsar (Chairperson)
Mr. Hasan Shahid (Member)
Mr. Mirza M. Sadeed H. Barlas (Member)

Trustee

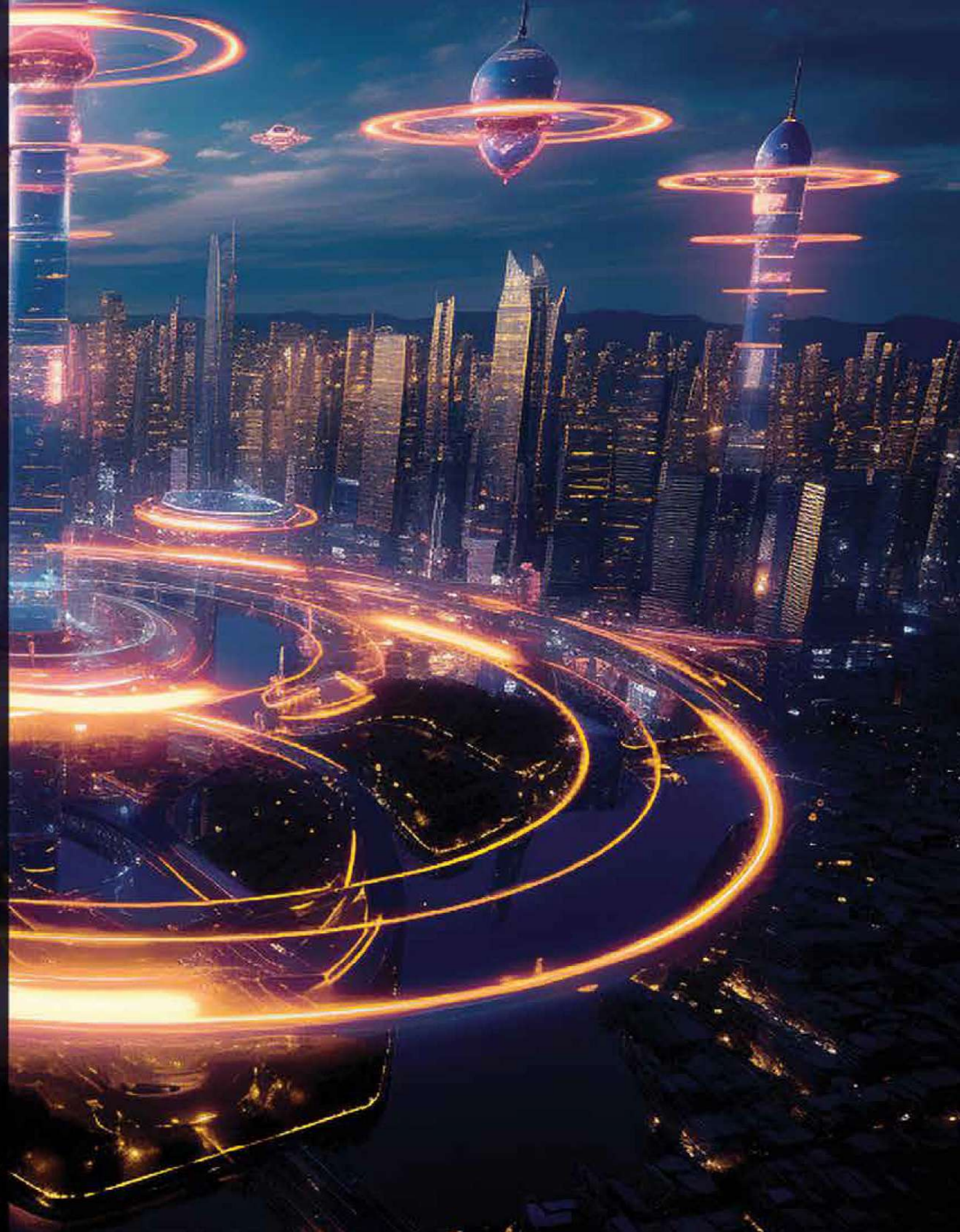
Central Depository Company of Pakistan Limited
CDC House, 99-B, Block 'B', S.M.C.H.S.,
Main Sharah-e-Faisal, Karachi-74400 Pakistan.
Tel: (92-21) 111-111-500
Fax: (92-21) 34326040

Shariah Advisors

AI – Hilal Shariah Advisors (Pvt) Limited

Vision

To be the preferred choice of every investor, offering diverse and innovative investment solutions





DIRECTORS' REPORT TO THE UNIT HOLDERS

FOR THE PERIOD ENDING JUNE 30, 2024

The Board of Directors of JS Investments Limited, the Pension Fund Manager of **JS KPK Islamic Pension Fund** (the Fund), is pleased to present the Annual Report for the period ended from December 15, 2023 to June 30, 2024.

Economy:

The fiscal year 2024 has been a period of transition for the country, shifting from a precarious trajectory to a path of stability in both political and economic spheres. Initially, the caretaker setup paved the way for a much-needed stabilization agenda for the better part of the year. Subsequently, a new government formed post-Federal elections provided a sense of immediate direction for the country despite the initial uncertainty during the election process. This development was particularly reassuring given the acute challenges the nation has faced in recent years. The macroeconomic framework under the IMF's Stand-By Agreement (SBA), which included a short-term US\$3 billion funding facility signed in June of last year and executed mainly by the caretaker government, concluded at the end of April with a final disbursement of US\$1 billion.

Turning to the real economy, the robust growth of 6.5% in agriculture, encompassing all major crops and livestock, significantly boosted the provisional GDP growth for FY24 to 2.38%, surpassing the projections of the IMF (2%), ADB (1.9%), and the World Bank (1.8%), underscoring the resilience of the economy. Against this backdrop, two key macroeconomic events during the period were the easing of monetary policy and the simultaneous tightening of fiscal policy, a trend expected to continue into the next fiscal year. Observing how these policies will ultimately impact overall economic growth will be interesting. This is particularly important as the industry has been under unprecedented pressure from a highly challenging business environment characterized by cost-push inflation and sluggish demand.

The Federal Budget for FY25 envisions a substantial 40% increase in FBR revenues, with the government projecting an inflation rate of 12% and a real GDP growth rate of 3.6%. According to the government's estimates presented in the budget, the fiscal deficit, which is expected to close at 7.4% for the current year—revised from the previous year's budgeted target of 6.5%—is projected to decrease to 5.9% for FY25.

The external account experienced considerable strengthening, with SBP FX Reserves more than doubling from their lows at the end of June 2023 to reach US\$9.4 billion by the end of June 2024. The Pakistani rupee appreciated by 2.8%, closing at 278 against the US dollar. The current account deficit has decreased markedly to US\$ 464 million for the 11 months up to May 2024, compared to US\$ 3.76 billion during the same period last year, instilling confidence in the balance of payments situation. Building on this, Pakistan's upcoming new and larger funding program with the IMF holds paramount importance, as it will significantly strengthen the country's fundamental macroeconomic pillars, particularly fiscal operations, while also providing essential support for managing external debt obligations.

Equity Market Review:

The fiscal year 2024 marked a significant trend reversal in the local equity market, with consistent sharp gains throughout the period. The bull rally commenced at the beginning of the year, following the signing of the IMF's Stand-By Arrangement (SBA) funding facility. The KSE-100 index surged by 89.2%, closing at 78,445. Similarly, other key equity indices, such as the KSE-30 Total Return Index and the KMI-30 Index, rose by 95.1% and 78.7%, respectively, by the end of June 2024. The notable performance disparity between the conventional indices (KSE-100 and KSE-30) and the Shariah-compliant index (KMI-30) reflects the sharp gains in commercial banking stocks, which significantly outperformed the broader indices and accounted for most of the market gains during this period.

Foreign investors and local insurance companies were the most significant net buyers in the equity market during the year. They purchased equities worth US\$157 million and US\$127 million, respectively. In contrast, banks/DFIs and individual investors were the major net sellers, offloading US\$150 million and US\$60 million worth of equities, respectively.

While the year 2024 saw a generally robust performance of global equity markets, the gains were uneven across regions due to a combination of local economic conditions, central bank policies, and geopolitical factors. Key themes were optimism around AI and technology, expectations of peaking interest rates, and slower-than-expected growth in China while improving economic fundamentals in other select countries.

Income / Money Market Review:

During the fiscal year 2024, the yield curve shifted markedly downward, with yields falling across all tenors. The most notable decline was observed in the 12-month paper, which closed at 18.68%, down by 425 basis points from the end of June 2023. The SBP's Monetary Policy Committee (MPC) cut the policy rate by 150 basis points in its June 10th meeting. This much-anticipated decision followed a more-than-expected drop in the headline inflation rate for May, which stood at 11.8%, primarily due to a welcome decline in food inflation.

The steady accumulation of FX reserves and the softening inflation outlook gradually instilled market confidence, which was reflected in higher levels of participation in 12M T-Bill in recent auctions. The offer-to-target ratio in the auctions for 12M tenor almost doubled to 5.9x during the year's second half compared to the preceding first half. M2 growth continued to be a function of government borrowings, as evident in the continuously rising trend of net outstanding liquidity injections via open market operations (OMOs).

Globally, the European Central Bank and the Bank of Canada commenced rate cuts in early June, following Switzerland's lead in easing monetary policy. Conversely, the US Federal Reserve remained cautious, seeking additional assurance before implementing the expected monetary policy changes.

Review of Fund Performance

The Fund currently comprises four Sub-Funds: Equity Sub-Fund, Equity Index Sub-Fund, Debt Sub-Fund, and Money Market Sub-Fund. Equity Sub-Fund, Equity Index Sub-Fund, and Debt Sub-Fund are not yet operational and hold seed capital of PKR 0.5 million each. The Money Market Sub-Fund, however, has delivered a return of 19.08% for the period from December 15, 2023, to June 30, 2024, with net assets totaling PKR 40.39 million as of June 30, 2024.

The Fund has 442 participants as on June 30, 2024.

Pension Fund Manager Rating

Pakistan Credit Rating Agency Limited has maintained an asset manager rating of 'AM2+' with 'stable outlook' dated December 27, 2023 (June 2023: 'AM2+' with 'stable outlook') to the JS Investments Limited (Pension Fund Manager).

Auditors

The external auditors of the Fund Messrs Grant Thornton Anjum Rahman Chartered Accountant, retire and being eligible offer themselves for reappointment. The Board of Directors, upon recommendation of the Audit Committee of the Board has approved the appointment of Messrs Grant Thornton Anjum Rahman Chartered Accountants, as the Fund's auditors for the ensuing year ending June 30, 2025.

Shariah Advisors

Messrs Al-Hilal Shariah Advisors (Private) Limited, completed its tenure. The Board of Directors of JS Investment Limited, the Pension Fund Manager 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, 2025.

Pattern of Unit Holding:

Category	NBFCs			Individuals			Total Rupees in million	% of total investment
	No. of Unit holders	No. of Units held	Rupees in million	No. of Unit holders	No. of Units held	Rupees in million		
Money Market Sub-Fund	-	-	-	442	60,194	6.65	0.75	2.07
Money Market Sub-Fund	1	305,626	33.74	-	-	-	33.97	93.79
Equity Sub-Fund	1	5,000	0.50	-	-	-	0.50	1.38
Equity Index Sub-Fund	1	5,000	0.50	-	-	-	0.50	1.38
Debt Sub-Fund	1	5,000	0.50	-	-	-	0.50	1.38
	4	320,626	35.47	81	6,855	0.75	36.22	100.00

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 Pension Fund Manager for their dedication and hard work and the participants for their confidence in the Management.


Chief Executive Officer


Director

Karachi: August 20, 2024

شراکت داروں کے لیے ڈائریکٹرز رپورٹ

جے ایس انویسٹمنٹس لمیٹڈ کے بورڈ آف ڈائریکٹرز، KPK JS اسلامک پینشن سیونگ فنڈ (دی فنڈ) کے مینجمنٹ فنڈ مینجرج 15 دسمبر 2023 سے 30 جون 2024 کو ختم ہونے والی مدت کے لیے سالانہ رپورٹ پیش کرتے ہوئے خوشی محسوس کرتے ہیں۔

معاشی جائزہ

مالی سال 2024 ملک کے لیے اہم تبدیلی کا دور رہا ہے، جو ایک غیر یقینی راستے سے سیاسی اور معاشی دونوں شعبوں میں نسبتاً استحکام کی راہ پر گامزن ہے۔ نگران سیٹ آپ نے ابتدائی طور پر استحکام کا ایجنڈا متعارف کرایا جس نے سال کے زیادہ تر حصے کے رہنمائی کی۔ اس کے بعد، وفاقی انتخابات کے بعد ایک نئی حکومت تشکیل دی گئی، جس نے انتخابی عمل کے دوران کچھ ابتدائی غیر یقینی صورتحال کے باوجود ملک کو ایک واضح سمت فراہم کی۔ حالیہ برسوں میں قوم کو درپیش اہم چیلنجوں کے پیش نظر اس تبدیلی نے کچھ یقین دہانی کرائی ہے۔ آئی ایم ایف کے اسٹینڈ بائی ایگریمنٹ (SBA) کے تحت میکرو اکنامک فریم ورک، جس میں گزشتہ سال جون میں دستخط شدہ 3 بلین امریکی ڈالر کی قلیل مدتی فنڈنگ سہولت شامل تھی اور جس پر نگران حکومت نے بڑے پیمانے پر عمل درآمد کیا تھا، 1 بلین امریکی ڈالر کی حتمی تقسیم کے ساتھ اپریل کے آخر میں اختتام پذیر ہوئی۔

حقیقی معیشت کی طرف گامزن ہوتے ہوئے، زراعت میں 6.5 فیصد کی مضبوط نمو، بشمول تمام اہم فصلیں اور لائیو اسٹاک، نے مالی سال 2024 کے لیے عبوری GDP کی نمو کو نمایاں طور پر بڑھا کر 2.38 فیصد کر دیا، جو IMF (2 فیصد)، ایشیائی ترقیاتی بینک (1.9 فیصد) اور عالمی بینک (1.8 فیصد) کے تخمینوں سے زیادہ ہے۔ اس سے معیشت کی چمک کی نشاندہی ہوتی ہے۔ اس پس منظر میں، اس مدت کے دوران زری پالیسی میں نرمی اور بیک وقت مالیاتی پالیسی میں سختی دو اہم میکرو اکنامک واقعات تھے، ان رجحانات کا اگلے مالی سال تک جاری رہنے کی توقعات ہیں۔ یہ دیکھنا کہ یہ پالیسیاں بالآخر مجموعی معاشی ترقی کو کس طرح متاثر کریں گی، اہم ہوں گا، خاص طور پر جب صنعت کو انتہائی چیلنجنگ کاروباری ماحول کا سامنا ہے جو لاگت میں اضافے والی افراط زر اور درست طلب سے موصوم ہے۔

مالی سال 2025 کے وفاقی بجٹ میں ایف بی آر (FBR) کے محصولات میں 40 فیصد اضافے کا تخمینہ لگایا گیا ہے، حکومت نے افراط زر کی شرح 12 فیصد اور حقیقی جی ڈی پی (GDP) کی شرح نمو 3.6 فیصد پیش کی ہے۔ بجٹ میں پیش کی گئی حکومتی تخمینوں کے مطابق مالی خسارہ رواں مالی سال میں 7.4 فیصد رہنے کا امکان ہے جو گزشتہ سال کے بعد 6.5 فیصد کے بجٹ بدم سے نظر ثانی شدہ۔ مالی سال 2025 کے لیے کم ہو کر 5.9 فیصد رہ جائے گا۔

بیرونی کھاتے میں کافی مضبوطی دیکھی گئی اور اسٹیٹ بینک آف پاکستان کے غیر ملکی زرمبادلہ کے ذخائر جون 2023 کے اختتام پر اپنی کم ترین سطح سے دگنا ہو کر جون 2024 کے اختتام پر 9.4 بلین امریکی ڈالر تک پہنچ گئے۔ پاکستانی روپے امریکی ڈالر کے مقابلے میں 2.8 فیصد کے اضافے سے 278 پر بند ہوا۔ مئی 2024 تک 11 ماہ کے دوران کرنٹ اکاؤنٹ خسارہ نمایاں طور پر کم ہو کر 464 ملین امریکی ڈالر رہ گیا ہے جو گزشتہ سال کے اسی مدت کے دوران 3.76 بلین امریکی ڈالر تھا، جس سے ادائیگیوں کے توازن کی صورت حال پر اعتماد پیدا ہوا۔ اس کی بنیاد پر، پاکستان کا آئی ایم ایف (IMF) کے ساتھ آئندہ آنے والا نیا اور بڑا فنڈنگ پروگرام انتہائی اہمیت کا حامل ہے، کیونکہ یہ ملک کی میکرو اکنامک بنیادوں بالخصوص مالی آپریشنز کو نمایاں طور پر مضبوط کرے گا، بیرونی قرضوں کی ذمہ داریوں کے انتظام کے لیے ضروری معاونت مہیا کرے گا۔

ایکیویٹی مارکیٹ کا جائزہ

مالی سال 2024 میں مقامی ایکویٹی مارکیٹ میں ایک اہم رجحان میں تبدیلی کی نشاندہی کی، جو اس مدت میں مسلسل تیز اضافے سے موصوم ہے۔ اس تیز رہی کا آغاز سال کی شروعات میں آئی ایم ایف کی اسٹینڈ بائی ارنجمنٹ (ایس بی اے) فنڈنگ فیصلیٹی پر دستخط کے بعد ہوا تھا۔ KSE - 100 انڈیکس 89.2 فیصد اضافے سے 78,445 پر بند ہوا۔ اسی طرح دیگر اہم ایکویٹی انڈیکس جیسے KSE - 30 ٹوٹل ریٹرن انڈیکس اور KMI - 30 انڈیکس میں جون 2024 کے اختتام تک بالترتیب 95.1 فیصد اور 78.7 فیصد اضافہ ہوا۔ روایتی انڈیکس (KSE - 100 اور KSE - 30) اور شریعہ کمپلائنس انڈیکس (KMI - 30) کے درمیان کارکردگی میں نمایاں فرق کمرشل بینکنگ حصص میں تیز اضافے کی عکاسی کرتا ہے، جس نے وسیع تر اشاریوں سے نمایاں طور پر بہتر کارکردگی کا مظاہرہ کیا اور اس مدت کے دوران مارکیٹ میں زیادہ تر اضافے کا سبب بنے۔

اس مدت کے دوران ایکویٹی مارکیٹ میں غیر ملکی سرمایہ کار اور مقامی انشورنس کمپنیاں سب سے اہم خریدار کے طور پر ابھر کر سامنے آئے، انہوں نے بالترتیب 157 ملین امریکی ڈالر اور 127 ملین امریکی ڈالر کی ایکویٹی خریدے۔ اس کے برعکس بینکوں / ڈی ایف آئیز اور انفرادی سرمایہ کار بڑے فروخت کنندگان تھے، جنہوں نے بالترتیب 150 ملین امریکی ڈالر اور 60 ملین امریکی ڈالر مالیت کی ایکویٹی فروخت کیں۔ اگرچہ سال 2024 میں عالمی ایکویٹی مارکیٹوں کی عمومی طور پر مضبوط کارکردگی دیکھی گئی، لیکن مقامی معاشی حالات، مرکزی بینک کی پالیسیوں اور جغرافیائی سیاسی عوامل کے امتزاج کے سبب خطوں میں فوائد غیر مساوی تھے۔ کلیدی موضوعات میں مصنوعی ذہانت اور ٹیکنالوجی کے بارے میں امید، شرح سود میں اضافے کی توقعات، اور چین میں توقع سے سست ترقی شامل ہیں، جبکہ دیگر منتخب ممالک میں معاشی بنیادوں کو بہتر بنانا شامل ہے۔

انکم / منی مارکیٹ کا جائزہ

مالی سال 2024 کے دوران، پیداوار کی توسیع واضح طور پر نیچے کی جانب منتقل ہو گئی، اور پیداوار تمام مدتوں میں زوال پذیر ہوئی۔ 12 ماہ کے سرمایہ کاری کے چہرے میں سب سے واضح کمی دیکھنے میں آئی، جو دسمبر 2023 کے اختتام سے 425 بیس پوائنٹس کی کمی کے ساتھ 18.68 فیصد پر بند ہوا۔ اسٹیٹ بینک آف پاکستان کی ماہیٹری پالیسی کمیٹی (MPC) نے 10 جون کو اپنے اجلاس میں پالیسی کی شرح میں 150 بیس پوائنٹس کی کمی کی تھی۔ یہ فیصلہ مئی کی کلیدی افراط زر کی شرح میں توقع سے زیادہ کمی کے بعد کیا گیا تھا، جو 11.8 فیصد رہی، جس کی بنیاد پر جغرافیائی افراط زر میں کمی تھی۔

زرمبادلہ کے ذخائر کی مستحکم جمع ہونے اور افراط زر میں کمی نے آہستہ آہستہ مارکیٹ کا اعتماد پیدا کیا، جس کی عکاسی 12 ماہ کے ٹریژری بلز (T - Bills) کی حالیہ نیلامیوں میں اعلیٰ سطحوں کی شرکت سے ہوتی

ہے۔ سال کی گزشتہ ششماہی کے مقابلے میں سال کی دوسری ششماہی کے دوران 12 ماہ کی مدت کے لیے نیلامی میں آفر ٹو ٹارگٹ کا تناسب تقریباً دو گنا ہو کر 5.9 گنا ہو گیا ہے۔ ایم ٹو کی نمونہ کوئی قرضوں کی وجہ سے جاری رہی، جو اوپن مارکیٹ آپریشنز (OMOs) کے ذریعے خالص بقایا لیکویڈیٹی انجکشن کے مسلسل بڑھتے ہوئے رجحان سے ظاہر ہوتی ہے۔

فنڈ کی کارکردگی کا جائزہ

فنڈ اس وقت چارڈیلی فنڈ کا حامل ہے جو ایکویٹی سب فنڈ، ایکویٹی انڈیکس سب فنڈ، ڈیبٹ سب فنڈ اور مٹی مارکیٹ سب فنڈ ہیں۔ ایکویٹی سب فنڈ، ایکویٹی انڈیکس سب فنڈ اور ڈیبٹ سب فنڈ ابھی تک فعال نہیں ہیں اور ہر ایک کے پاس 0.5 ملین پاکستانی روپے کا سیدھی ٹریڈنگ رکھا۔ تاہم، مٹی مارکیٹ سب فنڈ نے 15 دسمبر 2023 سے 30 جون 2024 تک کی مدت کے دوران 19.08 فیصد منافع پہنچایا جس کے خالص اثاثہ جات 30 جون 2024 تک 40.39 ملین روپے تھے۔

30 جون 2024 کو فنڈ کے 442 شرکت کنندگان ہیں۔

بینشن فنڈ مینجر ریٹنگ

پاکستان کریڈٹ ریٹنگ ایجنسی لمیٹڈ (PACRA) نے جے ایس انویسٹمنٹس لمیٹڈ (بینشن فنڈ مینجر) کو مورخہ 27 دسمبر 2023 کو "AM 2+" کی ایسیٹ مینجر ریٹنگ کو "مستحکم" منظر نامے (جون 2023: 'AM 2+' مستحکم منظر نامے کے ساتھ) کے ساتھ برقرار رکھا ہے۔

آڈیٹرز

ریٹائر ہونے والے بیرونی آڈیٹرز مینسرز گریٹ تھورن انجم رحمان، چارٹرڈ اکاؤنٹنٹس اہلیت کی بنیاد پر خود دوبارہ تقرری کے لیے پیش کرتے ہیں۔ بورڈ آف ڈائریکٹرز نے، آڈٹ کمیٹی کی تجویز پر، مینسرز گریٹ تھورن انجم رحمان، چارٹرڈ اکاؤنٹنٹس کی 30 جون 2025 کو ختم ہونے والے سال کے لیے تقرری کی منظوری دی۔

شریعہ ایڈوائزرز

میرزا۔ ہلال شریعہ ایڈوائزرز (پرائیوٹ) لمیٹڈ نے اپنی مدت مکمل کی۔ JS انویسٹمنٹس لمیٹڈ کے بورڈ آف ڈائریکٹرز، فنڈ کی مینجمنٹ کمیٹی نے، آڈٹ کمیٹی کی تجویز پر ہلال شریعہ ایڈوائزرز کو 30 جون 2025 کو ختم ہونے والے سال کے لیے تقرری کی منظوری دی۔

یونٹ ہولڈنگ کا نمونہ

کل سرمایہ کاری	میزان	انفرادی			NBFCs			کمپنی
		(روپے ملین میں)	ملکیتی یونٹ کی تعداد	یونٹ ہولڈرز کی تعداد	(روپے ملین میں)	ملکیتی یونٹ کی تعداد	یونٹ ہولڈرز کی تعداد	
2.07	0.75	6.65	60,194	442	-	-	-	مٹی مارکیٹ سب فنڈ
93.79	33.97	-	-	-	33.74	305,626	1	مٹی مارکیٹ سب فنڈ
1.38	0.50	-	-	-	0.50	5,000	1	ایکیویٹی سب فنڈ
1.38	0.50	-	-	-	0.50	5,000	1	ایکیویٹی انڈیکس سب فنڈ
1.38	0.50	-	-	-	0.50	5,000	1	ڈیبٹ سب فنڈ
100.00	36.22	0.75	6,855	81	35.47	320,626	4	

اظہار تشکر

ڈائریکٹرز پیش قدمی، مدد اور رہنمائی پر سیکورٹیز اینڈ ایکسچینج کمیشن آف پاکستان (SECP) اور سینٹرل ڈپازٹری کمپنی آف پاکستان لمیٹڈ (CDCPL) سے اظہار تشکر کرتے ہیں۔ بورڈنگ اور انتھک محنت پر بینشن فنڈ مینجر کے ملازمین اور انتظامیہ پر اعتماد پر شرکت کنندگان کا بھی شکریہ ادا کرتا ہے۔



ڈائریکٹر



چیف ایگزیکٹو آفیسر

کراچی: 20 اگست 2024

FUND MANAGER REPORT

Annual Report 2024

- **Description of the Collective Investment Scheme/Voluntary Pension Scheme category and type**

Shariah Compliant Voluntary Pension Scheme

- **Statement of VPS's investment objective**

The investment objective of JSKPKIPF is to provide long-term investment growth to its participants. The fund aims to achieve its objective by investing in shariah compliant diversified portfolio of assets, including Shariah-Compliant money market instruments. The fund seeks to maximize returns while minimizing risks, providing a stable return over the long term.

