JS investments

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JS ISLAMIC FUND

ANNUAL REPORT 2024

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COMPANY INFORMATION

Management Company

JS Investments Limited
19th Floor, The Centre, Plot # 28,
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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

Al – Hilal Shariah Advisors (Pvt) Limited

Vision

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



Mission

To establish a leadership position in bringing more investable asset classes and innovative products, while managing them with prudence and excellence

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 Shariah-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 مینجمنٹ 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 اَپ 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 پیشِ 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 پسِ 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 افراطِ زر اور سست 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 افراطِ زر کی شرح 12 فیصد اور حقیقی جی ڈی پی (GDP) کی شرحِ 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 نظرِ 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 زرِمبادلہ کے ذخائر جون 2023 کے اختتام پر اپنی کم ترین سطح سے دگنا ہو کر جون 2024 کے اختتام 9.4 ملین 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 ملین 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 ایکیویٹی مارکیٹ میں ایک اہم رجحان میں تبدیلی کی نشاندہی کی، جو اس مدت میں مسلسل تیز اضافے سے موصوم ہے۔ اس تیزریلی کا آغاز سال کی شروعات میں آئی ایم ایف کی اسٹینڈ بائی ارینجمنٹ (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 ایکیویٹی 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 کمپلائنٹ 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 ایکیویٹی 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 ایکیویٹیز 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 ایکیوٹیز فروخت کیں۔

اگرچہ سال 2024 میں عالمی ایکیویٹی 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، شرحِ 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 بنچ 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۔کُل اخراجات کا تناسب 5.03 فیصد ہے، جس میں فنڈ پر حکومتی محصولات کا 0.53 فیصد شامل ہے۔

ایسیٹ مینجر ریٹنگ

پاکستان کریڈٹ ریٹنگ ایجنسی لمیٹڈ (PACRA) نے ہماری مینجمنٹ کمپنی کی " AM 2+ " ایسیٹ مینجر 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 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۔

شریعہ ایڈوائزرز

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

اضافی معاملات

ا۔سالانہ رپورٹ کے ساتھ فنڈ مینجر 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۔

اظہارِ تشکر

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

چیف ایگزیکٹیو آفیسر

ڈائریکٹر

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%
Benckmark	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

- **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) - Rupess 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.

Al-Hilal
Shariah Advisors

September 24, 2024

بسم الله الرحمن الرحيم

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 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

AL HILAL SHARIAH ADVISORS (PVT) LTD. KARACHI

Faraz Younus Bandukda, CFA
Chief Executive

Al-Hilal Shariah Advisors

JS investments
Better Investments for a Better Future!

JS Investments Limited
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Plot No. 28, SB-5,
Abdullah Haroon Road,
Saddar Karachi-74400,
Pakistan.
www.jsil.com
UAN: (+92 21) 111-222-626

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

Grant Thornton

INDEPENDENT REASONABLE ASSURNACE 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.

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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.

Grant Thornton

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 insstances 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

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

JS ISLAMIC 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

Grant Thornton

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
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. 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).	• 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.

Grant Thornton

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

	Note	June 30 2024	June 30 2023
		---------- 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

	Note	June 30 2024	June 30 2023
		---------- 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	**125,330,187**	(5,952,332)

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

	Note	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	7	**32,417,870**	17,223,167

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

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 Turst 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.

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.

		Note	June 30, 2024	June 30, 2023
			----------Rupees----------	
7	**BALANCES WITH BANKS**			
	- In saving accounts		**29,661,512**	16,005,323
	- In current accounts		**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).

		Note	June 30, 2024	June 30, 2023
			----------Rupees----------	
8	**INVESTMENTS**			
	At fair value through profit or loss			
	Listed equity securities	8.1	**255,873,095**	161,305,915

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	-	167,000	-	167,000	**-**	-	-	-	-
(Face value of Rs. 5 each)						**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
						-	**-**	**-**	**-**

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)----------		----------(%)----------