- **Explanation as to whether the VPS has achieved its stated objective**

The VPS achieved its stated objective.

- **Statement of benchmark(s) relevant to the VPS**

None

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

	Jul-23	Aug-23	Sep-23	Oct-23	Nov-23	Dec-23	Jan-24	Feb-24	Mar-24	Apr-24	May-24	Jun-24	FY24
JSKPKIPF-MMSF	n/a	n/a	n/a	n/a	n/a	17.95%	17.93%	18.29%	17.93%	16.25%	25.03%	14.28%	19.08%

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

During the year, the sub-fund asset allocation was primarily directed toward short-term Sharia-compliant money market instruments and Islamic bank cash balances. The duration was adjusted upward to capitalize on anticipated monetary easing, allowing the fund to benefit from declining interest rates while maintaining liquidity and risk management in light of improved macroeconomic indicators.

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

JSKPKIPF - Money Market Sub Fund	Jun-24	Jun-23
Cash	78.99%	n/a
TFCs / Sukkuks	17.15%	n/a
Other including receivables	3.86%	n/a
Total	100.00%	n/a

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

Money Market Sub Fund

	Net Assets Excluding JSIL FoFs (PKR mn)	NAV per Unit (PKR)
30-Jun-24	40	110.40
30-Jun-23	n/a	n/a

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

The fund invests in Shariah-compliant short-term government and corporate debt securities and cash placements in bank accounts (excluding TDRs).

FUND MANAGER REPORT

Annual Report 2024

- **Description and explanation of any significant changes in the state of affairs of the VPS 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 KPK Islamic Pension Fund - Money Market Sub-Fund	0.0001	to	9,999.9999	442
	10,000.0000	to	49,999.9999	-
	50,000.0000	to	99,999.9999	-
	100,000.0000	to	499,999.9999	1
	500,000.0000	&	above	-
			Total	443

- **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 VPS, 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

2024

JS KPK Islamic Pension Fund

Equity Sub Fund

Net assets - Rupees in "000"		500
Net income / (loss) - Rupees in "000"		-
NAV per unit	Rs.	100.00
Highest NAV price per unit	Rs.	100.00
Lowest NAV price per unit	Rs.	100.00

Equity Index Sub Fund

Net assets - Rupees in "000"		500
Net income / (loss) - Rupees in "000"		-
NAV per unit	Rs.	100.00
Highest NAV price per unit	Rs.	100.00
Lowest NAV price per unit	Rs.	100.00

Debt Sub Fund

Net assets - Rupees in "000"		500
Net income / (loss) - Rupees in "000"		-
NAV per unit	Rs.	100.00
Highest NAV price per unit	Rs.	100.00
Lowest NAV price per unit	Rs.	100.00

Money Market Sub Fund

Net assets - Rupees in "000"		40,388
Net income / (loss) - Rupees in "000"		3,450
NAV per unit	Rs.	110.40
Highest NAV price per unit	Rs.	110.74
Lowest NAV price per unit	Rs.	100.00

Notes

- JS KPK Islamic Pension Fund was launched on December 14, 2023.
- Investment portfolio composition of the Fund is disclosed in note 6 of the financial statements.

Disclaimer

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

بِسْمِ اللَّهِ الرَّحْمَنِ الرَّحِيمِ

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الحمد لله رب العالمين، والصلاة والسلام على سيد الأنبياء والمرسلين، وعلى آله وصحبه أجمعين، وبعد

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, 2024 comply with the provided Shariah guidelines. Therefore, it is resolved that investments in **JS KPK Islamic Pension fund** managed by **JS Investments Limited** are permissible 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.

والله أعلم بالصواب، وصلى الله على نبينا محمد وعلى آله وصحبه وبارك وسلم

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



Mufti Irshad Ahmad Aijaz
Member Shariah Council




Faraz Younus Bandukda, CFA
Chief Executive

STATEMENT OF COMPLIANCE WITH SHARIAH PRINCIPLES

JS KPK Islamic Pension Fund (the Fund) has fully complied with Shariah Principles specified 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, 2024. The Shariah Advisors has also confirmed that the transactions were observed to be compliant with the guidelines laid down by Shariah Advisors.

Karachi: September 24, 2024



Iffat Zehra Mankani
Chief Executive Officer

**INDEPENDENT REASONABLE ASSURANCE REPORT
TO THE UNIT HOLDER OF JS KPK ISLAMIC PENSION
FUND ON THE STATEMENT OF COMPLIANCE WITH
THE SHARIAH PRINCIPLES**

**Grant Thornton Anjum
Rahman**

1st & 3rd Floor,
Modern Motors House,
Beaumont Road,
Karachi, Pakistan.

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Introduction

We were engaged by the Board of Director of JS Investment Limited (the Pension Fund Manager) to report on the the Pension Fund Manager's assessment of compliance with the Shariah Principles of JS KPK Islamic Pension Fund (the Fund), as set out in the annexed Statement of Compliance with Shariah Principles (the Statement) prepared by the Pension Fund Manager for the period from December 15, 2023 to June 30, 2024, in the form of an independent reasonable assurance conclusion about whether the annexed statement reflects, in all material respects the status of compliance of the Fund with the Shariah guidelines approved by the Shariah Advisor. Our engagement was carried out as required by the offering document of the Fund.

Applicable Criteria

The criteria for the assurance engagement against which the annexed Statement is assessed is the Shariah guidelines issued by the Shariah Advisor (the Shariah Principles).

Management's Responsibility

The Pension Fund Manager of the Fund is responsible for preparation of annexed Statement. This responsibility includes designing, implementing and maintaining internal control relevant to the preparation of annexed Statement that is free from material misstatement, whether due to fraud or error. It also includes ensuring the overall compliance of the Fund with the Shariah Principles.

Our Independence and Quality Control

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

The Firm applies International Standard on Quality Management (ISQM) 1, "Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or Other Assurance and Related Services Engagements" and accordingly maintains a comprehensive system of quality control including documented policies and procedure regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Our engagement was conducted by a team of assurance practitioners.

Our responsibility and summary of work performed

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 Engagement (ISAE) 3000, "Assurance Engagement Other Than Audit or Reviews of Historical Financial Information" issued by the International Auditing and Assurance Standards Board. That Standard requires that we plan and perform our procedure to obtain reasonable assurance about whether the annexed statement reflects the status of compliance of the Fund with the Shariah guidelines duly approved by the Shariah Advisor, in all material respects.

The procedure selected depend on our judgement, including the assessment of the risk of material non-compliance with the Shariah Principles, whether due to fraud or error. In making those risk assessments, we have considered internal control relevant to the Fund's compliance with the Shariah Principles, in order to design assurance procedure that are appropriate in the circumstances, but not for the purpose of expressing a conclusion as to the effectiveness of the Pension Fund Manager's internal control over the Fund's compliance with the Shariah Principles. A system of internal control, because of its nature, may not prevent and detect all instances of non-compliance with the Shariah Principles, will be met. Also, projection of any evaluation of effectiveness of future periods is subject to the risk that the controls may become inadequate or fail.

The procedures performed primarily comprised the following:

- check compliance of specific guidelines relating to charity, maintaining bank accounts and for making investment of the Fund.
- check that the Shariah Advisor has certified that the operations of the Fund, its investments and placements made during the period from December 15, 2023 to June 30, 2024 are in compliance with Shariah Principles.

We believe that the evidences we have obtained through performing our procedure were sufficient and appropriate to provide a basis for our conclusion.

Conclusion

Based on the procedure performed during our reasonable assurance engagement, we report that in our opinion, the annexed Statement presents fairly, in all material respects, the status of the Fund's compliance with the Shariah guidelines approved by the Shariah Advisor for the period from December 15, 2023 to June 30, 2024.



Chartered Accountants

Karachi:
Date: September 27, 2024

Head Office:

CDC House, 99-B, Block 'B'
S.M.C.H.S., Main Shahra-e-Faisal
Karachi - 74400, Pakistan.
Tel : (92-21) 111-111-500
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URL: www.cdcpakistan.com
Email: info@cdcpak.com



TRUSTEE REPORT TO THE PARTICIPANTS

JS KPK ISLAMIC PENSION FUND

Report of the Trustee pursuant to Regulation 67D in conjunction with Regulation 41(h) of the Non-Banking Finance Companies and Notified Entities Regulations, 2008

We, Central Depository Company of Pakistan Limited, being the Trustee of JS KPK Islamic Pension Fund (the Fund) are of the opinion that JS Investment Limited being the Pension Fund Manager has in all material respects managed the Fund during the period from December 15, 2023 to June 30, 2024 in accordance with the provisions of the constitutive documents of the Fund, the Voluntary Pension System Rules, 2005 and the Non-Banking Finance Companies and Notified Entities Regulations, 2008.

Further, in our opinion, the management fee, fee payable to Securities & Exchange Commission of Pakistan and other expenses paid from the Fund during the period are in accordance with the applicable regulatory framework.

Badiuddin Akber
Chief Executive Officer
Central Depository Company of Pakistan Limited

Karachi, September 24, 2024

INDEPENDENT AUDITOR'S REPORT

To the Participants of JS KPK Islamic Pension Fund

Report on the Audit of the Financial Statements

**Grant Thornton Anjum
Rahman**

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Modern Motors House,
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Opinion

We have audited the financial statements of JS KPK Islamic Pension Fund (the Fund), which comprise the statement of assets and liabilities as at June 30, 2024, and the income statement, statement of comprehensive income, statement of movement in participants' sub-funds and statement of cash flow for the period from December 15, 2023 to June 30, 2024, and notes to the financial statements, including summary of material accounting policy information.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Fund as at June 30, 2024, and of its financial performance and its cash flows for the period then ended in accordance with the accounting and reporting standards as applicable in Pakistan.

Basis for Opinion

We conducted our audit in accordance with the 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.

Information Other than the Financial Statements and Auditor's Report Thereon

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 Pension Fund Manager 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.

Board of Directors of the Pension Fund Manager 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.
- 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 Pension Fund Manager 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 to 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.

Report on Other Legal and Regulatory Requirements

Based on our audit, we further report that in our opinion:

- a) the financial statements prepared for the period have been properly drawn in accordance with the relevant provisions of the Trust Deed and the Voluntary Pension System Rules, 2005 including the guidelines thereunder;
- b) the allocation and reallocation of units of the sub-funds for all the participants have been made in accordance with the Voluntary Pension System Rules, 2005;
- c) the cost and expenses debited to the Fund and apportionment of expenses between sub-funds are as specified in the constitutive documents of the Fund;
- d) a true and fair view is given of the disposition of the pension fund at the end of the period and of the transactions of pension fund of the period then ended;
- e) the financial statements prepared are in agreement with the Fund's books and records; and
- f) we were able to obtain all the information and explanations which, to the best of our knowledge and belief, were necessary for the purpose of the audit.

The engagement partner on the audit resulting in this independent auditor's report is **Muhammad Khalid Aziz**.



Chartered Accountants
Karachi

Dated: September 27, 2024

UDIN: AR20241015+jmIP3uKnB



Financial Position
& Performance

STATEMENT OF ASSETS AND LIABILITIES

AS AT JUNE 30, 2024

		June 30, 2024				
		Equity Sub-fund	Equity Index Sub-fund	Debt Sub-fund	Money Market Sub-fund	Total
Note		------(Rupees)-----				
Assets						
Bank Balance	5	510,000	510,000	510,000	32,242,013	33,772,013
Investments	6	-	-	-	7,000,000	7,000,000
Profit receivables	7	-	-	-	962,127	962,127
Deferred formation cost	8	134,836	134,836	134,836	134,836	539,344
Deposits and other receivables	9	-	-	-	476,920	476,920
Total assets		644,836	644,836	644,836	40,815,896	42,750,404
Liabilities						
Payable to JS Investment Limited Pension Fund Manager	10	144,836	144,836	144,836	144,836	579,344
Payable to Central Depository Company of Pakistan Limited - Trustee	11	-	-	-	5,961	5,961
Payable to the Securities and Exchange Commission of Pakistan	12	-	-	-	7,585	7,585
Accrued expenses and other liabilities	13	-	-	-	270,000	270,000
Total liabilities		144,836	144,836	144,836	428,382	862,890
Contingencies and commitments	14					
Net assets		500,000	500,000	500,000	40,387,514	41,887,514
Participants' sub-funds (as per the statement attached)		500,000	500,000	500,000	40,387,514	41,887,514
		------(Number of units)-----				
Number of units in issue	19	5,000	5,000	5,000	365,820	
		------(Rupees)-----				
Net asset value per unit		100.00	100.00	100.00	110.40	

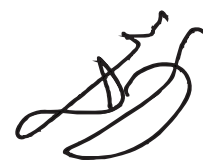
The annexed notes from 1 to 28 form an integral part of these financial statements.



Chief Financial Officer



Chief Executive Officer



Director

INCOME STATEMENT >

FOR THE PERIOD FROM DECEMBER 15, 2023 TO JUNE 30, 2024

For the period from December 15, 2023 to June 30, 2024					
	Equity Sub-fund	Equity Index Sub-fund	Debt Sub-fund	Money Market Sub-fund	Total
Note	------(Rupees)-----				
Income					
Profit on bank balances and investments	15	-	-	3,497,060	3,497,060
Total Income		-	-	3,497,060	3,497,060
Expenses					
Remuneration of Central Depository Company of Pakistan Limited - Trustee	11.1	-	-	28,445	28,445
Sindh sales tax on remuneration of the Trustee	11.2	-	-	3,698	3,698
Annual fee of the Securities and Exchange Commission of Pakistan	12.1	-	-	7,585	7,585
Bank and settlement charges		-	-	7,340	7,340
Total expenses		-	-	47,068	47,068
Net income for the period before taxation		-	-	3,449,992	3,449,992
Taxation	16	-	-	-	-
Net income for the period after taxation		-	-	3,449,992	3,449,992

The annexed notes from 1 to 28 form an integral part of these financial statements.



Chief Financial Officer



Chief Executive Officer



Director

STATEMENT OF COMPREHENSIVE INCOME >

FOR THE PERIOD FROM DECEMBER 15, 2023 TO JUNE 30, 2024

For the period from December 15, 2023 to June 30, 2024				
Equity Sub-fund	Equity Index Sub-fund	Debt Sub-fund	Money Market Sub-fund	Total
------(Rupees)-----				
Net income for the period after taxation	-	-	3,449,992	3,449,992
Other comprehensive income for the period	-	-	-	-
Total comprehensive income for the period	-	-	3,449,992	3,449,992



Chief Financial Officer



Chief Executive Officer



Director

STATEMENT OF CASH FLOW >

FOR THE PERIOD FROM DECEMBER 15, 2023 TO JUNE 30, 2024

	For the period from December 15, 2023 to June 30, 2024				
	Equity Sub-fund	Equity Index Sub-fund	Debt Sub-fund	Money Market Sub-fund	Total
Note	------(Rupees)-----				
CASH FLOWS FROM OPERATING ACTIVITIES					
Net income for the period before taxation	-	-	-	3,449,992	3,449,992
ADJUSTMENTS FOR:					
	-	-	-	-	-
	-	-	-	3,449,992	3,449,992
(Increase) / Decrease in assets					
Profit receivables	-	-	-	(962,127)	(962,127)
Investments- net	-	-	-	(7,000,000)	(7,000,000)
Deferred formation cost	(134,836)	(134,836)	(134,836)	(134,836)	(539,344)
Deposits and other receivables	-	-	-	(476,920)	(476,920)
	(134,836)	(134,836)	(134,836)	(8,573,883)	(8,978,391)
(Decrease) / Increase in liabilities					
Payable to JS Investment Limited Pension Fund Manager	144,836	144,836	144,836	144,836	579,344
Payable to Central Depository Company of Pakistan Limited - Trustee	-	-	-	5,961	5,961
Payable to the Securities and Exchange Commission of Pakistan	-	-	-	7,585	7,585
Other Liabilities	-	-	-	270,000	270,000
Net cash generated from / (used in) operating activities	144,836	144,836	144,836	428,382	862,890
	10,000	10,000	10,000	(4,695,509)	(4,665,509)
CASH FLOWS FROM INVESTING ACTIVITIES	-	-	-	-	-
CASH FLOWS FROM FINANCING ACTIVITIES					
Amounts received against issuance of units	500,000	500,000	500,000	36,937,522	38,437,522
Net cash generated from financing activities	500,000	500,000	500,000	36,937,522	38,437,522
Net increase in cash and cash equivalents during the period	510,000	510,000	510,000	32,242,013	33,772,013
Cash and cash equivalents at the end of the period	510,000	510,000	510,000	32,242,013	33,772,013

The annexed notes from 1 to 28 form an integral part of these financial statements.



Chief Financial Officer



Chief Executive Officer



Director

STATEMENT OF MOVEMENT PARTICIPANTS' SUB-FUNDS >

FOR THE PERIOD FROM DECEMBER 15, 2023 TO JUNE 30, 2024

FOR THE PERIOD FROM DECEMBER 15, 2023 TO JUNE 30, 2024														
Equity Sub-fund			Equity Index Sub-fund			Debt Sub-fund			Money Market Sub-fund			Total		
Capital value	Undistributed income	Total	Capital value	Undistributed income	Total	Capital value	Undistributed income	Total	Capital value	Undistributed income	Total	Capital value	Undistributed income	Total

(Rupees)

Issuance of units at beginning of the Fund

Amount received on issuance of units

Amount paid on redemption of units

500,000	-	500,000	500,000	-	500,000	500,000	-	500,000	36,937,522	-	36,937,522	38,437,522	-	38,437,522
-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
500,000	-	500,000	500,000	-	500,000	500,000	-	500,000	36,937,522	-	36,937,522	38,437,522	-	38,437,522

Total comprehensive income

for the period

-	-	-	-	-	-	-	-	-	-	3,449,992	3,449,992	-	3,449,992	3,449,992
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Net assets at the end of the period

500,000	-	500,000	500,000	-	500,000	500,000	-	500,000	36,937,522	3,449,992	40,387,514	38,437,522	3,449,992	41,887,514
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(Rupees)

(Rupees)

(Rupees)

(Rupees)

Net asset value per unit at beginning of the Fund

100.00

100.00

100.00

100.00

Net asset value per unit at the end of the period

100.00

100.00

100.00

110.40

The annexed notes from 1 to 28 form an integral part of these financial statements.

FOR THE PERIOD FROM DECEMBER 15, 2023 TO JUNE 30, 2024



Chief Financial Officer



Chief Executive Officer



Director

NOTES TO THE FINANCIAL STATEMENTS >

FOR THE PERIOD FROM DECEMBER 15, 2023 TO JUNE 30, 2024

1 LEGAL STATUS AND NATURE OF BUSINESS

1.1 JS KPK Islamic Pension Fund ("the Fund") has been established under the Voluntary Pension System Rules, 2005 (the VPS Rules) and has been approved as a pension fund by the Securities and Exchange Commission of Pakistan (the SECP) on September 26, 2023. It has been constituted under the Sindh Trust Act, 2020 between JS Investments Limited as the Pension Fund Manager and Central Depository Company of Pakistan Limited as the Trustee dated July 21, 2023. The Pension Fund Manager (the PFM) of the Fund has been licensed to act as a Pension Fund Manager under the VPS Rules through a certificate of registration issued by the SECP. The registered office of JS Investments Limited is situated at 19th Floor, The Centre, Plot No. 28, SB-5 Abdullah Haroon Road, Saddar, Karachi.

The Fund is established only for the employees of KPK Government appointed/recruited under the Khyber Pakhtunkhwa Civil Servants (Amendment) Act, 2022 or an employee of the KP Government, regularized as civil servant through any legal instrument, issued after coming into force of the Khyber Pakhtunkhwa Civil Servants (Amendment) Act, 2022 irrespective of the effective date of regularization shall be eligible to contribute to the Pension Fund.

1.2 The Fund is consist of four sub-Funds as under

- JS KPK Islamic Pension Fund - Equity Sub Fund (the Equity Sub Fund);
- JS KPK Islamic Pension Fund - Equity Index Sub Fund (the Equity Index Sub Fund)
- JS KPK Islamic Pension Fund - Debt Sub Fund (the Debt Sub Fund); and
- JS KPK Islamic Pension Fund - Money Market Sub Fund (the Money Market Sub Fund).

1.2.1 The Employee(s) for the first three years only use MoneyMarket Sub Fund in a allocation scheme; subsequently this allocation may be changed at Employee instruction as per life cycle allocation scheme or in case no instruction after the first three years then on the basis of Default Allocation Scheme.

1.3 The Fund is an open-end mutual fund and offers units for KPK civil servants on a continuous basis. The units are nontransferable except in the circumstances mentioned in the Voluntary Pension System Rules, 2005 and can be redeemed by surrendering them to the Fund. Further, as per the offering document, the Fund shall not distribute any income or dividend from the Fund whether in cash or otherwise from any of the Sub-Funds.

1.4 Pakistan Credit Rating Agency Limited (PACRA) has assigned an asset manager rating of 'AM2+' with 'stable outlook' dated December 27, 2023 to the Pension Fund Manager.

1.5 The title to the assets of the Fund are held in the name of Central Depository Company of Pakistan Limited as Trustee of the Fund.

1.6 The objective of the Fund is to provide KPK Government Employees with an individualized, funded (based on defined contribution) as well as flexible pension scheme which is managed by professional investment managers to assist them to plan and provide for their retirement. The design of the allocation scheme empowers the Employees to invest their pension savings as per their desired asset allocations.

The Pension Fund Manager shall invest assets of the Pension Fund in those securities which are declared eligible by the Commission.

Prior to the contribution date the Trustee shall hold the Trust Property in respect of each Sub-Fund in cash in a separate account for each Sub-Fund with a commercial bank having at least JS KPK Islamic Pension Fund Offering Document 53 the minimum rating by a credit rating agency as specified by the Commission or shall invest such cash in short term money market investments, as advised by the Pension Fund Manager. Any income from such investments shall accrue to the Sub-Fund to which it pertains. After the contribution date all cash shall be invested by the Trustee strictly in compliance with the Investment Policy at the direction of the Pension Fund Manager, in Authorized Investments or in cash.

All the investments of the Pension Fund shall be strictly in compliance with the Prescribed Investment Policy (subject to relaxations, if any, granted by the Commission from time to time). Subject to prior approval of the Commission, the Pension Fund may invest in foreign securities issued, listed or otherwise and traded outside Pakistan on such terms, guidelines and directions as may be prescribed by the Commission and the State Bank of Pakistan from time to time.

Equity Sub-Fund

Assets of an Equity Sub-Fund shall be invested in equity securities which are listed on the Pakistan Stock Exchange or in securities the application for listing has been approved by the Pakistan Stock Exchange. At least 90% of Net Assets of an Equity Sub-Fund shall remain invested in listed Shariah Compliant equity securities. Pension fund manager may make investment maximum up to 5% of net assets of equity sub fund in units of Shariah Compliant Private equity and venture Capital funds registered under Private Funds Regulations, 2015 .

The Pension Fund Manager may make investment maximum up to 10% of net assets of Equity Sub Fund in public offering and and pre initial public offering of equity securities. Investment in equity securities of any single company shall not exceed fifteen percent (15%) of Net Assets of Equity Sub-Fund or paid-up capital of that single company.

Pension fund manager may invest up to 35% or the index weight, whichever is higher, subject to maximum of 40% of net assets of an Equity Sub-Fund in Shariah Compliant equity securities of companies belonging to a single sector as classified by Pakistan Stock Exchange. The Pension Fund Manager may invest any surplus funds in government securities having less than one-year time to maturity or keep as deposits with scheduled commercial banks.

There are no transactions in this sub funds except that pension fund manager has invested the seed capital in this sub-funds.

Equity Index Sub Fund

The Investment Objective of the Equity Index Sub-Fund is to provide investors an opportunity to track closely the performance of the KMI – 30 index by investing in companies of the Index in proportion to their weightages. Exposure to any security shall not exceed weight of security in the index or its subset. Exposure to securities issued by entities of a single sector shall not exceed weight of sector in the index or its subset. Index Sub-fund may select an index (or a subset thereof) established by a recognized independent third party.

There are no transactions in this sub funds except that pension fund manager has invested the seed capital in this sub-funds .

Debt Sub Fund

The Debt Sub-Fund shall consist of debt securities and such other assets as specified in the offering documents. The weighted average time to maturity of securities held in the portfolio of a Debt Sub-Fund shall not exceed 5 years. At least 25% Net Assets of the Debt Sub-Fund shall be invested in deposits with scheduled Commercial banks (excluding TDRs) or government securities not exceeding 90 days' maturity. Exposure to any single entity shall not exceed 15% of net assets of debt sub fund . Exposure in debt security of an entity shall not exceed 15% of net assets for debt sub fund or 10% of size of the issue of that debt security, whichever is lower. Exposure to securities issued by entities of a single sector shall not exceed 25% of Net Assets of Debt Sub-fund. A pension fund manager shall not place funds (including TDR, PLS Saving Deposit, COD, COM, COI and money market placements) of more than 25% of net assets of debt sub-fund with all microfinance banks, non-banking finance companies and Modarabas. The Rating of any security in the portfolio, bank, and DFI with which funds are placed should not be lower than A+ and that of NBFC and Modaraba with which funds are placed should not be lower than AA.

There are no transactions in this sub funds except that pension fund manager has invested the seed capital in this sub-funds.

Money Market Sub Fund

The Money market Sub Fund shall consist of debt securities and such other assets as specified in the offering documents. The weighted average time to maturity of net assets of a Money Market Sub-Fund shall be up to 1 year. Time to maturity of any asset in the portfolio of MoneyMarket Sub-Fund shall not exceed 6 months except in case of Shariah Compliant Government Securities such as Government Ijarah Sukuks which may be up to five 5 years. Exposure to securities issued by entities of a single sector shall not exceed twenty five percent 25% of Net Assets of a money market Sub-fund. Exposure in security of entity shall not exceed 15% of net assets for money market sub fund or 10% of size of the issue of that security. Exposure in security of entity shall not exceed 15% of net assets for money market sub fund or 10% of size of the issue of that security. The Rating of any security in the portfolio, bank and DFI with which funds are placed should not be lower than AA and that of NBFC and Modaraba with which funds are placed should not be lower than AAA.

1.7 These are the first financial statements for the period December 15, 2023 to June 30, 2024 and therefore, comparative figures have not been included.

1.8 These are no significant events or transaction during the period.

2 BASIS OF PREPARATION

2.1 Statement of compliance

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

- International Financial Reporting Standards (IFRSs) issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017 (the Act);
- Provisions of and directives issued under the Companies Act, 2017 along with part VIII A of the repealed Companies Ordinance, 1984; and
- Voluntary Pension Rules, 2005 (the VPS Rules) and the requirements of the Trust Deed.

Where provisions of and directives issued under the Companies Act, 2017, part VIII A of the repealed Companies Ordinance, 1984, the VPS Rules and the requirements of the Trust Deed differ with the requirements of IAS 34, the provisions of and directives issued under the Companies Act, 2017, part VIII A of the repealed Companies Ordinance, 1984, the VPS Rules and the requirements of the Trust Deed have been followed.

2.2 Basis of measurement

These financial statements have been prepared under the historical cost convention except for certain investments which have been marked to market and carried at fair value.

Functional and presentation currency

Items included in these financial statements are measured using the currency of the primary economic environment in the Scheme operates. These financial statements are presented in Pakistani Rupees which is the Scheme's functional and presentation currency.

2.3 Standards, amendments and interpretations to the published standards that may be relevant but not yet effective and not early adopted by the Fund

In addition, certain IFRS, amendments and interpretations to approved accounting standards are not yet effective. The Scheme is in the process of assessing the impact of these Standards, amendments and interpretations to the published standards on the financial statements of the Fund.

2.4 Standards, amendments and interpretations to the published standards that are not yet notified by the Securities and Exchange Commission of Pakistan (SECP)

Further, certain IFRS have been issued by the International Accounting Standards Board (IASB) which are yet to be notified by the SECP for the purpose of applicability in Pakistan.

3 CRITICAL ACCOUNTING ESTIMATE AND JUDGEMENT

The preparation of these financial statements in accordance with the accounting and reporting standards as applicable in Pakistan requires the management to make judgements, estimates and assumptions that effect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates, judgements and associated assumptions are based on historical experience and various other factors including expectations of future events that are believed to be reasonable under the circumstances, the result of which form the basis of making judgements about carrying values of assets and liabilities. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates is revised if the revision affects only that period, or in the period of revision and future periods if the revision affects both current and future period.

The areas involving a degree of judgment or complexity, or areas where estimates and assumption are significant to these financial statements relate to:

- Impairment of financial assets (note 4.1.3)
- Provisions (note 4.4)

4 SUMMARY OF MATERIAL ACCOUNTING POLICIES

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

4.1 Financial assets

4.1.1 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.

4.1.2 Classification and subsequent measurement

4.1.2.1 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)"; and
- at fair value through profit or loss (FVPL) 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 FVPL. The Debt Sub-Fund and Money Market Sub-Fund primarily invests in debt securities and their performance is measured on a fair value basis. Hence, the management has classified the debt securities invested through the Debt Sub-Fund and the MoneyMarket Sub-Fund as FVPL.

4.1.2.2 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 management consider's its investment in equity securities being managed as a group of assets and hence has classified them as FVPL. Accordingly, the irrevocable option has not been considered.

The dividend income for equity securities classified under FVPL is recognised in the Income Statement.

Since all investments in equity instruments have been designated as FVPL, the subsequent movement in the fair value of equity securities is routed through the Income Statement.

4.1.3 Impairment

The Fund assesses on a forward-looking basis the expected credit losses (ECL) associated with it's financial assets (other than debt instruments) 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 forecasts of future economic conditions.

4.1.4 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 management's assessment made in line with its provisioning policy approved by the Board of Directors of the Pension Fund Manager 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 Pension Fund Manager may make provision against debt securities over and above the minimum provision requirement prescribed by the SECP, considering the specific credit and financial condition of the debt security issuer and in accordance with the provisioning policy duly approved by the Board of Directors of the Pension Fund Manager.

4.1.5 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.

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. Any gain or loss arising on derecognition of financial assets is taken to the Income Statement.

4.2 Financial liabilities

4.2.1 Classification and subsequent measurement

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 value and subsequently stated at amortised cost.

4.2.1.2 Derecognition

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 Income Statement.

4.3 Offsetting of financial assets and financial liabilities

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

4.4 Provisions

Provisions are recognised when the Scheme 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 are regularly reviewed and adjusted to reflect the current best estimate.

4.5 Taxation

The income of the Scheme is exempt from income tax under Clause 99 of Part I of the Second Schedule to the Income Tax Ordinance, 2001.

The Scheme 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.

4.6 Revenue recognition

- Profit on saving accounts with banks is recognised on a time proportion basis using the effective yield method
- Income on sukuk certificates, term finance certificates, government securities and commercial papers is recognised on a time proportionate basis using the effective yield method, except for the securities which are classified as Non-Performing Asset under Circular No. 33 of 2012 issued by the SECP for which the profit are recorded on cash basis.
- Dividend income is recognised when the Fund's right to receive the same is established i.e. on the commencement of date of book closure of the investee company / institution declaring the dividend.
- Realised gains / (losses) arising on sale of investments are included in Income Statement and are recognised when transaction takes place
- Unrealised gains / (losses) 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 year in which they arise.

4.7 Expenses

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

NOTES TO THE FINANCIAL STATEMENTS >

FOR THE PERIOD FROM DECEMBER 15, 2023 TO JUNE 30, 2024

4.8 Issue, allocation, reallocation and redemption of units

The prescribed application form, completed in all respects including payment (on realised basis), received by the Pension Fund Manager or distributor at its / their authorised branches during business hours on any dealing day from any participant shall be immediately credited to the individual pension account of the participant after deducting the front-end fee (sale charges) or takaful contributions, if any. Such amount in the individual pension account shall be used to purchase the units of Sub-Funds of the Fund as per the allocation scheme selected by the participant, at the Net Asset Value (NAV) notified by the Pension Fund Manager at the close of that dealing day for each Sub-Fund. Any form received after business hours will be transferred to the next dealing day. The front-end fee is payable to the distributors and the Pension Fund Manager.

The Pension Fund Manager shall make reallocation of the units between the Sub-Funds as per the VPS Rules and the Offering Document at least once a year to ensure that the allocation of units of all the participants are according to the allocation schemes selected by the participants or where no selection has been made, according to the default allocation scheme. In case of withdrawal before retirement, units are redeemed at the net asset value of each of the Sub-Fund as of the close of the business day on which such request is received by the distributor before the cut off time. Redemption of units is recorded on acceptance of application for redemption.

At the date of retirement of the participant, all the units of the Sub-Funds of participant account shall be redeemed at the Net Asset Value (NAV) notified at close of the day of retirement and the amount due shall be credited to participant individual pension account in the lower volatility scheme where no option is selected by the participant offered by the Pension Fund Manager.

In case of retirement of the participant, units are redeemed at the net asset value of each of the sub-fund as of the close of the business day on which retirement age is reached and the amount due shall be credited to participant individual pension account in the lower volatility scheme where no option is selected by the participant offered by the Pension Fund Manager.

A participant can transfer his individual pension account with the Pension Fund Manager to another Pension Fund Manger or from one pension fund to another pension fund. Units are redeemed at the net asset value of each of the sub-fund as of the close of the business day corresponding to the date of change specified by the participant in accordance with the VPS Rules.

4.9 Net asset value (NAV) per unit

The net asset value (NAV) per unit for each Sub-Fund, as disclosed in the 'Statement of Assets and Liabilities', is calculated by dividing the net assets of the Sub-Fund by the number of units in issue of the respective sub-fund at the year end.

4.10 Earnings per unit

Earnings per unit is calculated by dividing the net income / (loss) for the year after taxation of each sub-fund by the weighted average number of units outstanding during the year for the respective sub-fund.

4.11 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 recognized in the Income Statement.

4.12 Cash and cash equivalents

These comprise of balances with banks in savings and current accounts and other short-term highly liquid investments with original maturities of three months or less.

		June 30, 2024				
		Equity Sub-fund	Equity Index Sub-fund	Debt Sub-fund	Money Market Sub-fund	Total
5	BANK BALANCE	----- (Rupees) -----				
	Balance with banks in savings accounts	510,000	510,000	510,000	32,242,013	33,772,013

Note

5.1

NOTES TO THE FINANCIAL STATEMENTS >

FOR THE PERIOD FROM DECEMBER 15, 2023 TO JUNE 30, 2024

5.1 These include bank balances held by Equity Sub-Fund, Equity Index Sub-Fund, Debt Sub-Fund and Money Market Sub-Fund maintained with Dubai Islamic Pakistan Limited carrying profit at the rate of 18.5% per annum.

June 30, 2024				
Equity Sub-fund	Equity Index Sub-fund	Debt Sub-fund	Money Market Sub-fund	Total
(Rupees)				

6 INVESTMENTS

Sukuk certificates - unlisted 6.1 - - - 7,000,000 7,000,000

6.1 Short Term Sukuk Certificate - 'at fair value through profit and loss'

Particulars	Maturity date	Purchased during the period	Sold / Matured during	As at June 30, 2024	Balance as at June 30, 2024			Market value as a	
					Carrying value	Market value	Unrealised (diminution) / appreciation	Net Assets of the sub-fund	Total investments of the sub-fund
		(Numbers)		(Rupees)			%		
K-Electric Limited (Sukuk) STS-23 (February 14, 2024) (Face Value : Rs 1,000,000 each)	August 14, 2024	4	-	4	4,000,000	4,000,000	-	9.90	57.14
K-Electric Limited (Sukuk) STS-24 (March 28, 2024) (Face Value : Rs 1,000,000 each)	September 28, 2024	1	-	1	1,000,000	1,000,000	-	2.48	14.29
Lucky Electric Power Company Limited (LEPCL 17) - (March 26, 2024) (Face Value : Rs 1,000,000 each)	September 26, 2024	2	-	2	2,000,000	2,000,000	-	4.95	28.57
Total as at June 30, 2024					7,000,000	7,000,000	-	17.33	100.00

June 30, 2024				
Equity Sub-fund	Equity Index Sub-fund	Debt Sub-fund	Money Market Sub-fund	Total
(Rupees)				

7 PROFIT RECEIVABLE

From Dubai Islamic Bank - - - 464,311 464,311
 From Sukuks - - - 497,816 497,816
962,127 962,127

June 30, 2024				
Equity Sub-fund	Equity Index Sub-fund	Debt Sub-fund	Money Market Sub-fund	Total
(Rupees)				

8 DEFFERED FORMATION COST

Preliminary Expenses and formation costs 134,836 134,836 134,836 134,836 539,344

NOTES TO THE FINANCIAL STATEMENTS >

FOR THE PERIOD FROM DECEMBER 15, 2023 TO JUNE 30, 2024

June 30, 2024				
Equity Sub-fund	Equity Index Sub-fund	Debt Sub-fund	Money Market Sub-fund	Total
(Rupees)				
9 DEPOSIT AND OTHER RECEIVABLE				
CDC Security Deposits	-	-	100,000	100,000
Receivable From Pension Fund Manager	-	-	376,920	376,920
	-	-	476,920	476,920

10 PAYABLE TO JS INVESTMENTS LIMITED - PENSION FUND MANAGER

June 30, 2024				
Equity Sub-fund	Equity Index Sub-fund	Debt Sub-fund	Money Market Sub-fund	Total
(Rupees)				
Payable against deferred formation cost	134,836	134,836	134,836	539,344
Other payable	10,000	10,000	10,000	40,000
	144,836	144,836	144,836	579,344

10.1 This includes amount payable to pension fund manager against deferred formation cost.

10.2 As per the provisions of the Voluntary Pension System Rules, 2005, JS Investments Limited, the Pension Fund Manager of the Fund, is allowed to charge annual management fee, selling and marketing fee and accounting and operational fee up to rate as decided by the Pension Fund Manager within the limits of total expense ratio of the average daily net assets of each of the Sub-Funds. During the period, no fee were charged from the Sub-Funds.

June 30, 2024				
Equity Sub-fund	Equity Index Sub-fund	Debt Sub-fund	Money Market Sub-fund	Total
(Rupees)				
11 PAYABLE TO CENTRAL DEPOSITORY COMPANY OF PAKISTAN LIMITED - TRUSTEE				
Trustee fee payable			4,775	4,775
Sindh Sales Tax on remuneration of the Trustee			621	621
Settlement charges payable			565	565
			5,961	5,961

11.1 The Trustee is entitled to monthly remuneration for services rendered to the Fund under the provisions of the trust deed at the rate of 0.3 million or 0.15% per annum of net assets of the Fund.

11.2 The Sindh Provincial Government levied Sindh Sales Tax at the rate of 13% on the remuneration of the Trustee through Sindh Sales Tax on Services Act, 2011.

June 30, 2024				
Equity Sub-fund	Equity Index Sub-fund	Debt Sub-fund	Money Market Sub-fund	Total
(Rupees)				
12 PAYABLE TO THE SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN				
Fee payable			7,585	7,585

12.1 In accordance with the NBFC Regulations, a Collective Investment Scheme (CIS) is required to pay annual fee to the Securities and Exchange Commission of Pakistan (SECP) at the rate of 0.04% per annum of average annual net assets of the Fund.

NOTES TO THE FINANCIAL STATEMENTS >

FOR THE PERIOD FROM DECEMBER 15, 2023 TO JUNE 30, 2024

June 30, 2024				
Equity Sub-fund	Equity Index Sub-fund	Debt Sub-fund	Money Market Sub-fund	Total
(Rupees)				
13 ACCRUED EXPENSES AND OTHER LIABILITIES				
Auditors' remuneration payable	-	-	270,000	270,000

14 CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments outstanding as at June 30, 2024.

June 30, 2024				
Equity Sub-fund	Equity Index Sub-fund	Debt Sub-fund	Money Market Sub-fund	Total
(Rupees)				
15 PROFIT ON BANK AND INVESTMENT				
Bank	-	-	2,999,244	2,999,244
Sukuks	-	-	497,816	497,816
-	-	-	3,497,060	3,497,060

16 TAXATION

The income of the Fund is exempt from taxation under clause 57 (3) (viii) of the Part I of the Second Schedule to the Income Tax Ordinance, 2001. Therefore, no provision has been made for current and deferred taxation in these financial statements

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.

17 EARNINGS PER UNIT

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

18 TOTAL EXPENSE RATIO

The Total Expense Ratio (TER) of the Money market Sub-fund is 0.25% including government levies of 0.11% on the Sub-Funds such as Sales Taxes, annual fee to the SECP, etc. This ratio is within the maximum limit of 0.75% (excluding insurance charges and government levies) and the maximum insurance charges is 0.25% of Money Market Sub-Fund as prescribed under the pension scheme.

June 30, 2024				
Equity Sub-fund	Equity Index Sub-fund	Debt Sub-fund	Money Market Sub-fund	Total
(Rupees)				
19 NUMBER OF UNITS IN ISSUE				
Units issued during the year	5,000	5,000	365,820	380,820
Total units in issue at the end of the year	5,000	5,000	365,820	380,820

20 CONTRIBUTION TABLE

FOR THE PERIOD FROM DECEMBER 15, 2023 TO JUNE 30, 2024									
Equity Sub fund		Equity Index Sub fund		Debt Sub fund		Money Market Sub fund		Total	
Units	Rupees	Units	Rupees	Units	Rupees	Units	Rupees	Rupees	
From:									
Individuals/ corporates	5,000	500,000	5,000	500,000	5,000	500,000	365,820	36,937,522	38,437,522

NOTES TO THE FINANCIAL STATEMENTS >

FOR THE PERIOD FROM DECEMBER 15, 2023 TO JUNE 30, 2024

21 TRANSACTIONS WITH CONNECTED PERSONS AND RELATED PARTIES

- 21.1** Related parties / connected persons include JS Investments Limited (JSIL) being the Pension Fund Manager of the Fund, Central Depository Company of Pakistan Limited being the Trustee of the Fund, JS Bank Limited (JSBL) being the Holding Company of JSIL (Holding 84.56% shares of JSIL), Jahangir Siddiqui and Co. Limited (JSCL) (Holding 71.20% shares of JSBL) being the Holding Company of JSBL, BankIslami Pakistan Limited (BIPL) (75.12% shares held by JSBL) being the fellow subsidiary of JSBL, JS Global Capital Limited (JSGCL) (92.90% shares held by JSBL) 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 June 30, 2024. 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:
- 21.2** Transactions with connected persons essentially comprise sale and redemption of units, fee on account of managing the affairs of the Fund, sales load, other charges and distribution payments to connected persons. Transactions with connected persons are in the normal course of business, at contracted rates and terms determined in accordance with market rates.
- 21.3** Remunerations to the Pension Fund Manager and the Trustee of the Fund are determined in accordance with the provisions of the VPS Rules and the Trust Deed respectively.
- 21.4** The details of transactions carried out by the Fund with connected persons during the period and balances with them as at period end are as follows:

For the period from December 15, 2023 to June 30, 2024					
	Equity Sub-fund	Equity Index Sub-fund	Debt Sub-fund	Money Market Sub-fund	Total
----- (Rupees) -----					
Transactions during the period:					
JS Investments Limited - Pension Fund Manager					
Amount received against seed capital	500,000	500,000	500,000	30,562,603	32,062,603
Units issued (Number of units)	5,000	5,000	5,000	305,626	320,626
Central Depository Company of Pakistan Limited - Trustee					
Remuneration of the Trustee	-	-	-	28,445	28,445
Sindh sales tax on remuneration of the Trustee	-	-	-	3,698	3,698
CDC security deposit	-	-	-	100,000	100,000
Settlement charges	-	-	-	2,260	2,260
Balances outstanding as at period end:					
JS Investments Limited - Pension fund manager					
Payable against deferred formations cost	134,836	134,836	134,836	134,836	539,344
Payable against bank account opening	10,000	10,000	10,000	10,000	40,000
Investment at period end	500,000	500,000	500,000	33,741,114	35,241,114
Units outstanding (Number of units)	5,000	5,000	5,000	305,626	320,626
Central Depository Company of Pakistan Limited - Trustee					
Trustee fee payable	-	-	-	4,775	4,775
Sindh Sales Tax on remuneration of the Trustee	-	-	-	621	621
CDC security deposit	-	-	-	100,000	100,000
Settlement charges payable	-	-	-	565	565

NOTES TO THE FINANCIAL STATEMENTS >

FOR THE PERIOD FROM DECEMBER 15, 2023 TO JUNE 30, 2024

22 RECONCILIATION OF LIABILITIES ARISING OUT OF FINANCING ACTIVITIES

Equity Sub-fund

June 30, 2024

Balance as at December 15, 2023

Receivable against issuance of units
Payable against redemption of units

Amount received on issuance of units
Amount paid on redemption of units

Balance as at June 30, 2024

Receivable against issuance of units	Payable against redemption of units	Total
-----Rupees-----		
-	-	-
500,000	-	500,000
-	-	-
500,000	-	500,000
(500,000)	-	(500,000)
-	-	-
(500,000)	-	(500,000)
-	-	-

Equity Index Sub-fund

June 30, 2024

Balance as at December 15, 2023

Receivable against issuance of units
Payable against redemption of units

Amount received on issuance of units
Amount paid on redemption of units

Balance as at June 30, 2024

Receivable against issuance of units	Payable against redemption of units	Total
-----Rupees-----		
-	-	-
500,000	-	500,000
-	-	-
500,000	-	500,000
(500,000)	-	(500,000)
-	-	-
(500,000)	-	(500,000)
-	-	-

Debt Sub-fund

June 30, 2024

Balance as at December 15, 2023

Payable against redemption of units

Amount received on issuance of units
Amount paid on redemption of units

Balance as at June 30, 2024

Receivable against issuance of units	Payable against redemption of units	Total
-----Rupees-----		
-	-	-
500,000	-	500,000
-	-	-
500,000	-	500,000
(500,000)	-	(500,000)
-	-	-
(500,000)	-	(500,000)
-	-	-

NOTES TO THE FINANCIAL STATEMENTS >

FOR THE PERIOD FROM DECEMBER 15, 2023 TO JUNE 30, 2024

Money Market Sub-Fund

June 30, 2024

Balance as at December 15, 2023

Receivable against issuance of units
Payable against redemption of units

Amount received on issuance of units
Amount paid on redemption of units

Balance as at June 30, 2024

Receivable against issuance of units	Payable against redemption of units	Total
-----Rupees-----		
-	-	-
36,937,522	-	36,937,522
-	-	-
36,937,522	-	36,937,522
(36,937,522)	-	(36,937,522)
-	-	-
(36,937,522)	-	(36,937,522)
-	-	-

June 30, 2024				
Equity Sub-fund	Equity Index Sub-fund	Debt Sub-fund	Money Market Sub-fund	Total
-----Rupees-----				

23 FINANCIAL INSTRUMENTS BY CATEGORY

Financial assets

Balances with banks

Profit receivables

510,000	510,000	510,000	32,242,013	33,772,013
-	-	-	962,127	962,127
510,000	510,000	510,000	33,204,140	34,734,140

Financial liabilities

Payable to Central Depository Company of Pakistan Limited - Trustee

Payable to the Securities and Exchange Commission of Pakistan

Accrued liabilities

-	-	-	5,340	5,340
-	-	-	7,585	7,585
-	-	-	270,000	270,000
-	-	-	282,925	282,925

24 FINANCIAL INSTRUMENTS BY CATEGORY

The Fund's objective in managing risk is the creation and protection of participants' 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 Pension Fund Manager, the constitutive documents of the Fund 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 Pension Fund Manager supervises the overall risk management approach within the Fund. The Fund is exposed to market risk, liquidity risk and credit risk arising from the financial instruments it holds.

24.1 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 the changes in market prices.

The Pension Fund Manager manages the market risk through diversification of the investment portfolio and by following the internal guidelines established by the Investment Committee and the Regulations laid down by SECP.

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

NOTES TO THE FINANCIAL STATEMENTS >

FOR THE PERIOD FROM DECEMBER 15, 2023 TO JUNE 30, 2024

24.1.1 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. The Sub-Funds does not have any financial instruments in foreign currencies and hence is not exposed to such risk.

24.1.2 Profit / interest rate risk

Profit / 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. As of June 30, 2024, the Fund is exposed to such risk on its balances held with banks and Sukuk certificates. The Investment Committee of the Fund reviews the portfolio of the Fund on a regular basis to ensure that the risk is managed within the acceptable limits.

June 30, 2024				
Equity Sub-fund	Equity Index Sub-fund	Debt Sub-fund	Money Market Sub-fund	Total
----- (Rupees) -----				

Variable rate instruments (financial assets)

Bank Balance	510,000	510,000	510,000	32,242,013	33,772,013
--------------	---------	---------	---------	------------	------------

Sensitivity analysis of variable rate instruments

The Fund hold balances with bank and investment in debt securities which expose the Fund to cash flow profit rate risk. In case of 100 basis points increase / decrease in applicable rates at the reporting date with all other variables held constant, the net income / loss for the year and net assets of the Funds would have been higher or lower by as follow:

June 30, 2024				
Equity Sub-fund	Equity Index Sub-fund	Debt Sub-fund	Money Market Sub-fund	Total
----- (Rupees) -----				

Change in basis points

Increase in 100 basis points	5,100	5,100	5,100	322,420	337,720
Decrease in 100 basis point	(5,100)	(5,100)	(5,100)	(322,420)	(337,720)

The composition of the Fund's investment portfolio, KIBOR rates and the rates announced by the Financial Markets Association of Pakistan (FMAP) are expected to change over time. Accordingly, the sensitivity analysis prepared as of June 30, 2024 is not necessarily indicative of the impact on the Fund's net assets of future movements in profit rates.

Profit / 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 the settlement date.

NOTES TO THE FINANCIAL STATEMENTS >
FOR THE PERIOD FROM DECEMBER 15, 2023 TO JUNE 30, 2024

JS KPK Islamic Pension Fund - Equity Sub Fund

Particulars	AS AT JUNE 30, 2024					
	Interest rate	Total	-----Exposed to interest rate risk-----			Not exposed to interest rate risk
			Upto three months	More than three months and upto one year	More than one year	
%		-----Rupees-----				

On-balance sheet financial instruments

Financial assets

Balances with banks	18.5	510,000	510,000	-	-	-
		510,000	510,000	-	-	-

Financial liabilities

Payable to JS Investment Limited Pension Fund Manager		144,836	-	-	-	144,836
		144,836	-	-	-	144,836

On-balance sheet gap (a)		365,164	510,000	-	-	(144,836)
---------------------------------	--	----------------	----------------	----------	----------	------------------

Off-balance sheet financial instruments		-	-	-	-	-
---	--	---	---	---	---	---

Off-balance sheet gap (b)		-	-	-	-	-
---------------------------	--	---	---	---	---	---

Total interest rate sensitivity gap (a+b)		365,164	510,000	-	-	(144,836)
--	--	----------------	----------------	----------	----------	------------------

Cumulative interest rate sensitivity gap			510,000	-	-	
---	--	--	----------------	----------	----------	--

JS KPK Islamic Pension Fund - Equity Index Sub Fund

Particulars	AS AT JUNE 30, 2024					
	Interest rate	Total	-----Exposed to interest rate risk-----			Not exposed to interest rate risk
			Upto three months	More than three months and upto one year	More than one year	
%		-----Rupees-----				

On-balance sheet financial instruments

Financial assets

Balances with banks	18.5	510,000	510,000	-	-	-
		510,000	510,000	-	-	-

Financial liabilities

Payable to JS Investment Limited Pension Fund Manager		144,836	-	-	-	144,836
		144,836	-	-	-	144,836

On-balance sheet gap (a)		365,164	510,000	-	-	(144,836)
---------------------------------	--	----------------	----------------	----------	----------	------------------

Off-balance sheet financial instruments		-	-	-	-	-
---	--	---	---	---	---	---

Off-balance sheet gap (b)		-	-	-	-	-
---------------------------	--	---	---	---	---	---

Total interest rate sensitivity gap (a+b)		365,164	510,000	-	-	(144,836)
--	--	----------------	----------------	----------	----------	------------------

Cumulative interest rate sensitivity gap			510,000	-	-	
---	--	--	----------------	----------	----------	--

NOTES TO THE FINANCIAL STATEMENTS >

FOR THE PERIOD FROM DECEMBER 15, 2023 TO JUNE 30, 2024

Particulars	AS AT JUNE 30, 2024					Not exposed to interest rate risk
	Interest rate	Total	-----Exposed to interest rate risk-----			
			Upto three months	More than three months and upto one year	More than one year	
%	-----Rupees-----					

On-balance sheet financial instruments

Financial assets

Balances with banks	18.5	510,000	510,000	-	-	-
		510,000	510,000	-	-	-

Financial liabilities

Payable to JS Investment Limited Pension Fund Manager		144,836	-	-	-	144,836
		144,836	-	-	-	144,836

On-balance sheet gap (a)		365,164	510,000	-	-	(144,836)
---------------------------------	--	----------------	----------------	---	---	------------------

Off-balance sheet financial instruments

Off-balance sheet gap (b)		-	-	-	-	-
----------------------------------	--	---	---	---	---	---

Total interest rate sensitivity gap (a+b)		365,164	510,000	-	-	(144,836)
--	--	----------------	----------------	---	---	------------------

Cumulative interest rate sensitivity gap			510,000	-	-	
---	--	--	----------------	---	---	--

JS KPK Islamic Pension Fund - Money Market Sub Fund

Particulars	AS AT JUNE 30, 2024					Not exposed to interest rate risk
	Interest rate	Total	-----Exposed to interest rate risk-----			
			Upto three months	More than three months and upto one year	More than one year	
%	-----Rupees-----					

On-balance sheet financial instruments

Financial assets

Balances with banks	18.5	32,242,013	32,242,013	-	-	-
Profit receivables		962,127	-	-	-	962,127
		33,204,140	32,242,013	-	-	962,127

Financial liabilities

Payable to JS Investment Limited Pension Fund Manager		144,836	-	-	-	144,836
Payable to Central Depository Company of Pakistan Limited - Trustee		5,340	-	-	-	5,340
Payable to the Securities and Exchange Commission of Pakistan		7,585	-	-	-	7,585
Accrued expenses and other liabilities		270,000	-	-	-	270,000
		427,761	-	-	-	427,761

On-balance sheet gap (a)		32,776,379	32,242,013	-	-	534,366
---------------------------------	--	-------------------	-------------------	---	---	----------------

Off-balance sheet financial instruments

Off-balance sheet gap (b)		-	-	-	-	-
----------------------------------	--	---	---	---	---	---

Total interest rate sensitivity gap (a+b)		32,776,379	32,242,013	-	-	534,366
--	--	-------------------	-------------------	---	---	----------------

Cumulative interest rate sensitivity gap			32,242,013	-	-	
---	--	--	-------------------	---	---	--

NOTES TO THE FINANCIAL STATEMENTS >

FOR THE PERIOD FROM DECEMBER 15, 2023 TO JUNE 30, 2024

24.1.3 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 profit 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 Sub Funds are not exposed to any price risk.

24.2 Credit risk

Credit risk represents the risk of a loss if the counter parties fail to perform as contracted. Credit risk in Sub-Funds mainly arises from deposits with banks, credit exposure arising as a result of profit receivable on deposits with banks, deposits and investment in debt securities. For banks and financial institutions balances are kept with reputed parties. Credit risk on deposit receivable is minimal due to statutory protection. All transactions in listed securities are settled / paid for upon delivery as per market clearing system. The risk of default is considered minimal due to inherent systematic measures taken therein. Debt securities held by the debt sub fund and money market sub fund mainly consist of government securities are government backed and therefore not exposed to credit risk. The remaining debts securities are with reputable counter parties and therefore credit risk is minimal.

Credit risk is managed and controlled by the Pension Fund Manager of the Fund in the following manner:

- The Fund limits its exposure to credit risk by only investing in liquid debt securities that have at minimum an investment grade as rated by a credit rating agency approved by the SECP. In the absence of issue rating, the Fund ensures that the entity has an investment grade as rated by a credit rating agency approved by the SECP.
- The risk of counter party exposure due to failed trades causing a loss to the Fund is mitigated by a periodic review of trade reports, credit ratings and financial statements on a regular basis

24.2.1 The Sub Funds' maximum exposure to credit risk are as follows

June 30, 2024					
Equity Sub-fund	Equity Index Sub-fund	Debt Sub-fund	Money Market Sub-fund	Total	
------(Rupees)-----					
Balances with banks	510,000	510,000	510,000	32,242,013	33,772,013
Profit and other receivables	-	-	-	962,127	962,127
	<u>510,000</u>	<u>510,000</u>	<u>510,000</u>	<u>33,204,140</u>	<u>34,734,140</u>

24.2.2 The analysis below summaries the available published credit ratings of the Fund's financial assets as at period end:

Name Of The Bank	Rating agency	Latest available published rating	Percentage
JS KPK Islamic Pension Fund - Equity Sub Fund:			
Dubai Islamic Bank	JCR-VIS	AA	100%
JS KPK Islamic Pension Fund - Equity Index Sub Fund:			
Dubai Islamic Bank	JCR-VIS	AA	100%
JS KPK Islamic Pension Fund - Debt Sub Fund:			
Dubai Islamic Bank	JCR-VIS	AA	100%
JS KPK Islamic Pension Fund - Money Market Sub Fund:			
Dubai Islamic Bank	JCR-VIS	AA	100%

24.2.3 Concentration of credit risk

Concentration of credit risk exists when changes in economic or industry factors similarly affect groups of counter parties whose aggregate credit exposure is significant in relation to the Fund's total credit exposure. The Fund's portfolio of financial assets is mainly held with credit worthy counterparties thereby mitigating any credit risks

NOTES TO THE FINANCIAL STATEMENTS >

FOR THE PERIOD FROM DECEMBER 15, 2023 TO JUNE 30, 2024

24.3 Liquidity risk

Liquidity risk is the risk that all Sub-Funds may not be able to generate sufficient cash resources to settle its obligation 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 redemptions of its redeemable units on a regular basis. 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. The Fund's policy is, therefore, to invest the majority of its assets either in short term instruments or in investments that are traded in an active market and can be readily disposed and are considered readily realisable in order to maintain liquidity.

The Fund can borrow in the short term to ensure settlement in Sub-Funds. The maximum amount available to the Sub-Funds from the borrowing would be limited to fifteen percent of its net assets upto 90 days and would be secured by the assets of the Sub-Funds. The facility would bear borrowing cost at commercial rates. However, no borrowing was obtained by any Sub-Fund during the current year.

In order to manage the Fund's overall liquidity, the Fund may also withhold daily redemption requests in excess of ten percent of the 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 summarises the maturity profile of the Fund's financial instruments. The analysis into relevant maturity groupings is based on the remaining year at the end of the reporting year to the contractual maturity date. However liabilities that are receivable / payable on demand including bank balances have been included in the maturity grouping of one month.

JS KPK Islamic Pension Fund - Money Market Sub Fund

Particulars	Balance as at June 30, 2024			
	Total	Upto three months	Over three months and upto one year	Over one year
-----Rupees-----				
Financial Liabilities				
Payable to JS Investment Limited	144,836	144,836	-	-
Payable to Central Depository Company of Pakistan Ltd. - Trustee	5,340	5,340	-	-
Payable to the Securities and Exchange Commission of Pakistan	7,585	7,585	-	-
Accrued expenses and other liabilities	270,000	270,000	-	-
	427,761	427,761	-	-

JS KPK Islamic Pension Fund - Equity Sub Fund

Particulars	AS AT JUNE 30, 2024			
	Total	Upto three months	Over three months and upto one year	Over one year
-----Rupees-----				
Financial Liabilities				
Payable to JS Investment Limited	144,836	144,836	-	-

JS KPK Islamic Pension Fund - Equity Index Sub Fund

Particulars	AS AT JUNE 30, 2024			
	Total	Upto three months	Over three months and upto one year	Over one year
-----Rupees-----				
Financial Liabilities				
Payable to JS Investment Limited	144,836	144,836	-	-

JS KPK Islamic Pension Fund - Debt Sub Fund

Particulars	AS AT JUNE 30, 2024			
	Total	Upto three months	Over three months and upto one year	Over one year
-----Rupees-----				
Financial Liabilities				
Payable to JS Investment Limited	144,836	144,836	-	-

25 FAIR VALUE MEASUREMENT

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 at the reporting date. The estimated fair value of all other financial assets and liabilities is considered not to be significantly different from the respective book values.

Fair value hierarchy

International Financial Reporting Standard 13, 'Fair Value Measurement' 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:

'Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities;

'Level 2: 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); and

'Level 3: inputs for the asset or liability that are not based on observable market data (i.e. unobservable inputs).

The Fund has not disclosed the fair value of the financial assets and liabilities as their fair values are approximately equal to their carrying value.

26 PARTICIPANTS' SUB-FUND RISK MANAGEMENT

The participants' Fund is represented by redeemable units of the Sub-Funds. These units are entitled to payment of a proportionate share, based on the Fund's Net Asset Value per unit on the redemption date.

The Fund has no restrictions on the subscription and redemption of units. There is no specific capital requirement which is applicable to the Fund

The Fund's objectives when managing funds received are to safeguard its ability to continue as a going concern so that it can continue to provide returns for participants and to maintain a strong base of asset under management.

In accordance with the risk management policies, all the Sub-Funds of the Fund endeavour to invest the subscriptions received in appropriate investments while maintaining sufficient liquidity to meet redemption. All the Sub-Funds of the Fund have invested with a long term objective, the possibility of a significant redemption pressure is limited, such liquidity being augmented by borrowing arrangements (which can be entered if necessary) or disposal of investments where necessary.

All units, including the core units, and fractions thereof represent an undivided share in the pertinent Sub-Funds of the fund and rank parri passu as their rights in the net assets and earning of the sub-fund are not tradable or transferable. Each participant has a beneficial interest in the Sub-Fund proportionate to the units held by such participant in such Sub-Fund.

27 GENERAL

Figures have been rounded off to the nearest rupee.

28 DATE OF AUTHORISATION FOR ISSUE

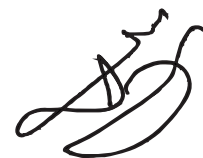
These financial statements were authorised for issue by the Board of Directors of the Management Company on August 20, 2024.



Chief Financial Officer



Chief Executive Officer



Director



JS INVESTMENTS OFFICES

- **Head Office - Karachi**
19th Floor, The Centre, Plot No. 28, SB-5,
Abdullah Haroon Road, Saddar, Karachi.
- **Wealth Centre**
Ground Floor, Plot No. 97-C, Main
Khayaban-e-Shaheen, DHA Phase 8,
Karachi
- **Regional Office - Lahore**
Ground Floor, No. 25, Block 13, Plot No.1-4,
Usman Block, New Garden Town, Lahore
- **Regional Office - Islamabad**
Office No. 414, 4th Floor, PSX Building,
Jinnah Avenue, Islamabad

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JS LARGE CAP. FUND

ANNUAL REPORT 2024



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COMPANY INFORMATION

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	Non-Executive Director / Chairman
Ms. Iffat Zehra Mankani	Chief Executive Officer
Mr. Hasan Shahid	Non-Executive Director
Mr. Mirza M. Sadeed H. Barlas	Non-Executive Director
Mr. Atif Salim Malik	Non-Executive Director
Ms. Aisha Fariel Salahuddin	Non-Executive Independent Director
Ms. Mediha Kamal Afsar	Non-Executive Independent Director
Mr. Farooq Ahmed Malik	Non-Executive Independent Director

Chief Executive Officer

Ms. Iffat Zehra Mankani

Chief Financial Officer

Mr. Raheel Rehman

Chief Investment Officer

Mr. Syed Hussain Haider

Chief Operating Officer & Company Secretary

Mr. Muhammad Khawar Iqbal

Statutory Auditors

Grant Thornton Anjum Rahman, Chartered Accountants

Legal Advisors

Bawaney and Partners
3rd & 4th Floor, 68-C, Lane-13
Bokhari Commercial Area
Phase-VI DHA, Karachi

Audit Committee

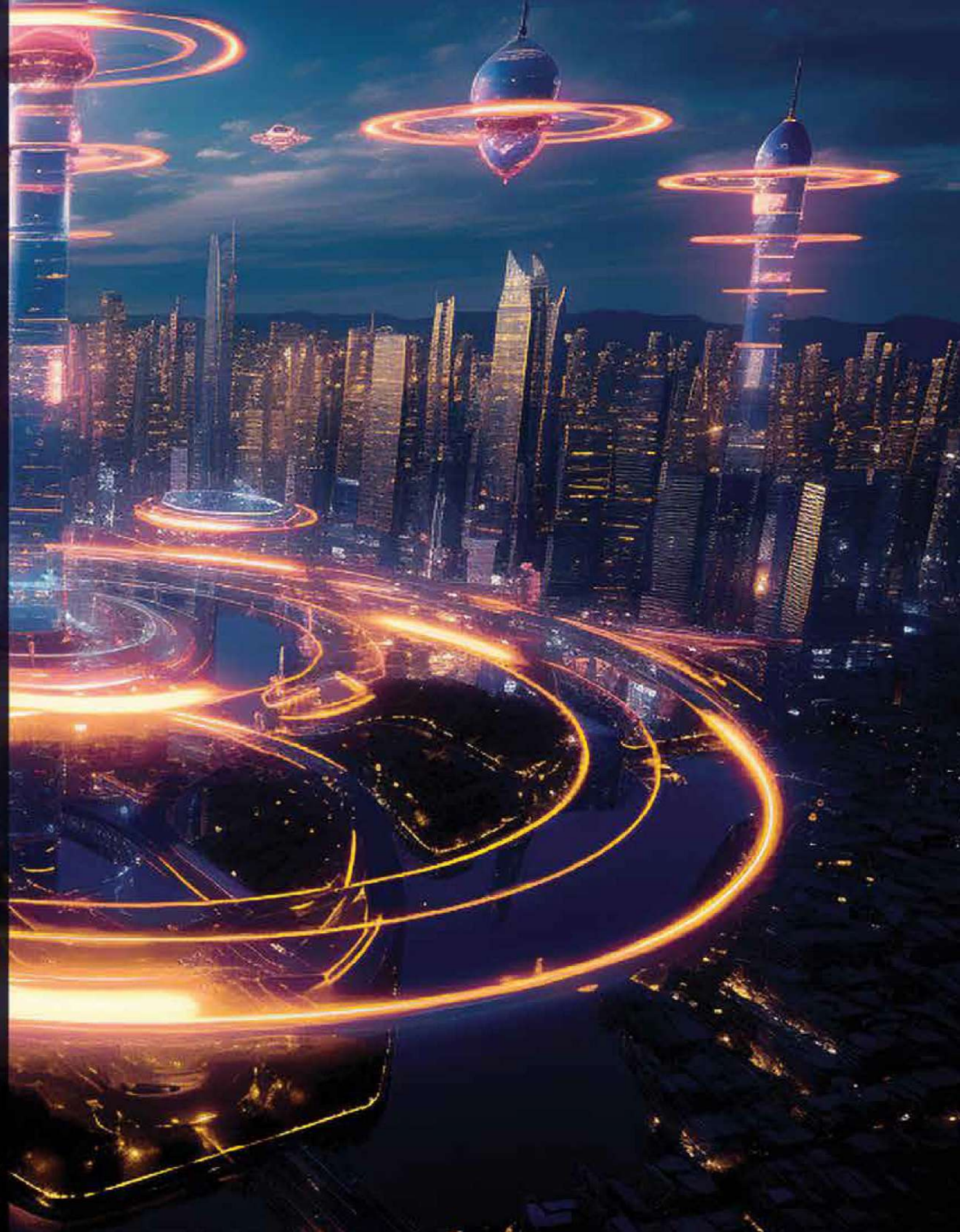
Ms. Mediha Kamal Afsar (Chairperson)
Mr. Hasan Shahid (Member)
Mr. Mirza M. Sadeed H. Barlas (Member)

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

Vision

To be the preferred choice of every investor, offering diverse and innovative investment solutions





DIRECTORS' REPORT TO THE UNIT HOLDERS

FOR THE PERIOD ENDING JUNE 30, 2024

The Board of Directors of JS Investments Limited, the Management Company of **JS Large Cap. Fund** (the Fund), is pleased to present the Annual Report for the year ended June 30, 2024.

Economic Review:

The fiscal year 2024 has been a period of significant transition for the country, moving from a precarious trajectory towards a path of relative stability in both political and economic spheres. The caretaker setup initially introduced a stabilization agenda that guided much of the year. Following this, a new government was formed post-Federal elections, providing a clearer direction for the country despite some initial uncertainties during the election process. This transition offered some reassurance, given the significant challenges the nation has faced in recent years. The macroeconomic framework under the IMF's Stand-By Agreement (SBA), which included a short-term US\$3 billion funding facility signed in June of the previous year and largely executed by the caretaker government, concluded at the end of April with a final disbursement of US\$1 billion.

Turning to the real economy, the robust growth of 6.5% in agriculture, encompassing all major crops and livestock, significantly boosted the provisional GDP growth for FY24 to 2.38%, surpassing the projections of the IMF (2%), ADB (1.9%), and the World Bank (1.8%). This underscores the resilience of the economy. Against this backdrop, two key macroeconomic events during the period were the easing of monetary policy and the simultaneous tightening of fiscal policy, trends expected to continue into the next fiscal year. Observing how these policies will ultimately impact overall economic growth will be critical, especially as the industry has been under unprecedented pressure from a highly challenging business environment characterized by cost-push inflation and sluggish demand.

The Federal Budget for FY25 envisions a substantial 40% increase in FBR revenues, with the government projecting an inflation rate of 12% and a real GDP growth rate of 3.6%. According to the government's estimates presented in the budget, the fiscal deficit, expected to close at 7.4% for the current year—revised from the previous year's budgeted target of 6.5%—is projected to decrease to 5.9% for FY25.

The external account experienced considerable strengthening, with SBP FX Reserves more than doubling from their lows at the end of June 2023 to reach US\$9.4 billion by the end of June 2024. The Pakistani rupee appreciated by 2.8%, closing at 278 against the US dollar. The current account deficit has decreased markedly to US\$ 464 million for the 11 months up to May 2024, compared to US\$ 3.76 billion during the same period last year, instilling confidence in the balance of payments situation. Building on this, Pakistan's upcoming new and larger funding program with the IMF holds paramount importance, as it will significantly strengthen the country's fundamental macroeconomic pillars, particularly fiscal operations, while also providing essential support for managing external debt obligations.

Equity Market Review:

The fiscal year 2024 marked a significant trend reversal in the local equity market, characterized by consistent sharp gains throughout the period. The bull rally commenced at the beginning of the year following the signing of the IMF's Stand-By Arrangement (SBA) funding facility. The KSE-100 index surged by 89.2%, closing at 78,445. Similarly, other key equity indices, such as the KSE-30 Total Return Index and the KMI-30 Index, rose by 95.1% and 78.7%, respectively, by the end of June 2024. The notable performance disparity between the conventional indices (KSE-100 and KSE-30) and the Shari-ah-compliant index (KMI-30) reflects the sharp gains in commercial banking stocks, which significantly outperformed the broader indices and accounted for the majority of the market gains during this period.

Foreign investors and local insurance companies emerged as the most significant net buyers in the equity market during the year, purchasing equities worth US\$157 million and US\$127 million, respectively. In contrast, banks/DFIs and individual investors were the major net sellers, offloading US\$150 million and US\$60 million worth of equities, respectively.

While the year 2024 saw a generally robust performance of global equity markets, the gains were uneven across regions due to a combination of local economic conditions, central bank policies, and geopolitical factors. Key themes included optimism around AI and technology, expectations of peaking interest rates, and slower-than-expected growth in China, while improving economic fundamentals in other select countries.

Review of Fund Performance

The Fund return was 83.73% for the year ended June 30, 2024, against a benchmark return of 94.99%. The Fund's Net Assets increased from PKR. 273.06 million as of June 30, 2023, to PKR 1,389.89 million as of 30 June 2024. The Fund's total expense ratio is 3.45%, which includes 0.34% of government levies on the Fund.

Dividend

The Fund paid an interim cash dividend of Rs 1.00 per unit during the year ended June 30, 2024.

Asset Manager Rating

Pakistan Credit Rating Agency Limited (PACRA) has maintained our Management Company's asset manager rating of 'AM2+' with a 'stable outlook'. This rating underscores our dedication to maintaining high-quality management standards and reflects positively on the overall performance and outlook of our operations.

Auditors

The external auditors of the Fund Messrs Grant Thornton Anjum Rahman Chartered Accountants retire and being eligible offer themselves for reappointment. The Board of Directors, upon recommendation of the Audit Committee of the Board has approved the appointment of Messrs Grant Thornton Anjum Rahman, Chartered Accountants, as the Fund's auditors for the ensuing year ending June 30, 2025.

Additional Matters

- a. Annexed to the Annual Report is the Fund Manager's Report, providing a description of principal risks and uncertainties along with a reasonable indication of future profit prospects.
- b. The Pattern of Unit holding as of June 30, 2024, 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.

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.



Chief Executive Officer



Director

Karachi: August 20, 2024

شراکت داروں کے لیے ڈائریکٹرز رپورٹ

جے ایس انویسٹمنٹس لمیٹڈ کے بورڈ آف ڈائریکٹرز، JS لارج کیپ۔ فنڈ (دی فنڈ) کی میجمنٹ کمپنی نے 30 جون 2024 کو ختم ہونے والے سال کے لیے سالانہ رپورٹ پیش کرتے ہوئے خوشی محسوس کرتے ہیں۔

معاشی جائزہ

مالی سال 2024 ملک کے لیے اہم تبدیلی کا دور رہا ہے، جو ایک غیر یقینی راستے سے سیاسی اور معاشی دونوں شعبوں میں نسبتاً استحکام کی راہ پر گامزن ہے۔ نگران سیٹ اپ نے ابتدائی طور پر استحکام کا ایجنڈا متعارف کرایا جس نے سال کے زیادہ تر حصے کے رہنمائی کی۔ اس کے بعد، وفاقی انتخابات کے بعد ایک نئی حکومت تشکیل دی گئی، جس نے انتخابی عمل کے دوران کچھ ابتدائی غیر یقینی صورتحال کے باوجود ملک کو ایک واضح سمت فراہم کی۔ حالیہ برسوں میں قوم کو درپیش اہم چیلنجوں کے پیش نظر اس تبدیلی نے کچھ یقین دہانی کرائی ہے۔ آئی ایم ایف کے اسٹینڈ بائی ایگریمنٹ (SBA) کے تحت میکرو اکنامک فریم ورک، جس میں گزشتہ سال جون میں دستخط شدہ 3 بلین امریکی ڈالر کی قلیل مدتی فنڈنگ سہولت شامل تھی اور جس پر نگران حکومت نے بڑے پیمانے پر عمل درآمد کیا تھا، 1 بلین امریکی ڈالر کی حتمی تقسیم کے ساتھ اپریل کے آخر میں اختتام پذیر ہوئی۔

حقیقی معیشت کی طرف گامزن ہوتے ہوئے، زراعت میں 6.5 فیصد کی مضبوط نمو، بشمول تمام اہم فصلیں اور لائیو اسٹاک، نے مالی سال 2024 کے لیے عبوری GDP کی نمو کو نمایاں طور پر بڑھا کر 2.38 فیصد کر دیا، جو IMF (2 فیصد)، ایشیائی ترقیاتی بینک (1.9 فیصد) اور عالمی بینک (1.8 فیصد) کے تخمینوں سے زیادہ ہے۔ اس سے معیشت کی لچک کی نشاندہی ہوتی ہے۔ اس پس منظر میں، اس مدت کے دوران زری پالیسی میں نرمی اور بیک وقت مالیاتی پالیسی میں سختی دو اہم میکرو اکنامک واقعات تھے، ان رجحانات کا اگلے مالی سال تک جاری رہنے کی توقعات ہیں۔ یہ دیکھنا کہ یہ پالیسیاں بالآخر مجموعی معاشی ترقی کو کس طرح متاثر کریں گی، اہم ہوں گا، خاص طور پر جب صنعت کو انتہائی چیلنجنگ کاروباری ماحول کا سامنا ہے جو لاگت میں اضافے والی افراط زر اور دست طلب سے موصوم ہے۔

مالی سال 2025 کے وفاقی بجٹ میں ایف بی آر (FBR) کے محصولات میں 40 فیصد اضافے کا تخمینہ لگایا گیا ہے، حکومت نے افراط زر کی شرح 12 فیصد اور حقیقی جی ڈی پی (GDP) کی شرح نمو 3.6 فیصد پیش کی ہے۔ بجٹ میں پیش کی گئی حکومتی تخمینوں کے مطابق مالی خسارہ رواں مالی سال میں 7.4 فیصد رہنے کا امکان ہے جو گزشتہ سال کے بعد 6.5 فیصد کے بجٹ ہدف سے نظر ثانی شدہ۔ مالی سال 2025 کے لیے کم ہو کر 5.9 فیصد رہ جائے گا۔

بیرونی کھاتے میں کافی مضبوطی دیکھی گئی اور اسٹیٹ بینک آف پاکستان کے غیر ملکی زرمبادلہ کے ذخائر جون 2023 کے اختتام پر اپنی کم ترین سطح سے دگنا ہو کر جون 2024 کے اختتام پر 9.4 بلین امریکی ڈالر تک پہنچ گئے۔ پاکستانی روپے امریکی ڈالر کے مقابلے میں 2.8 فیصد کے اضافے سے 278 پر بند ہوا۔ مئی 2024 تک 11 ماہ کے دوران کرنٹ اکاؤنٹ خسارہ نمایاں طور پر کم ہو کر 464 ملین امریکی ڈالر رہ گیا ہے جو گزشتہ سال کے اسی مدت کے دوران 3.76 بلین امریکی ڈالر تھا، جس سے ادائیگیوں کے توازن کی صورتحال پر اعتماد پیدا ہوا۔ اس کی بنیاد پر، پاکستان کا آئی ایم ایف (IMF) کے ساتھ آئندہ آنے والا نیا اور بڑا فنڈنگ پروگرام انتہائی اہمیت کا حامل ہے، کیونکہ یہ ملک کی میکرو اکنامک بنیادوں بالخصوص مالی آپریشنز کو نمایاں طور پر مضبوط کرے گا، بیرونی قرضوں کی ذمہ داریوں کے انتظام کے لیے ضروری معاونت مہیا کرے گا۔

ایکیویٹی مارکیٹ کا جائزہ

مالی سال 2024 میں مقامی ایکویٹی مارکیٹ میں ایک اہم رجحان میں تبدیلی کی نشاندہی کی، جو اس مدت میں مسلسل تیز اضافے سے موصوم ہے۔ اس تیز ریلی کا آغاز سال کی شروعات میں آئی ایم ایف کی اسٹینڈ بائی آرٹیکل (ایس بی اے) فنڈنگ فیصلیٹی پر دستخط کے بعد ہوا تھا۔ KSE - 100 انڈیکس 89.2 فیصد اضافے سے 78,445 پر بند ہوا۔ اسی طرح دیگر اہم ایکویٹی انڈیکس جیسے KSE - 30 ٹوٹل ریٹرن انڈیکس اور KMI - 30 انڈیکس میں جون 2024 کے اختتام تک بالترتیب 95.1 فیصد اور 78.7 فیصد اضافہ ہوا۔ روایتی انڈیکس (KSE - 100 اور KSE - 30) اور شریعہ کیپلائنٹ انڈیکس (KMI - 30) کے درمیان کارکردگی میں نمایاں فرق کمرشل بینکنگ حصص میں تیز اضافے کی عکاسی کرتا ہے، جس نے وسیع تر اشاریوں سے نمایاں طور پر بہتر کارکردگی کا مظاہرہ کیا اور اس مدت کے دوران مارکیٹ میں زیادہ تر اضافے کا سبب بنے۔

اس مدت کے دوران ایکویٹی مارکیٹ میں غیر ملکی سرمایہ کار اور مقامی انشورنس کمپنیاں سب سے اہم خریدار کے طور پر ابھر کر سامنے آئے، انہوں نے بالترتیب 157 ملین امریکی ڈالر اور 127 ملین امریکی ڈالر کی ایکویٹی خریدی۔ اس کے برعکس بینکوں / ڈی ایف آئی اور انفرادی سرمایہ کار بڑے فروخت کنندگان تھے، جنہوں نے بالترتیب 150 ملین امریکی ڈالر اور 60 ملین امریکی ڈالر مالیت کی ایکویٹی فروخت کیں۔

اگرچہ سال 2024 میں عالمی ایکویٹی مارکیٹوں کی عمومی طور پر مضبوط کارکردگی دیکھی گئی، لیکن مقامی معاشی حالات، مرکزی بینک کی پالیسیوں اور جغرافیائی سیاسی عوامل کے امتزاج کے سبب

خطوں میں فوائد غیر مساوی تھے۔ کلیدی موضوعات میں مصنوعی ذہانت اور ٹیکنالوجی کے بارے میں امید، شرح سود میں اضافے کی توقعات، اور چین میں توقع سے سست ترقی شامل ہیں، جبکہ دیگر منتخب ممالک میں معاشی بنیادوں کو بہتر بنانا شامل ہے۔

فنڈ کی کارکردگی کا جائزہ

30 جون 2024 کو ختم ہونے والے سال کے لیے فنڈ کا منافع 94.99 فیصد اپنے بیچ مارک منافع کے مقابلے میں 83.73 فیصد رہا۔ 30 جون 2024 کو خالص اثاثہ جات 30 جون 2023 کے 273.06 ملین روپے سے 1,389.89 ملین روپے پر پہنچ گئے۔ کل اخراجات کا تناسب 3.45 فیصد ہے، جس میں فنڈ پر حکومتی محصولات کا 0.34 فیصد شامل ہے۔

ڈیویڈنڈ

30 جون 2024 کو ختم ہونے والے سال کے دوران فنڈ نے 1.00 روپے فی یونٹ انٹرم کیش ڈیویڈنڈ ادا کیا۔

ایسیٹ مینجریٹنگ

پاکستان کریڈٹ ریٹنگ ایجنسی لمیٹڈ (PACRA) نے ہماری مینجمنٹ کمپنی کی "AM 2+" ایسیٹ مینجریٹنگ کو "متحکم" منظر نامے کے ساتھ برقرار رکھا ہے۔ یہ ریٹنگ اعلیٰ معیار کے انتظامی معیار کو برقرار رکھنے کے لیے ہماری لگن کی نشاندہی کرتی ہے، جو ہمارے آپریشنز کی مجموعی کارکردگی اور منظر نامے پر مثبت عکاسی کرتی ہے۔

آڈیٹرز

ریٹائر ہونے والے بیرونی آڈیٹرز میسرز گرینٹ تھورنٹن انجم رحمان، 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 گرینٹ تھورنٹن انجم رحمان، چارٹرڈ اکاؤنٹنٹس کی 30 جون 2025 کو ختم ہونے والے سال کے لیے تقرری کی منظوری دی۔

اضافی معاملات

1۔ سالانہ رپورٹ کے ساتھ فنڈ مینجری 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۔ 30 جون 2024 تک یونٹ ہولڈنگ کے نمونہ اس سالانہ رپورٹ کے ساتھ منسلک ہے۔
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۔

اظہار تشکر

ڈائریکٹرز پیش قدمی، مدد اور رہنمائی پر سیکورٹیز اینڈ ایکسچینج کمیشن آف پاکستان (SECP) اور سینٹرل ڈپازٹری کمپنی آف پاکستان لمیٹڈ (CDCPL) سے اظہار 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۔

ڈائریکٹر

چیف ایگزیکٹو آفیسر

کراچی: 20 اگست 2024




FUND MANAGER REPORT

Annual Report 2024

- **Description of the Collective Investment Scheme category and type**

Equity Scheme / Open end

- **Statement of Collective Investment Scheme's investment objective**

JS LCF is an open-end Equity Scheme that aims to benefit from an attractive Capital Market in an economy with growth potential, to maximize the total investment return consisting of a combination of capital appreciation and dividend income. Consistent with its Investment Objective, the Fund shall invest primarily in equity securities of listed Large-Cap companies with market capitalization of over Rupees one billion. The remaining Funds shall be invested in Authorized Investments including cash and/or near cash instruments which include cash in bank accounts, and Government securities not exceeding ninety (90) days maturity.

- **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-23	Aug-23	Sep-23	Oct-23	Nov-23	Dec-23	Jan-24	Feb-24	Mar-24	Apr-24	May-24	Jun-24	FY24
JSLCF	17.06%	-7.88%	2.39%	10.65%	13.41%	5.95%	1.17%	3.23%	4.75%	6.91%	5.30%	1.62%	83.73%
Benchmark	18.12%	-6.23%	1.56%	13.19%	15.71%	2.91%	0.86%	5.50%	2.93%	7.22%	5.46%	3.86%	94.99%
Diff.	-1.06%	-1.65%	0.83%	-2.55%	-2.30%	3.04%	0.32%	-2.26%	1.83%	-0.32%	-0.16%	-2.24%	-11.26%

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

During the year, the fund shifted its focus toward growth-oriented sectors with strong fundamentals, capturing opportunities in undervalued stocks with promising recovery potential. The allocation strategy was adjusted to leverage improving macroeconomic indicators, allowing for a more optimistic positioning in cyclical sectors while maintaining a disciplined approach to risk management.

- **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-24	Jun-23
Cash	6.76%	12.83%
Equity	92.93%	84.28%
Other including receivables	0.31%	2.88%
Total	100.00%	100.00%

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

	Fund		Fund	BM
Information Ratio	0.04	Beta	0.8	1.0
Correlation	0.89	Largest Month Gain	18.7%	25.2%
Standard Deviation	22.3%	Largest Month Loss	-30.8%	-45.0%
Expense Ratio**	3.5%	% Positive Months	56.4%	58.5%

Unless otherwise specified, all data is presented on a since-inception basis.

** This includes 0.34% Government levy & SECP fee; 1.07% Selling & marketing expenses.

FUND MANAGER REPORT

Annual Report 2024

- 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-24	1,315	201.42
30-Jun-23	273	110.17

- Disclosure of the markets that the Collective Investment Scheme has invested in:**
JS Large Cap. Fund invests in equity securities listed on the Pakistan Stock Exchange (PSX).

- 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

The fund has paid a final distribution of Rs. 1.00 per unit of Rs. 100/- i.e. 1.00%. The cumulative distribution for FY24 is Rs. 1.00 per unit.

NAV per unit as on June 30, 2024	
Cum NAV (PKR)	201.42
Ex-NAV (PKR)	201.42

- 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
		to		
JS Large Cap. Fund	0.0001	to	9,999.9999	1,565
	10,000.0000	to	49,999.9999	26
	50,000.0000	to	99,999.9999	6
	100,000.0000	to	499,999.9999	2
	500,000.0000	&	above	2
			Total	1,601

- 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

Description	Years				
	2024	2023	2022	2021	2020
Net Assets - Rupees in '000'	1,389,897	273,057	324,452	478,436	351,764
Net (loss) / Income - Rupees in '000'	308,952	(5,073)	(85,263)	137,330	(22,379)
Net assets value per unit - Rupees	201.42	110.17	111.72	137.58	99.78
Highest offer price per unit	214.02	120.57	146.81	148.96	127.09
Lowest offer price per unit	120.57	105.99	113.96	105.04	85.802
Year-end offer price per unit	208.25	113.91	115.51	142.25	103.17
Highest repurchase price per unit	206.88	116.61	141.99	144.07	126.55
Lowest repurchase price per unit	116.61	102.51	110.22	101.59	78.45
Year-end repurchase price per unit	201.42	110.17	111.72	137.58	99.78
Earnings per unit - Rupees	44.77	(2.05)	(29.36)	39.49	(6.35)
Interim distribution per unit - Rupee	1.00	-	-	-	-
Interim distribution date	27-Jun-24	-	-	-	-
Final Distribution per unit - Rupees	-	-	-	-	-
Final distribution date	-	-	-	-	-
Total Distribution per unit	1.00	-	-	-	-
Total Distribution - Rupees in '000'	6,241	-	-	-	-
Accumulated capital growth - Rupees in '000'	(231,371)	(534,082)	(529,008)	(443,745)	(581,075)
Number of units in issue - Number	6,900,531	2,478,578	2,904,154	3,477,488	3,525,312
Average Annual Return					
One Year - in percentage	83.73%	-1.39%	-18.80%	37.88%	-8.01%
Two Year - in percentage	41.17%	-10.10%	9.54%	14.94%	-14.74%
Three Year- in percentage	21.18%	5.90%	3.69%	2.80%	-13.85%

Notes:

- JS Large Cap. Fund was launched on May 15, 2004.

Disclaimer:

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

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TRUSTEE REPORT TO THE UNIT HOLDERS

JS LARGE CAP. FUND

Report of the Trustee pursuant to Regulation 41(h) and Clause 8 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 Large Cap. 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, 2024 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;
- (iii) The management fee, fee payable to Securities & Exchange Commission of Pakistan and other expenses paid from the Fund during the period are in accordance with the applicable regulatory framework; and
- (iv) 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 24, 2024

**INDEPENDENT AUDITOR'S REPORT TO THE
UNIT HOLDERS**
Report on the Audit of the Financial Statements
Opinion
T +92 21 35672951-56

We have audited the financial statements of **JS Large Cap. Fund** (the Fund), which comprise the statement of assets and liabilities as at June 30, 2024, and the related income statement, statement of comprehensive income, statement of movements in unit holder's fund, statement of cashflow for the year then ended, and notes to the financial statements, including a summary of material 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, 2024 and of its financial performance and its cash flows for the year then ended in accordance with approved 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 and JS Investments Limited (the Management Company) in accordance with the International Ethics Standards Board for Accountants' *Code of Ethics for Professional Accountants (the 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 these requirements and 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 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.

Key audit matter	How our audit addressed the key audit matter
Net assets value (NAV)	
The balances with banks and investments constitute the most significant component of the net assets value (NAV).	We performed the following audit procedures:

Key audit matter	How our audit addressed the key audit matter
<p>The balances with banks and investments as at June 30, 2024 amounted to Rs. 96.27 million and Rs. 1,324.12 million as disclosed in note 7 and 8 respectively.</p> <p>The existence and proper valuation of balances with banks and investments for the determination of NAV of the Fund as at June 30, 2024 was considered as a high-risk area and therefore, we consider this as a Key Audit Matter (KAM).</p>	<ul style="list-style-type: none"> • Obtained independent confirmations for verifying the existence of the balances with banks and investment portfolio as at June 30, 2024 and reconciled it with the books and records of the Fund. • Obtained the reconciliation statements and tested reconciling items on a sample basis. • Obtained an understanding of design effectiveness of the key controls on the investments. • Re-performed valuation to assess that the investments are carried as per the valuation methodology specified in the accounting policies. • Checked presentation and disclosure as per applicable financial reporting framework.

Information Other than the Financial Statements and Auditor's Report Thereon

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 or 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 these financial statements in accordance with the approved 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 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 auditing standards 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 to 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

Further, we report that the Fund's financial statements have been prepared in accordance with the relevant provisions of Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 and Non-Banking Finance Companies and Notified Entities Regulations, 2008.

The engagement partner on the audit resulting in this independent auditor's report is **Muhammad Khalid Aziz**.



Chartered Accountants

Karachi
Date: September 27, 2024
UDIN: AR202410154916jqRPie

STATEMENT OF ASSETS AND LIABILITIES

AS AT JUNE 30, 2024

		June 30, 2024	June 30, 2023
	Note	----- Rupees -----	
Assets			
Balances with bank	7	96,274,983	38,925,302
Investments	8	1,324,122,847	251,032,545
Accrued return on bank balances	9	2,094,819	1,276,235
Deposits and other receivables	10	2,337,230	6,616,816
Total assets		1,424,829,879	297,850,898
Liabilities			
Payable to JS Investments Limited - Management Company	11	14,322,037	12,445,480
Payable to Central Depository Company of Pakistan Limited - Trustee	12	212,590	50,303
Fee payable to the Securities and Exchange Commission of Pakistan (SECP)	13	100,858	59,702
Dividend payable		11,530,721	11,484,325
Accrued expenses and other liabilities	14	8,767,173	753,796
Total liabilities		34,933,379	24,793,606
Contingencies and commitments	15		
Net assets		1,389,896,500	273,057,292
Unit holders' fund (as per statement attached)		1,389,896,500	273,057,292
		----- Number of units -----	
Number of units in issue	19	6,900,531	2,478,578
		----- Rupees -----	
Net asset value per unit		201.42	110.17


The annexed notes from 1 to 28 form an integral part of these financial statements.



Chief Financial Officer



Chief Executive Officer



Director

INCOME STATEMENT >

FOR THE YEAR ENDED JUNE 30, 2024

		June 30, 2024	June 30, 2023
	Note	----- Rupees -----	
Income			
Net realized gain / (loss) on sale of investments classified at fair value through profit or loss		91,968,591	(7,213,297)
Net unrealised gain / (loss) on re-measurement of investments classified at fair value through profit or loss	8.5	170,242,981	(24,889,122)
Dividend income		36,351,982	25,965,176
Return on bank balances		13,824,006	11,402,350
Other income		15,874,469	3,636,078
Total income		328,262,029	8,901,185
Expenses			
Remuneration of JS Investments Limited - Management Company	11.1	4,536,363	5,763,217
Sindh Sales tax on remuneration of the Management Company	11.2	589,727	749,217
Accounting and operational charges	11.3	560,156	298,475
Selling and marketing expenses	11.4	5,996,601	3,709,332
Remuneration to the Central Depository Company of Pakistan (SECP) Limited - Trustee	12.1	1,076,719	596,942
Sindh Sales tax on remuneration of the trustee	12.2	139,973	77,602
Fee to the Securities and Exchange Commission of Pakistan (SECP)	13	532,151	59,726
SECP supervisory fee on listing fee		2,500	2,500
Securities transaction cost		4,611,957	1,505,227
Listing fee and settlement charges		333,655	62,438
Auditors' remuneration	16	815,165	696,815
Legal and professional charges		-	350,000
Printing and stationary charges		114,210	101,468
Bank charges		359	1,677
Total expenses		19,309,536	13,974,636
Net income / (loss) for the year before taxation		308,952,493	(5,073,451)
Taxation	18	-	-
Net income / (loss) for the year after taxation		308,952,493	(5,073,451)
Allocation of net income for the year			
Net income for the year after taxation		308,952,493	-
Income already paid on units redeemed		(108,732,177)	-
		200,220,316	-
Accounting income available for distribution			
- Relating to capital gain		262,211,572	-
- Excluding capital (loss) / gain		(61,991,256)	-
		200,220,316	-

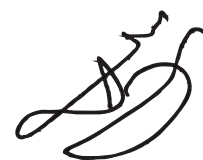
The annexed notes from 1 to 28 form an integral part of these financial statements.



Chief Financial Officer



Chief Executive Officer



Director

STATEMENT OF COMPREHENSIVE INCOME >
 FOR THE YEAR ENDED JUNE 30, 2024

	June 30, 2024	June 30, 2023
	----- Rupees -----	
Net income / (loss) for the year after taxation	308,952,493	(5,073,451)
Other comprehensive income for the year	-	-
Total comprehensive income / (loss) for the year	<u>308,952,493</u>	<u>(5,073,451)</u>

The annexed notes from 1 to 28 form an integral part of these financial statements.



Chief Financial Officer



Chief Executive Officer



Director

STATEMENT OF CASH FLOW >

FOR THE YEAR ENDED JUNE 30, 2024

	June 30, 2024	June 30, 2023
	----- Rupees -----	
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income / (loss) for the year before taxation	308,952,493	(5,073,451)
Adjustments for:		
Net realised (gain) / loss on sale of investments at fair value through profit or loss	(91,968,591)	7,213,297
Net unrealised (gain) / loss on re-measurement of investments at fair value through profit or loss	(170,242,981)	24,889,122
Dividend income	(36,351,982)	(25,965,176)
Return on bank balances	(13,824,006)	(11,402,350)
Operating loss before working capital changes	(312,387,560)	(5,265,107)
Decrease / (increase) in assets		
Investments - net	(810,878,730)	(26,127,388)
Deposits and other receivables	4,413,504	(2,563,504)
	(806,465,226)	(28,690,892)
Increase / (decrease) in current liabilities		
Payable to JS Investments Limited - Management Company	1,876,557	23,282
Payable to Central Depository Company of Pakistan Limited -Trustee 9	162,287	(10,417)
Fee payable to the Securities and Exchange Commission of Pakistan (SECP)	41,156	(23,575)
Accrued expenses and other liabilities	8,013,377	136,379
	10,093,377	125,669
Profit received bank balances	13,005,422	11,317,520
Dividend received	36,218,064	25,965,176
	49,223,486	37,282,696
Net cash used in operating activities	(750,583,430)	(1,621,085)
NET CASH FLOWS FROM INVESTING ACTIVITIES	-	-
NET CASH FLOWS FROM FINANCING ACTIVITIES		
Receipts from issuance of units	1,764,598,811	7,231,382
Payments against redemption of units	(950,470,667)	(53,552,991)
Dividend paid	(6,195,033)	-
Net cash generated from / (used in) financing activities	807,933,111	(46,321,609)
Net increase / (decrease) in cash and cash equivalents	57,349,681	(47,942,694)
Cash and cash equivalents at beginning of the year	38,925,302	86,867,996
Cash and cash equivalents at end of the year	96,274,983	38,925,302

Note

The annexed notes from 1 to 28 form an integral part of these financial statements.



Chief Financial Officer



Chief Executive Officer



Director

STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUND >

FOR THE YEAR ENDED JUNE 30, 2024

	For The Year Ended June 30, 2024			For The Year Ended June 30, 2023		
	-----Rupees-----					
	Capital Value	Accumulated losses	Total	Capital Value	Accumulated losses	Total
Net assets at beginning of the year	782,654,507	(509,597,215)	273,057,292	828,976,116	(504,523,764)	324,452,352
Issuance of units 9,249,360 (2023: 67,535)						
- Capital value (at net asset value per unit at the beginning of the year)	1,038,832,630	-	1,038,832,630	7,544,963	-	7,544,963
- Element of income / (loss)	725,766,181	-	725,766,181	(313,581)	-	(313,581)
Total proceeds on issuance of units	1,764,598,811	-	1,764,598,811	7,231,382	-	7,231,382
Redemption of units 5,007,407 (2023: 493,111)						
- Capital value (at net asset value per unit at the beginning of the year)	(551,666,058)	-	(551,666,058)	(55,090,388)	-	(55,090,388)
- Income paid on units redeemed		(108,732,177)	(108,732,177)		-	
- Element of (loss) / income	(290,072,432)	-	(290,072,432)	1,537,397	-	1,537,397
Total payments on redemption of units	(841,738,490)	(108,732,177)	(950,470,667)	(53,552,991)	-	(53,552,991)
Total comprehensive income / (loss) for the year	-	308,952,493	308,952,493	-	(5,073,451)	(5,073,451)
Interim distribution @ Rs. 1 per unit (2023: Nil)	-	(6,241,429)	(6,241,429)	-	-	-
Net assets at end of the year	1,705,514,828	(315,618,328)	1,389,896,500	782,654,507	(509,597,215)	273,057,292

Accumulated loss brought forward

- Realized loss	(484,708,093)	(444,667,616)
- Unrealized loss	(24,889,122)	(59,856,148)
	(509,597,215)	(504,523,764)

Accounting income available for distribution

- Relating to capital gain	262,211,572	-
- Excluding capital (loss) / gain	(61,991,256)	-
	200,220,316	-

Total comprehensive income / (loss) for the year 308,952,493 (5,073,451)

Interim distribution (6,241,429) -

Undistributed loss carried forward (315,618,328) (509,597,215)

Accumulated loss brought forward

- Realized loss	(485,861,309)	(484,708,093)
- Unrealized gain / (loss)	170,242,981	(24,889,122)
	(315,618,328)	(509,597,215)
	(Rupees)	(Rupees)

Net assets value per unit at beginning of the year 110.17 111.72

Net assets value per unit at end of the year 201.42 110.17

The annexed notes from 1 to 28 form an integral part of these financial statements.



Chief Financial Officer



Chief Executive Officer



Director

1 LEGAL STATUS AND NATURE OF BUSINESS

- 1.1 JS Large Cap. Fund (the Fund) was established under the Trust Deed executed between JS Investments Limited as a Management Company and Central Depository Company of Pakistan Limited (CDC) as a Trustee. The Trust Deed was executed on April 06, 2004 and the Fund was approved as a closed-end scheme by the Securities and Exchange Commission of Pakistan (SECP) on April 16, 2004 in accordance with the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (the Rules).
- 1.2 The Trust Deed has been revised through the Deed of Change of Trustee and the First, Second and Third Supplemental Trust Deeds dated June 13, 2006, May 19, 2009 and August 24, 2010, respectively with the approval of the Securities and Exchange Commission of Pakistan (SECP). Further, the Trust Deed has also been restated dated June 22, 2021 due to the enactment of Sindh Trusts Act, 2020 (as amended vide Sindh Trusts (Amended) Act, 2021). Accordingly, the Re-stated Trust Deed was approved by the SECP on September 03, 2021 Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (the Rules).
- 1.3 The Fund was converted into an open end fund categorized as "equity scheme" with effect from September 27, 2010 (the effective date) pursuant to special resolution passed at the meeting of certificate holders on September 25, 2009.
- 1.4 The principal activity of the Fund is to make investments primarily in equity securities of large - cap. companies (with market capitalisation over Rs. 1 billion). The remaining net assets of the Fund shall be invested in cash and / or near cash instruments which includes cash in bank accounts and treasury bills not exceeding ninety days maturity and is an Equity Scheme in accordance with the categorisation guidelines issued by the Securities and Exchange Commission of Pakistan.
- 1.5 The Management Company of the Fund is registered with the Securities and Exchange Commission of Pakistan as a Non-Banking Finance Company under the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (NBFC Rules). Its registered office is located at 19th floor, The Center, Abdullah Haroon Road, Saddar, Karachi, Pakistan.
- 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 Pakistan Credit Rating Agency Limited (PACRA) has maintained an asset manager rating of 'AM2+' with 'stable outlook' dated December 27, 2023 (2023: 'AM2+' with 'stable outlook') to the Management Company.

2 SIGNIFICANT EVENTS OR TRANSACTIONS

There is no any significant event or transaction during the year.

3 BASIS OF PREPARATION

3.1 Statement of compliance

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

- International Financial Reporting Standards (IFRSs) issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017 (the Act);
- 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 VIII A 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 VIII A of the repealed Companies Ordinance 1984, the NBFC Rules, the NBFC Regulations and the requirements of the Trust Deed have been followed.

3.2 Accounting Convention

These financial statements have been prepared under the historical cost convention except for certain investments which have been marked to market and carried at fair value.

3.3 Functional and presentation currency

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

4 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of financial statements in accordance with the accounting and reporting standards as applicable in Pakistan requires the management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates, judgments and associated assumptions are based on historical experience and various other factors including expectations of future events that are believed to be reasonable under the circumstances, the results of which form the basis of making judgments about carrying values of assets and liabilities. The estimates and underlying 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 assumption are significant to the financial statements relate to classification, impairment and valuation of investments (notes 6.1 and 8), provision for Federal Excise Duty (note 11.5) and provision for taxation (notes 6.7 and 18).

5 STANDARDS, AMENDMENTS AND INTERPRETATIONS TO APPROVED ACCOUNTING STANDARDS

5.1 Standards, amendments and interpretations to the published standards that may be relevant to the Fund and adopted in the Fund

There are certain new and amended standards, interpretations and amendments that are mandatory for the Fund's accounting periods beginning on or after July 01, 2023 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 information.

5.2 Standards, amendments and interpretations to the published standards that may be relevant but not yet effective and not early adopted by the Fund

In addition certain IFRS, amendments and interpretations to approved accounting standards are not yet effective. The Fund is in the process of assessing the impact of these Standards, amendments and interpretations to the published standards on the financial statements of the Fund.

5.3 Standards, amendments and interpretations to the published standards that are not yet notified by the Securities and Exchange Commission of Pakistan (SECP)

Further, certain IFRS have been issued by the International Accounting Standards Board (IASB) which are yet to be notified by the SECP for the purpose of applicability in Pakistan.

6 SUMMARY OF MATERIAL ACCOUNTING POLICIES

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

6.1 Financial Assets

6.1.1 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.

6.1.2 Classification and subsequent measurement

a) 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 dividend income for equity securities classified under FVOCI are to be recognised in the income statement. However, any surplus / (deficit) arising as a result of subsequent movement in the fair value of equity securities classified as FVOCI is to be recognised in other comprehensive income and is not recycled to the income statement on derecognition.

The Fund has not made an irrevocable election upon adoption of IFRS 9 to present in other comprehensive income subsequent changes in the fair value of investments in equity instruments and accordingly all investments in equity instruments have been designated as FVTPL.

b) 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 amount 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.

6.1.3 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.

6.1.4 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.

6.2 Derivatives

Derivative instruments are initially recognised at fair value and subsequent to initial measurement each derivative instrument is remeasured to its fair value and the resultant gain or loss is recognised in the income statement.

6.3 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 value 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. Financial liabilities include payable to the Management Company and other liabilities.

6.4 Offsetting of financial assets and 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 realise the assets and settle the liabilities simultaneously.

6.5 Cash and cash equivalents

Cash and cash equivalents comprise of balances with banks and short-term highly liquid investments that are readily convertible to known amount of cash and are subject to an insignificant risk of changes in value with original maturities of three months or less.

6.6 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 are regularly reviewed and adjusted to reflect the current best estimate.

6.7 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 in cash.

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.

6.8 Issue and redemption of units

Units issued are recorded at the offer price, determined by the Management Company for the applications received by the Management Company / distributors during business hours on that day. The offer price represents the Net Asset Value (NAV) 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. Sales load collected, if any, is payable to the Management Company.

Units redeemed are recorded at the redemption price, as per the constitutive documents, applicable to units for which the Management Company / distributors receive redemption requests during business hours of that day. The redemption price represents daily Net Asset Value (NAV) announced as of the close of the dealing day, provisions for transaction costs and any provision for duties and charges, if applicable.

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

Element of income represents the difference between net assets value per unit on the issuance or redemption date, as the case may be, of units and the net assets 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 will be refunded on units in the same proportion as dividend bears to accounting income available for distribution.

6.10 Distributions to unit holders

Distributions to 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 SECP, distribution for the year also includes 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.

6.11 Revenue Recognition

- Realised capital gains / (losses) arising on sale of investments are included in the income statement and are recognised when the transaction takes place.
- Unrealised gains / (losses) arising on the revaluation of investments classified as 'at fair value through profit or loss' are included in the income statement in the year in which they arise.
- Dividend income on equity securities is recognised when the right to receive the dividend is established, i.e. on the date of commencement of book closure of the investee company / institution declaring the dividend.
- Profit on debt securities classified as non performing assets are recognised on receipt basis.
- Profit on saving accounts with the banks are recognised on an accrual basis.

NOTES TO THE FINANCIAL STATEMENTS >

FOR THE YEAR ENDED JUNE 30, 2024

6.12 Expenses

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

6.13 Net asset value per unit

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

6.14 Earning / (loss) per unit

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

		June 30, 2024	June 30, 2023
7	BALANCES WITH BANK	Note	-----Rupees-----
	- In saving accounts	7.1	38,925,302
			96,274,983

7.1 This includes balance of Rs. 72.36 (2023: Rs. 15.56) million with JS Bank (related party) and Rs. 0.02 (2023: 0.02) million with BankIslami Pakistan Limited (related party). These carries profit at the rate of 20.82% (2023: 19.60%) per annum and 18.5% (2023: 19.75%) per annum respectively. Other PLS accounts of the Fund carry profit rates ranging from 18.5% to 24.00% (2023: 12.25% to 22.00%) per annum.

		June 30, 2024	June 30, 2023
8	INVESTMENTS	Note	-----Rupees-----
	At fair value through profit or loss		
	Listed equity securities	8.1	251,032,545
	Quoted debt securities		
	- Sukuk certificates	8.2.1	-
	- Term finance certificates	8.2.3	-
	Unquoted debt securities	8.3	-
			251,032,545
			1,324,122,847

NOTES TO THE FINANCIAL STATEMENTS >

FOR THE YEAR ENDED JUNE 30, 2024

8.1 Listed equity securities

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

	Holding at beginning of the year	Acquired during the year	Bonus/Rights received during the year	Disposed during the year	Holding at end of the year	Carrying value as at June 30, 2024	Market value as at June 30, 2024	Market value as percentage of net assets	Market value as percentage of investee capital
Sectors / Companies	-----Number of shares-----					-----Rupees-----		%	%
CEMENT									
Cherat Cement Company Limited	49,500	61,000	-	110,500	-	-	-	-	-
D.G. Khan Cement Company Limited	120,000	1,198,000	-	779,000	539,000	42,283,575	48,655,530	3.50	0.12
Lucky Cement Limited	12,000	86,800	-	11,850	86,950	66,888,142	78,840,174	5.67	0.03
Maple Leaf Cement Factory Limited	527,292	1,438,000	-	753,000	1,212,292	43,714,787	46,067,096	3.31	0.12
Pioneer Cement Limited	-	184,250	-	15,250	169,000	22,911,001	28,501,850	2.05	0.07
Power Cement Limited	-	500,000	-	500,000	-	-	-	-	-
						175,797,505	202,064,650	14.54	0.34
CHEMICAL									
Descon Oxychem Limited	225,000	-	-	225,000	-	-	-	-	-
Engro Polymer and Chemicals Limited	120,000	80,000	-	200,000	-	-	-	-	-
						-	-	-	-
COMMERCIAL BANKS									
Askari Bank Limited	-	200,000	-	200,000	-	-	-	-	-
Bank Al-Falah Limited	297,500	675,000	-	372,000	600,500	29,571,485	40,846,010	2.94	0.04
Bank Al-Habib Limited	2,649	366,300	-	2,649	366,300	32,057,085	41,091,534	2.96	0.03
Bankislami Pakistan Limited (Related Party)	365,510	633,587	-	724,132	274,965	5,904,657	6,120,721	0.44	0.02
Faysal Bank Limited	33,349	-	-	-	33,349	672,983	1,748,822	0.13	0.00
Habib Bank Limited	208,389	55,000	-	263,389	-	-	-	-	-
MCB Bank Limited	-	187,000	-	-	187,000	37,182,367	42,452,740	3.05	0.02
Meezan Bank Limited	-	158,300	-	3,700	154,600	26,401,481	37,009,694	2.66	0.01
National Bank Of Pakistan	-	1,876,800	-	395,000	1,481,800	52,545,699	55,048,870	3.96	0.07
United Bank Limited	143,000	141,700	-	83,500	201,200	35,224,473	51,555,488	3.71	0.02
						219,560,230	275,873,879	19.85	0.21
ENGINEERING									
Aisha Steel Mills Limited	308,847	3,628,000	-	-	3,936,847	27,780,298	28,975,194	2.08	0.43
Amreli Steels Limited	-	182,500	-	-	182,500	4,894,313	4,925,675	0.35	0.06
Mughal Iron and Steel Industries Limited	-	729,000	-	128,000	601,000	44,799,025	55,893,000	4.02	0.18
						77,473,636	89,793,869	6.46	0.67

NOTES TO THE FINANCIAL STATEMENTS >

FOR THE YEAR ENDED JUNE 30, 2024

	Holding at beginning of the year	Acquired during the year	Bonus/Rights received during the year	Disposed during the year	Holding at end of the year	Carrying value as at June 30, 2024	Market value as at June 30, 2024
	-----Number of shares-----					-----Rupees-----	
FERTILIZER							
Engro Corporation Limited	19,563	206,600	-	63,063	163,100	55,330,718	54,265,000
Engro Fertilizers Limited	136,300	171,050	-	143,300	164,050	22,393,468	27,268,000
Fauji Fertilizer Bin Qasim Limited	-	1,190,000	-	-	1,190,000	37,013,344	42,209,000
Fauji Fertilizer Company Limited	195,000	236,011	-	247,000	184,011	21,450,415	30,063,000
						136,187,945	153,806,000
GLASS & CERAMICS							
Ghani Glass Limited	-	228,000	-	140,000	88,000	2,662,967	2,293,000
Tariq Glass Industries Limited	-	320,085	-	42,500	277,585	30,629,462	32,352,000
						33,292,429	34,645,000
OIL & GAS EXPLORATION COMPANIES							
Mari Petroleum Company Limited	11,869	24,531	-	4,735	31,665	70,948,879	85,886,000
Oil and Gas Development Company Limited	133,500	894,800	-	309,500	718,800	91,505,176	97,303,000
Pakistan Oilfields Limited	13,500	22,500	-	36,000	-	-	-
Pakistan Petroleum Limited	170,000	927,000	-	326,800	770,200	82,044,762	90,198,000
						244,498,817	273,388,000
OIL & GAS MARKETING COMPANIES							
Hascol Petroleum Limited	8	-	-	-	8	44	-
Pakistan State Oil Company Limited	79,080	455,700	-	57,300	477,480	79,150,987	79,361,000
Sui Northern Gas Pipelines Limited	240,000	400,000	-	640,000	-	-	-
						79,151,031	79,362,000
PHARMACEUTICALS							
AGP Limited	71,800	-	-	71,800	-	-	-
Highnoon Laboratories Limited	29,395	-	-	29,395	-	-	-
						-	-
REFINERY							
Attock Refinery Limited	30,000	7,500	-	37,500	-	-	-
Pakistan Refinery Limited	-	475,000	-	475,000	-	-	-
						-	-

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FOR THE YEAR ENDED JUNE 30, 2024

	Holding at beginning of the year	Acquired during the year	Bonus/Rights received during the year	Disposed during the year	Holding at end of the year	Carrying value as at June 30, 2024	Market value as at June 30, 2024
	-----Number of shares-----					-----Rupees-----	
TEXTILE COMPOSITE							
Nishat Chunian Limited	-	437,150	-	-	437,150	13,100,461	11,457,000
Nishat Mills Limited	-	134,000	-	134,000	-	-	-
						13,100,461	11,457,000
POWER GENERATION & DISTRIBUTION							
Hub Power Company Limited	165,800	932,200	-	595,800	502,200	66,506,088	81,898,000
K-Electric Limited *	-	10,626,000	-	3,400,000	7,226,000	33,825,502	33,455,000
Nishat Chunian Power Limited	-	1,319,500	-	-	1,319,500	35,767,120	39,519,000
						136,098,710	154,873,000
TECHNOLOGY & COMMUNICATION							
Air Link Communication Limited	128,150	1,089,000	-	667,150	550,000	38,719,102	48,856,000
Avanceon Limited	92,000	-	-	92,000	-	-	-
Octopus Digital Limited	46,000	-	-	46,000	-	-	-
Systems Limited	51,000	25,000	-	76,000	-	-	-
						38,719,102	48,856,000
TRANSPORT							
Pakistan International Airlines Corporation	-	1,225,000	-	1,225,000	-	-	-
Investments as at June 30, 2024						1,153,879,866	1,324,122,000
Investments as at June 30, 2023						275,921,667	251,032,000
Cost of investments as at June 30, 2024						1,160,542,106	
Cost of investments as at June 30, 2023						374,984,304	

*Ordinary shares have a face value of Rs 10 per share, except for K-Electric Limited which have a face value of Rs 3.5 per share.

NOTES TO THE FINANCIAL STATEMENTS >

FOR THE YEAR ENDED JUNE 30, 2024

8.1.1 The Finance Act, 2014 introduced amendments to the Income Tax Ordinance 2001 as a result of which companies were liable to withhold five percent of the bonus shares to be issued. The shares so withheld were only to be released if the Fund deposits tax equivalent to five percent of the value of the bonus shares issued to the Fund including bonus shares withheld, determined on the basis of day-end price on the first day of closure of books of the issuing company.

In this regard, a constitutional petition had been filed by Collective Investment Schemes (CISs) through their Trustees in the High Court of Sindh, challenging the applicability of withholding tax provisions on bonus shares received by CISs. The petition was based on the fact that because CISs are exempt from deduction of income tax under Clause 99 Part I to the Second Schedule of the Income Tax Ordinance 2001, the withholding tax provision should also not be applicable on bonus shares received by CISs. A stay order had been granted by the High Court of Sindh (HCS) in favour of CISs.

During the year ended June 30, 2018, the Supreme Court of Pakistan passed a judgement on June 27, 2018 whereby the suits which are already pending or shall be filed in future must only be continued / entertained on the condition that a minimum of 50 percent of the tax calculated by the tax authorities is deposited with the authorities. Accordingly, the CISs were required to pay minimum 50% of the tax calculated by the tax authorities for the case to remain continued. The CISs failed to deposit the minimum 50% of the tax liability and accordingly the stay got vacated automatically during the year ended June 30, 2019. During the tax year 2020, the CISs filed a fresh constitutional petition via CP 4653 dated July 11, 2019 as a result of which the HCS issued an order dated July 15, 2019 whereby the previous stay has been restored. The matter is still pending adjudication and no provision has been recorded or contingent liability has been disclosed in the financial statements as the management is confident that the case will be decided in favor of the CISs.

Further, Finance Act, 2018 effective from July 1, 2018 has omitted Section 236M of Income Tax Ordinance, 2001 therefore, bonus shares, subsequent to this amendment, issued to the Fund were not withheld by the investee companies.

8.1.2 Following shares have been pledged with National Clearing Company of Pakistan Limited:

	June 30, 2024	June 30, 2023	June 30, 2024	June 30, 2023
	---- Number of shares ----		----- Rupees -----	
The Hub Power Company Limited	-	110,000	-	7,653,800
Habib Bank Limited	-	168,000	-	12,302,640
Oil & Gas Development Company Limited	95,000	-	12,860,150	-
Pakistan Petroleum Limited	200,000	-	23,422,000	-
Pakistan State Oil Company Limited	100,000	-	16,621,000	-
	395,000	278,000	52,903,150	19,956,440

8.2 Quoted debt securities

8.2.1 Sukuk certificates

Face value of Rs. 5,000 each

	Number of certificates				Carrying value as at June 30, 2024	Market value as at June 30, 2024	Market value as a percentage of net assets
	Holding at beginning of the year	Acquired during the year	Disposed during the year	Holding at end of the year			
CHEMICALS					----- Rupees -----		%
AgriTech Limited (note 8.2.2)	1,100	-	-	1,100	4,400,790	-	-
Less: Provision against financial assets					(4,400,790)	-	-
					-	-	-
Cost as at June 30, 2024					4,276,509		
Cost as at June 30, 2023					4,276,509		

NOTES TO THE FINANCIAL STATEMENTS >

FOR THE YEAR ENDED JUNE 30, 2024

8.2.2 These sukuk certificates have face value of Rs. 5,000 each and carry a mark-up equal to six month offered rate of KIBOR plus 200 basis points receivable semi-annually in arrears and were to be matured in August 2015. However, up to the year ended June 30, 2022 no principal repayment has been received by the Fund. These sukuk certificates are secured by hypothecation charge over the entire legal ownership and the beneficial interest of the issuer from time to time in and to all present and future fixed assets (excluding land and building) of the issuer in favour of the Trustee for the benefit of unit holders.

These sukuks were classified as Non-Performing Asset by Mutual Fund Association of Pakistan (MUFAP) as on August 21, 2010 on account of non-payment of the coupon due in August 2010. Therefore, the Fund has made provision of 100% of principal outstanding in the calendar year 2010 and accordingly no accrual for profit have been made by the Fund since then. The above investments were made by the Fund prior to its conversion from closed end fund to an open end fund. However, the carrying value of investments at the year end was Rs Nil.

In respect of Agritech Limited, the Petitioner and its management held various meetings with the creditors for the purpose of formulating a plan to discharge the Company's liability towards the creditor and finally agreed in principle on the terms and conditions which are enumerated in the Scheme of Arrangement. However, the Honorable High Court of Lahore at Lahore has approved the said "Scheme of Arrangement" on 5 July, 2022. filed under section 284 read with section 285 to 288 of the Companies Ordinance 1984, which shall take effect from December 31, 2013.

Scheme of arrangement has two options for the settlement of liabilities and the Fund has elected for option 2 as mentioned in 'schedule F' of the Scheme for the settlement of fund outstanding liability. As per option 2 of the SOA, the outstanding principal against Sukuk certificate (8.2.1) and zero coupon PPTFCs (8.2.3) will be converted into preference shares as reduced by application of unutilized cash flow Available for Debt Servicing (CFADs). The overdue/outstanding markup amounting to Rs. 1,740,305 shall be converted into Zero coupon PPTFCs payable at the end of FY 2026 final settlement of the markup amount.

In this regard, Fund has received three tranches during period ended June 30, 2023 amounting to Rs. 444,209. and the fourth and final tranches of CFADs amounting to Rs. 107,389 and 36,041 received on September 28, 2023 and December 28, 2023 respectively.

8.2.3 Term finance certificates

Face value of Rs. 5,000 each

	Number of certificates				Carrying value as at June 30, 2024	Market value as at June 30, 2024	Market value as a percentage of net assets
	Holding at beginning of the year	Acquired during the year	Disposed during the year	Holding at end of the year			
CHEMICALS					----- Rupees -----	%	
Agritech Limited (note 8.2.4)	697	-	-	697	-	-	-
Cost as at June 30, 2024					<u><u>3,485,000</u></u>		

8.2.4 During the year 2012, the Fund has received zero coupon having face value of Rs. 5,000 each Agritech Limited' Privately Placed Term Finance Certificates (PPTFCs) of face value of Rs. 3.485 million against interest due on Agritech Limited's Sukuk. These PPTFCs had a tenor of 3.5 years starting from July 01, 2011 and matured on January 01, 2015 on semi annual repayments of principal. Agritech had a call option on the said facility from the first day of disbursement of the said facility. 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.

NOTES TO THE FINANCIAL STATEMENTS >

FOR THE YEAR ENDED JUNE 30, 2024

8.3 Unquoted debt securities

8.3.1 Privately placed term finance certificates

Face value of Rs. 10,000 each

	Number of certificates				Carrying value as at June 30, 2024	Market value as at June 30, 2024	Market value as a percentage of net assets
	Holding at beginning of the year	Acquired during the year	Disposed during the year	Holding at end of the year			
					----- Rupees -----	%	
TEXTILE COMPOSITE							
Azgard Nine Limited							
- related party (note 8.3.2 and 8.3.3)							
	8,316	-	-	8,316	63,837,358	-	-
Less: Principal Redemption					(12,767,472)	-	-
Less: Provision	-	-	-	-	(51,069,886)	-	-
					-	-	-
Azgard Nine Limited							
- related party note 8.3.2 and 8.3.3)							
	11,949	-	-	11,949	59,745,000	-	-
Less: Provision	-	-	-	-	(59,745,000)	-	-
					-	-	-
Cost as at June 30, 2024					80,778,490		

8.3.2 These convertible privately placed term finance certificates (PPTFCs), having face value of Rs. 10,000/- each 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 were received against non-performing security, therefore the management, as a matter of prudence had recognised above PPTFCs at nil value. The carrying value of preference shares so converted into PPTFC was Rs. 52 million and provision held there against was Rs. 52 million. These convertible PPTFCs carry mark-up 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.

8.3.3 The Honorable Lahore High Court, on July 31, 2019, approved a scheme of arrangement (the "Approved Scheme") for the settlement / restructuring of Azgard Nine Limited's liabilities. The Approved Scheme stated that the principal repayment of Rs. 83.16 million, will be paid over a period of 08 years starting from Time Zero Date i.e. April 29, 2021 through some partial cash payments (of which Rs. 1.58 million have already been received at time zero and Rs. 17.74 million will be received within 2 years from time zero) and remaining amount of Rs. 63.837 million by 20 equal installments of TFC @ 5% starting from July 29, 2023. During the period from July 01, 2023 till June 30, 2024, Rs. 2.96 million have been received on account of markup income and Rs. 12.77 million received against principal redemptions.

Moreover, a fresh issue of 11,949 zero coupon 10 years PPTFCs was issued of Rs. 59.745 million against the interest accrued on TFCs and PPTFCs till the date of restructuring on the existing TFC and PPTFC. However the net carrying value after provision is nil. Since these TFCs are non-performing and have been reclassified as a non-performing asset by MUFAP, these have been fully provided.

NOTES TO THE FINANCIAL STATEMENTS >

FOR THE YEAR ENDED JUNE 30, 2024

8.4 Details of Non Compliant Investments

The Securities & Exchange Commission of Pakistan (SECP), vide its circular No. 16 dated July 07, 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	Type	Value before provision	Provision held if any	Value of investment	% of Net Assets	% of Gross Assets
-----Rupees-----						
Agritech Limited (8.2.1)	Sukuks	4,400,790	(4,400,790)	-	-	-
Agritech Limited - zero coupons (8.2.3)	PPTFC	3,485,000	(3,485,000)	-	-	-
Azgard Nine Limited - PPTFCs (8.3.1)	PPTFC	51,069,886	(51,069,886)	-	-	-
Azgard Nine Limited - zero coupons (8.3.3)	TFC	59,745,000	(59,745,000)	-	-	-

8.4.1 It represents non-performing security and the Fund has made full provision against the principal amount in accordance with the requirement of circular 1 of 2009 read with circular 1 of 2009 read with circular 33 of 2012 issued by SECP and the provisioning policy of the Fund.

8.4.2 During the year 2012, the Fund has received zero coupon Agritech Limited's Privately Placed Term Finance Certificates (PPTFCs) of face value of Rs. 3.485 million against interest due on Agritech Limited's Sukuk. These PPTFCs have a tenor of 3.5 years starting from July 01, 2011 and were to be matured on January 01, 2015 on semi annual repayments of principal. Agritech has a call option on the said facility from the first day of disbursement of the said facility. 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.

8.4.3 These convertible PPTFC were issued against Azgard Nine Limited preference share amounting to Rs. 50.3 million. ANL issued these TFCs at mark-up rate of 11% per annum to the Investors, with a tenor of 8 years (inclusive of a 2 year grace period for principal redemption) on terms and conditions mentioned in TFC Investor Agreement. However upto the reporting date no principal repayment has been received by the Fund.

8.5 Net unrealised loss on re-measurement of investments at fair value through profit or loss

Note

	June 30, 2024	June 30, 2023
-----Rupees-----		
Fair value of investments	1,324,122,847	251,032,545
Less: carrying value of investments	1,153,879,866	275,921,667
	170,242,981	(24,889,122)
9 ACCRUED RETURN ON BANK BALANCES		
Accrued return on bank balances	9.1 2,094,819	1,276,235

9.1 This include amount of Rs. 1.206 million (June 30, 2023: Rs. Nil) as profit receivable from JS Bank Limited (related party).

NOTES TO THE FINANCIAL STATEMENTS >

FOR THE YEAR ENDED JUNE 30, 2024

		June 30, 2024	June 30, 2023
10	DEPOSITS AND OTHER RECEIVABLE	-----Rupees-----	
	Security deposits:		
	- With National Clearing Company of Pakistan Limited	1,000,000	1,000,000
	- With Central Depository Company of Pakistan Limited	200,000	200,000
		1,200,000	1,200,000
	Income tax recoverable	1,003,312	1,003,312
	Receivable against sale of investments	-	4,413,504
	Dividend receivables	133,918	-
		2,337,230	6,616,816

10.1 Clause 47B of Part IV of the Second Schedule to the Income Tax Ordinance, 2001 provides exemption from withholding tax deduction on dividend and markup income received by the collective investment scheme from investee companies and banks.

However a letter dated June 30, 2010 issued by Federal Board of Revenue to Assistant Director, Central Directorate of National Savings, Islamabad states that the said exemption will be applicable if exemption certificate under section 159(1) of the Income Tax Ordinance, 2001 is issued by the concerned Commissioner of Inland Revenue.

Based on the above letter, above amount of withholding tax has been deducted by certain banks on markup income and certain investee companies on dividends. An exemption certificate was issued by the concerned Commissioner of Inland Revenue effective up to June 30, 2024. Accordingly the management is in the process of recovering the above tax amount deducted. Furthermore, a stay order has also been obtained by the Management Company of the Fund from further deduction of income tax at source.

		June 30, 2024	June 30, 2023
11	PAYABLE TO JS INVESTMENTS LIMITED	-----Rupees-----	
	- MANAGEMENT COMPANY		
	Remuneration of the Management Company	-	445,160
	Sindh Sales Tax payable on the remuneration of the Management Company	1,438,396	1,496,268
	Reimbursement of accounting and operational charges to the Management Company	106,166	22,258
	Selling and marketing expenses payable	3,059,431	729,575
	Federal Excise Duty payable on remuneration of the Management Company	9,630,269	9,630,269
	Printing and stationery charges payable	87,775	121,950
		14,322,037	12,445,480

11.1 As per regulation 61 of the NBFC Regulations, the Management Company is entitled to a remuneration equal to an amount not exceeding the maximum rate of management fee as disclosed in the offering document subject to the total expense ratio limit. Keeping in view the maximum allowable threshold, the Management Company has charged remuneration upto 2% (2023: 2%) of the average annual net assets and is paid in arrears on a monthly basis.

11.2 Sindh Provincial Government has levied Sindh Sales Tax at the rate of 13% (2023: 13%) on Management Company's remuneration through Sindh Sales Tax on Services Act, 2011 effective from July 01, 2011. Above liability includes Rs.1.438 million (2023: 1.438 million) accrued on Federal Excise Duty (FED) on the Management Company's remuneration. Had the provision on FED not been made, net asset value per unit of the Fund as at year end would have been higher by Rs. 0.21 (2023: Rs. 0.58) per unit.

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FOR THE YEAR ENDED JUNE 30, 2024

- 11.3** This represents reimbursement of certain expenses to the Management Company. As per regulation 60(3) of the NBFC Regulations, fee and expenses related to registrar services, accounting, operation and valuation services related to CIS shall be payable to AMC. During the year, such expenses have been charged at the rate of 0.1% (June 30, 2023: 0.1%) of net assets of the Fund.
- 11.4** SECP vide SRO 639(I)/2019 dated June 20, 2019 has removed a cap of 0.4% on charging of selling and marketing expenses which is charged by Asset Management Companies to all categories of open-end mutual funds (except fund of funds). Resultantly, with effect from October 15, 2019, such expense has been charged at the rate of upto 2.5% of the average annual net assets of the Fund as approved by the Board of Directors of Management Company.
- 11.5** As per the requirements of the Finance Act, 2013, Federal Excise Duty (FED) at the rate of 16 percent on the remuneration of the Management Company has been applied effective from June 13, 2013. The Management Company is of the view that since the remuneration is already subject to the provincial sales tax, further levy of FED may result in double taxation, which does not appear to be in the spirit of the law, hence, a petition was collectively filed by the Mutual Fund Association of Pakistan with the Sindh High Court (SHC) on September 04, 2013.

While disposing the above petition through the order dated July 16, 2016, the SHC declared the said provisions to be ultra vires and as a result no FED is payable with effect from July 01, 2016. However, the tax authorities subsequently filed appeal against the decision of the SHC in the Supreme Court of Pakistan, which is pending for the decision.

Furthermore, the Finance Act, 2016 also introduced an amendment to the Federal Excise Act, 2005 whereby FED was withdrawn on services of different industries including Non-Banking Financial Institutions, which are already subject to provisional sales tax.

However, since the appeal is pending in the Supreme Court of Pakistan, the Management Company, as a matter of abundant caution, is carrying provision of FED for the year aggregating to Rs. 9.63 (June 30, 2023: 9.63) million. Had the provision not been made, net asset value per unit of the Fund as at June 30, 2023 would have been higher by Rs. 1.40 (2023: 3.89) per unit.

12	PAYABLE TO CENTRAL DEPOSITORY COMPANY OF PAKISTAN LIMITED - TRUSTEE	Note	June 30,	June 30,
			2024	2023
-----Rupees-----				
	Remuneration payable to the Trustee	12.1	188,133	44,516
	Sindh sales tax payable on trustee remuneration	12.2	24,457	5,787
			212,590	50,303

- 12.1** The Trustee is entitled to a monthly remuneration for services rendered to the Fund under the provisions of the Trust Deed as per the tariff structure specified therein, based on the daily net assets of the Fund.

Based on the Trust Deed, the tariff structure applicable to the Fund as at June 30, 2024 is as follows:

Net assets	Tariff per annum
Up to Rs 1,000 million	0.2% per annum of the daily net assets.
Exceeding Rs 1,000 million	Rs 2 million plus 0.1% per annum of the daily net assets of the Fund exceeding Rs 1,000 million.

- 12.2** The Sindh Provincial Government levied Sindh Sales Tax at the rate of 13% (June 30, 2023: 13%) on the remuneration of the Trustee through Sindh Sales Tax on Services Act, 2011.

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FOR THE YEAR ENDED JUNE 30, 2024

13 FEE PAYABLE TO SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN (SECP)

Effective from July 1, 2023, the SECP vide SRO No. 592(I)/2023 dated May 17, 2023, revised the rate of annual fee to 0.095% of net assets, applicable on "Equity Fund" (2023: 0.02%).

14 ACCRUED EXPENSES AND OTHER

LIABILITIES

Note

	June 30, 2024	June 30, 2023
	-----Rupees-----	
Auditors' remuneration	726,541	571,783
Zakat payable	159,768	130,044
Other liabilities	1,166,114	51,969
Payable against purchase of investments	6,714,750	-
	8,767,173	753,796

15 CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments as at June 30, 2024 (June 30, 2023: Nil).

16 AUDITORS' REMUNERATION

	June 30, 2024	June 30, 2023
	-----Rupees-----	
Annual audit fee	394,416	358,560
Half yearly review of financial statements	197,208	179,280
Out of pocket expenses	163,158	107,356
	754,782	645,196
Sales tax	60,383	51,619
	815,165	696,815

17 TOTAL EXPENSE RATIO

The total expense ratio (TER) of the Fund for the year ended June 30, 2024 is 3.45% (2023: 4.68%) which includes 0.34% (2023: 0.39%) representing government levies on the Fund such as sales taxes, annual fee payable to the SECP, etc. This ratio is within the maximum limit of 4.50% (excluding government levies) prescribed under the NBFC Regulations for a collective investment scheme categorised as an "equity" scheme.

18 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 Company has distributed the required minimum percentage of income earned by the Fund for the year ended June 30, 2024 to the unit holders in a 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 the Section 113 (minimum tax) under clause 11A of Part IV of the Second Schedule to the Income Tax Ordinance, 2001.

19 NUMBER OF UNITS IN ISSUE

	June 30, 2024	June 30, 2023
	-----Rupees-----	
Total outstanding as of July 01	2,478,578	2,904,154
Issued during the year	9,429,360	67,535
Redemption during the year	(5,007,407)	(493,111)
Total outstanding as of June 30	6,900,531	2,478,578

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FOR THE YEAR ENDED JUNE 30, 2024

20 TRANSACTIONS WITH CONNECTED PERSONS / RELATED PARTIES

Connected persons / related parties include JS Investments Limited (JSIL) being the Management Company of the Fund, Digital Custodian Company Limited being the Trustee of the Fund, JS Bank Limited (JSBL) being the Holding Company of JSIL (Holding 84.56% shares of JS Investment Limited), Jahangir Siddiqui and Co. Limited (JSCL) (Holding 71.20% shares of JS Bank Ltd.) being the Holding Company of JSBL, BankIslami Pakistan Limited (BIPL) (75.12% shares held by JS Bank) being the fellow subsidiary of JSBL, JS Global Capital Limited (JSGCL) (92.90% shares held by JS Bank) 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 June 30, 2024. 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:

Transactions with connected persons are carried out in normal course of business at contracted rates and thus determined in accordance with the market terms.

Remuneration of the Management Company and the Trustee is determined in accordance with the provisions of the NBFC Regulations and the Trust Deed.

Transactions and balances with related parties other than disclosed elsewhere in these financial statements are as follows:

	June 30, 2024	June 30, 2023
	-----Rupees-----	
20.1 Transactions during the year		
JS Investments Limited - Management Company		
Remuneration of JS Investments Limited - Management Company	4,536,363	5,763,217
Sindh Sales tax on remuneration of the Management Company	589,727	749,217
Reimbursement of accounting and operational charges	560,156	298,475
Selling and marketing expense	5,996,601	3,709,332
Printing and stationary charges	114,210	101,468
Legal and professional charges	-	350,000
Central Depository Company of Pakistan Limited - Trustee		
Remuneration to the Trustee	1,076,719	596,942
Sindh Sales Tax on remuneration of the trustee	139,973	77,602
Annual transaction, custodian, connection fee and settlement charges	305,785	37,440
JS Global Capital Limited - Fellow Subsidiary of Parent Company		
Brokerage fee	429,657	150,424
JS Bank Limited - Parent Company of JSIL		
Return on Bank Balances	9,949,391	4,399,373
BankIslami Pakistan Limited (Fellow Subsidiary of Parent Company)		
Return on Bank Balances	3,457	1,879
Proceeds from sale of investment	6,376,926	
Azgard Nine Limited (Other related party)		
Markup Receipt (ANL PPTFC)	2,960,567	
Principal Redemption (ANL PPTFC)	12,767,472	3,191,869

NOTES TO THE FINANCIAL STATEMENTS >

FOR THE YEAR ENDED JUNE 30, 2024

	June 30, 2024	June 30, 2023
	-----Rupees-----	
JS Fund of Funds		
(Fund under JS Investments Limited - Management Company)		
Issue of units: 369,082 (2023: Nil)	70,000,000	-
Reinvest in lieu of dividend paid: 1,831 (2023: Nil)	369,082	-
Key Management Personnel of the Management Company		
Issue of units: 14,010 (2023: 123)	2,739,574	13,376
Redemption of units: 8,196 (2023: Nil)	1,653,701	-
Reinvest in lieu of dividend paid: 33 (2023: Nil)	7,714	-
Units refunded as capital: 6 (2023: NIL)	-	-
Cash Dividend	154	-
20.2 Details of balances with related parties / connected persons as at year end		
JS Investments Limited - Management Company		
Remuneration payable to the Management Company	-	445,160
Sindh sales tax payable on remuneration to the Management Company	1,438,396	1,496,268
Reimbursement of accounting and operational charges to the Management Company	106,166	22,258
Selling and marketing expenses payable	3,059,431	729,575
Federal Excise Duty payable on remuneration to the management company	9,630,269	9,630,269
Printing and stationery charges payable	87,775	121,950
Central Depository Company of Pakistan Limited - Trustee		
Remuneration payable to the trustee	188,133	44,516
Sindh sales tax payable on remuneration to the trustee	24,457	5,787
Annual, transaction, custodian, CDS connection fee payable	5,056	1,560
Security deposit	200,000	200,000
JS Global Capital Limited - Fellow Subsidiary of Parent Company		
Brokerage payable	-	2,893
JS Bank Limited - Parent Company of JSIL		
Bank balances	72,357,274	15,556,662
Accrued return on bank balance	1,205,675	-
BankIslami Pakistan Limited		
(Fellow Subsidiary of Parent Company)		
Bank balances	24,009	20,553

NOTES TO THE FINANCIAL STATEMENTS >

FOR THE YEAR ENDED JUNE 30, 2024

	June 30, 2024	June 30, 2023
-----Rupees-----		
JS Fund of Funds		
(Fund under JS Investments Limited - Management Company)		
Units outstanding: 370,912 (June 30, 2023: NIL)	74,709,114	-
Key Management Personnel of the Management Company		
Units outstanding: 9,188 (June 30, 2023: 3,334)	1,850,618	367,317
Unit holder holding 10% or more of units in issue		
Units outstanding: 3,900,554 (June 30, 2023: 267,834)	785,649,681	29,507,327

21 RECONCILIATION OF LIABILITIES ARISING OUT OF FINANCING ACTIVITIES

	Receivable against issuance of units	Payable against redemption of units	Total
-----Rupees-----			
June 30, 2024			
Balance as at July 01, 2023	-	-	-
Receivable against issuance of units	1,764,598,811	-	1,764,598,811
Payable against redemption of units	-	(950,470,667)	(950,470,667)
	1,764,598,811	(950,470,667)	814,128,144
Amount received on issuance of units	(1,764,598,811)	-	(1,764,598,811)
Amount paid on redemption of units	-	950,470,667	950,470,667
	(1,764,598,811)	950,470,667	(814,128,144)
Balance as at June 30, 2024	-	-	-

	Receivable against issuance of units	Payable against redemption of units	Total
-----Rupees-----			
June 30, 2024			
Balance as at July 01, 2022	-	-	-
Receivable against issuance of units	7,231,382	-	7,231,382
Payable against redemption of units	-	(53,552,991)	(53,552,991)
	7,231,382	(53,552,991)	(46,321,609)
Amount received on issuance of units	(7,231,382)	-	(7,231,382)
Amount paid on redemption of units	-	53,552,991	53,552,991
	(7,231,382)	53,552,991	46,321,609
Balance as at June 30, 2023	-	-	-

NOTES TO THE FINANCIAL STATEMENTS >

FOR THE YEAR ENDED JUNE 30, 2024

22 FINANCIAL INSTRUMENTS - BY CATEGORY

-----As at June 30, 2024-----			
Particulars	At amortised cost	Financial asset at 'fair value through profit or loss'	Total
----- Rupees -----			
Financial assets			
Balances with banks	96,274,983	-	96,274,983
Investments	-	1,324,122,847	1,324,122,847
Accrued return on bank balances	2,094,819	-	2,094,819
Security deposits and other receivables	1,333,918	-	1,333,918
	99,703,720	1,324,122,847	1,423,826,567
Financial liabilities			
Payable to JS Investments Limited - Management Company	3,253,372	-	3,253,372
Payable to Central Depository Company of Pakistan Limited - Trustee	188,133	-	188,133
Fee payable to the Securities and Exchange Commission of Pakistan Limited (SECP)	100,858	-	100,858
Dividend payable	11,530,721	-	11,530,721
Accrued expenses and other liabilities	8,607,405	-	8,607,405
	23,680,489	-	23,680,489
-----As at June 30, 2023-----			
Particulars	At amortised cost	Financial asset at 'fair value through profit or loss'	Total
----- Rupees -----			
Financial assets			
Balances with banks	38,925,302	-	38,925,302
Investments	-	251,032,545	251,032,545
Accrued return on bank balances	1,276,235	-	1,276,235
Security deposits and other receivables	5,613,504	-	5,613,504
	45,815,041	251,032,545	296,847,586

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FOR THE YEAR ENDED JUNE 30, 2024

Particulars	-----As at June 30, 2023-----		
	At amortised cost	Financial asset at 'fair value through profit or loss'	Total
	----- Rupees -----		
Financial liabilities			
Payable to JS Investments Limited			
- Management Company	1,318,943	-	1,318,943
Payable to Central Depository Company of Pakistan Limited - Trustee	44,516	-	44,516
Fee payable to the Securities and Exchange Commission of Pakistan Limited (SECP)	59,702	-	59,702
Dividend payable	11,484,325	-	11,484,325
Accrued expenses and other liabilities	600,943	-	600,943
	<u>13,508,429</u>	<u>-</u>	<u>13,508,429</u>

23 FINANCIAL RISK MANAGEMENT

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

Risk management framework

The Fund's Board of Directors has an 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 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. 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 the internal audit. The 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.

23.1 Market risk

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

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

NOTES TO THE FINANCIAL STATEMENTS >

FOR THE YEAR ENDED JUNE 30, 2024

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

23.1.1 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.

23.1.2 Profit rate risk

Yield / profit 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 banks.

a) Sensitivity analysis for variable rate instruments

Presently, the Fund does not hold any variable rate instrument except for balances in profit and loss sharing accounts amounting Rs. 96.27 million (2023: Rs 38.93 million) which carry profit at rates ranging from 18.5% to 24.00% (2023: 12.25% to 22.00%) per annum.

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 0.963 million (2023: Rs 0.389 million). The analysis assumes that all other variables remain constant.

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

b) Sensitivity analysis for fixed rate instruments

Presently, the Fund does not hold any fixed rate instrument that exposes the Fund to any material interest rate risk.

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.

Particulars	June 30, 2024					
	Interest rate	Total	---Exposed to interest rate risk---			Not exposed to interest rate risk
			Upto three months	More than three months and upto one year	More than one year	
	%		----- (Rupees) -----			
On-balance sheet financial instruments						
Financial assets						
Balances with banks	18.50 - 24.00	96,274,983	96,274,983	-	-	-
Investments		1,324,122,847	-	-	-	1,324,122,847
Accrued return on bank balances		2,094,819	-	-	-	2,094,819
Security deposits and other receivables		1,333,918	-	-	-	1,333,918
		1,423,826,567	96,274,983	-	-	1,327,551,584
Financial liabilities						
Payable to JS Investments Limited - Management Company		3,253,372	-	-	-	3,253,372
Payable to Central Depository Company of Pakistan Limited - Trustee		188,133	-	-	-	188,133
Fee payable to the Securities and Exchange Commission of Pakistan Limited (SECP)		100,858	-	-	-	-
Dividend payable		11,530,721	-	-	-	11,530,721
Accrued expenses and other liabilities		8,607,405	-	-	-	8,607,405
		23,680,489	-	-	-	23,579,631
On-balance sheet gap (a)		1,400,146,078	96,274,983	-	-	1,303,971,953
Off-balance sheet financial instruments		-	-	-	-	-
Off-balance sheet gap (b)		-	-	-	-	-
Total interest rate sensitivity gap (a+b)		1,400,146,078	96,274,983	-	-	1,303,971,953
Cumulative interest rate sensitivity gap			96,274,983	96,274,983	96,274,983	

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FOR THE YEAR ENDED JUNE 30, 2024

Particulars	June 30, 2023					
	Interest rate	Total	---Exposed to interest rate risk---			Not exposed to interest rate risk
			Upto three months	More than three months and upto one year	More than one year	
	%		(Rupees)			
On-balance sheet financial instruments						
Financial assets						
Balances with banks	12.25 - 22.00	38,925,302	38,925,302	-	-	-
Investments		251,032,545	-	-	-	251,032,545
Accrued return on bank balances		1,276,235	-	-	-	1,276,235
Security deposits and other receivables		5,613,504	-	-	-	5,613,504
		296,847,586	38,925,302	-	-	257,922,284
Financial liabilities						
Payable to JS Investments Limited - Management Company		1,318,943	1,318,943	-	-	-
Payable to Central Depository Company of Pakistan Limited - Trustee		44,516	44,516	-	-	-
Fee payable to the Securities and Exchange Commission of Pakistan Limited (SECP)		59,702	59,702	-	-	-
Dividend payable		11,484,325	11,484,325	-	-	-
Accrued expenses and other liabilities		600,943	600,943	-	-	-
		13,508,429	13,508,429	-	-	-
On-balance sheet gap (a)		283,339,157	25,416,873	-	-	257,922,284
Off-balance sheet financial instruments		-	-	-	-	-
Off-balance sheet gap (b)		-	-	-	-	-
Total interest rate sensitivity gap (a+b)		283,339,157	25,416,873	-	-	257,922,284
Cumulative interest rate sensitivity gap			25,416,873	25,416,873	25,416,873	

23.1.3 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 management of the Fund monitors the proportion of equity securities in its investment portfolio based on market indices. 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 the NBFC Regulations. The Fund manages those risk by limiting exposure to any single investee company to the extent of 10% of issued capital of that investee company and the net assets of the Fund with overall limit of 30% to a single industry sector of the net assets of the Fund (the limit set by the 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. The Fund's equity investments are concentrated in the sectors given in note 8.1.

At June 30, 2024, the fair value of equity securities exposed to price risk are disclosed in note 8.1.

All of the Fund's equity investments are listed on the Pakistan Stock Exchange (PSX). In case of 5% increase / decrease in PSX 100 index on June 30, 2023, net income for the year would increase / decrease by Rs. 66.206 million (2023: Rs 12.552 million) and net assets of the Fund would increase / decrease by the same amount as a result of gains / losses on equity securities at fair value through profit or loss. The sensitivity analysis is based on the Fund's equity securities as at the statement of assets and liabilities date with all other variables held constant.

The analysis is based on the assumption that equity index had increased / decreased by 5% with all other variables held constant. The composition of the Fund's investment portfolio and the correlation thereof to the PSX 100 index, is expected to change over time. Accordingly, the aforementioned sensitivity analysis prepared as of June 30, 2024 is not necessarily indicative of the effect on the Fund's net assets of future movements in the level of the PSX 100 Index.

23.2 Credit risk

Credit risk is the risk of financial loss to the Fund if a customer or counter party to a financial instrument fails to meet its contractual obligations. This mainly arises principally from bank balances, security deposits and receivable against sale of securities.

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

	2024		2023	
	Balance as per statement of assets and liabilities	Maximum exposure	Balance as per statement of assets and liabilities	Maximum exposure
----- (Rupees) -----				
Balances with banks	96,274,983	96,274,983	38,925,302	38,925,302
Investments	1,324,122,847	-	251,032,545	-
Accrued return on bank balances	2,094,819	2,094,819	1,276,235	1,276,235
Security deposits and other receivables	1,333,918	1,333,918	5,613,504	5,613,504
	1,423,826,567	99,703,720	296,847,586	45,815,041

Difference in the balance as per the statement of assets and liabilities and maximum exposure is due to the fact that investments in equity securities are not exposed to credit risk.

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 the NBFC Rules and the 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 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.
- Analyses 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 of the counter party 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.

The Fund's policy is to enter into financial contracts in accordance with the internal risk management policies and investment guidelines approved by the Investment Committee. The Fund does not expect to incur material credit losses on its financial assets.

The analysis below summarises the credit quality of the Fund's financial assets:

23.2.1 Credit quality of balances held by the Fund's bank accounts

Name Of The Bank	-----June 30, 2024-----		
	Rating agency	Latest available published rating	Percentage
Soneri Bank Limited	PACRA	AA-	14.59%
JS Bank Limited	PACRA	AA	75.16%
Faysal Bank Limited	PACRA	AA	10.09%
Samba Bank Limited	JCR-VIS	AA	0.03%
Allied Bank Limited	PACRA	AAA	0.02%
BankIslami Pakistan Limited	PACRA	AA-	0.02%
U Microfinance Bank Limited	JCR-VIS	A+	0.04%
Sindh Bank Limited	JCR-VIS	AA-	0.01%
Telenor Micro Finance Bank Limited	PACRA	A	0.02%
Dubai Islamic Bank Limited	JCR-VIS	AA	0.01%

23.2.2 Concentration of credit risk

The concentration of credit risk exists when changes in economic or industry factors similarly affect groups of counterparties whose aggregate credit exposure is significant in relation to the Fund's total credit exposure. The Fund's portfolio of financial instruments is broadly diversified and transactions are entered into with diverse credit-worthy counterparties thereby mitigating any significant concentrations of credit risk.

23.3 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 the daily settlement of equity securities and 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. The Fund's policy is, therefore, to invest the majority of its assets in investments that can be readily realised. The Fund's listed securities are considered readily realisable as they are listed on the Pakistan Stock Exchange.

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 liabilities into relevant maturity groupings based on the remaining period at the reporting date to the contractual maturity date. The amounts in the table are the contractual undiscounted cash flows.

NOTES TO THE FINANCIAL STATEMENTS >

FOR THE YEAR ENDED JUNE 30, 2024

Particulars	2024			
	Total	Upto three months	Over three months and upto one year	Over one year
----- (Rupees) -----				
Financial liabilities				
Payable to JS Investments Limited - Management Company	3,253,372	3,253,372	-	-
Payable to Central Depository Company of Pakistan Limited - Trustee	188,133	188,133	-	-
Dividend payable	11,530,721	11,530,721	-	-
Accrued expenses and other liabilities	8,607,405	8,607,405	-	-
	23,579,631	23,579,631	-	-

Particulars	2023			
	Total	Upto three months	Over three months and upto one year	Over one year
----- (Rupees) -----				
Financial liabilities				
Payable to JS Investments Limited - Management Company	44,516	44,516	-	-
Payable to Central Depository Company of Pakistan Limited - Trustee	59,702	59,702	-	-
Dividend payable	600,943	600,943	-	-
Accrued expenses and other liabilities	623,752	623,752	-	-
	1,328,913	1,328,913	-	-

24 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 as of the close of the business day less any back end load, provision for transaction cost and any provision for duty and charge, if applicable. 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 24, 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.

25 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.

NOTES TO THE FINANCIAL STATEMENTS >

FOR THE YEAR ENDED JUNE 30, 2024

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.

25.1 Fair value hierarchy

International Financial Reporting Standard 13, 'Fair Value Measurement' 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:

'Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities;

'Level 2: 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); and

'Level 3: inputs for the asset or liability that are not based on observable market data (i.e. unobservable inputs).

As at June 30, 2024 and June 30, 2023, all investments are categorised in level 1. The outstanding amounts of these investments are shown in note 8 to these financial statements.

26 SUPPLEMENTARY NON FINANCIAL INFORMATION

The information regarding units holding pattern, top ten brokers, particulars of members of the Investment Committee and fund manager, particulars of 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 are as follows:

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

S. No.	Name	Designation	Experience in years	Qualification
1	Ms. Iffat Zehra Mankani	Chief Executive Officer	23	MBA
2	Mr. Khawar Iqbal	Chief Operating Officer & Company Secretary	31	MBA
3	Mr. Syed Shabih UI Hasnain	Vice President Equities	6	BBA
4	Mr. Syed Hussain Haider	Chief Investment officer / Fund Manager	22	CFA

NOTES TO THE FINANCIAL STATEMENTS >

FOR THE YEAR ENDED JUNE 30, 2024

26.2 Transactions with Brokers/Dealers

26.2.1 List of top 10 brokers by percentage of commission charged during the year ended June 30, 2024:

S. No.	Name	Percentage of Commission/ Brokerage
1	Optimus Capital Management (Private) Limited	13.94%
2	JS Global Capital Limited	11.70%
3	DJM Securities Limited	11.55%
4	Intermarket Securities (Private) Limited	9.44%
5	Habib Metropolitan Financial Services Limited	8.77%
6	Topline Securities (Pvt) Limited	7.60%
7	Taurus Securities Limited	6.31%
8	Ktrade Securities Limited	5.96%
9	Insight Securities (Pvt) Limited	5.80%
10	Chase Securities Pakistan (Pvt) Limited	5.42%

26.2.2 List of top 10 brokers by percentage of commission charged during the year ended June 30, 2023.

S. No.	Name	Percentage of Commission/ Brokerage
1	JS Global Capital Limited	14.90%
2	Multiline Securities Limited	14.21%
3	Optimus Capital Management (Private) Limited	14.19%
4	Intermarket Securities (Private) Limited	13.97%
5	DJM Securities Limited	13.08%
6	Adam Securities Limited	6.63%
7	Topline Securities (Pvt) Limited	6.29%
8	Habib Metropolitan Financial Services Limited	5.90%
9	Spectrum Securities Limited	4.74%
10	AKIK Capital (Pvt) Limited	4.24%

26.3 Pattern of unit holding

Category	----- As at June 30, 2024 -----			
	Number of unit holders	Number of units held	Net assets value of the amount invested (Rs. In million)	Percentage of total investment (%)
Individuals	1,552	1,154,547	232,548,800	16.73
Associated companies / directors	5	379,655	76,470,201	5.50
Insurance Companies	3	158,309	31,886,632	2.29
Banks / DFI's	1	89,469	18,020,773	1.30
Non Banking Finance Companies	1	10	1,951	0.00
Retirement funds	16	1,132,624	228,133,182	16.41
Others	23	3,985,917	802,834,961	57.77
	1,601	6,900,531	1,389,896,500	100

NOTES TO THE FINANCIAL STATEMENTS >

FOR THE YEAR ENDED JUNE 30, 2024

Category	----- As at June 30, 2023 -----			
	Number of unit holders	Number of units held	Net assets value of the amount invested (Rs. In million)	Percentage of total investment (%)
Individuals	1,615	1,365,950	150,482,481	55.11
Associated Companies and Directors	4	3,046	335,616	0.12
Insurance Companies	3	157,639	17,366,602	6.36
Banks / Development Financial Institutions	1	89,027	9,807,839	3.59
Non Banking Finance Companies	1	10	1,062	0.00
Retirement Funds	18	687,014	75,686,213	27.72
Others	25	175,892	19,377,479	7.10
	<u>1,667</u>	<u>2,478,578</u>	<u>273,057,292</u>	<u>100</u>

26.4 Attendance at the meeting of the Board of Directors of the Management Company

The 169th, 170th, 171th, 172th and 163th meetings of the Board of Directors were held on August 19, 2022, October 22, 2022, January 11, 2023, February 24, 2023 and April 18, 2023 respectively. Information in respect of attendance by the directors and other persons in the meetings is given below:

S. No	Name of Directors	Meetings held on						
		Meetings attended	August 04, 2023	August 18, 2023	October 20, 2023	December 28, 2023	February 20, 2024	April 24, 2024
1	Mr. Suleman Lalani	6	✓	✓	✓	✓	✓	✓
2	Ms. Iffat Zehra Mankani	6	✓	✓	✓	✓	✓	✓
3	Mr. Hasan Shahid	6	✓	✓	✓	✓	✓	✓
4	Ms. Aisha Fariel Salahuddin	2	-	-	✓	✓	-	-
5	Mr. Mirza M. Sadeed Hasan Barlas	4	✓	✓	-	✓	✓	-
6	Mr. Atif Salim Malik	5	-	✓	✓	✓	✓	✓
7	Ms. Mediha Kamal Afsar	6	✓	✓	✓	✓	✓	✓
8	Mr. Farooq Ahmed Malik	5	-	✓	✓	✓	✓	✓

26.5 Meetings of the audit committee

S. No	Name of Directors	Meetings held on				
		Meetings attended	August 17, 2023	October 20, 2023	February 19, 2024	April 22, 2024
1	Ms. Mediha Kamal Afsar	4	✓	✓	✓	✓
2	Mr. Hasan Shahid	4	✓	✓	✓	✓
3	Mr. Mirza M. Sadeed Hasan Barlas	2	✓	-	-	✓

26.6 Meetings Of Human Resource And Remuneration Committee

S. No	Name of Directors	Meetings held on		
		Meetings attended	November 30, 2023	February 24, 2024
1	Ms. Aisha Fariel Salahuddin	2	✓	✓
2	Mr. Suleman Lalani	2	✓	✓
3	Ms. Iffat Zehra Mankani	2	✓	✓

NOTES TO THE FINANCIAL STATEMENTS >

FOR THE YEAR ENDED JUNE 30, 2024

27 GENERAL

27.1 Figures have been rounded off to the nearest rupee.

27.2 Units have been rounded off to the nearest decimal place.

28 DATE OF AUTHORISATION FOR ISSUE

These financial statements were authorized for issue by Board of Directors of the Management Company of the Fund on August 20, 2024.



Chief Financial Officer



Chief Executive Officer



Director



JS INVESTMENTS OFFICES

- **Head Office - Karachi**
19th Floor, The Centre, Plot No. 28, SB-5,
Abdullah Haroon Road, Saddar, Karachi.
- **Wealth Centre**
Ground Floor, Plot No. 97-C, Main
Khayaban-e-Shaheen, DHA Phase 8,
Karachi
- **Regional Office - Lahore**
Ground Floor, No. 25, Block 13, Plot No.1-4,
Usman Block, New Garden Town, Lahore
- **Regional Office - Islamabad**
Office No. 414, 4th Floor, PSX Building,
Jinnah Avenue, Islamabad

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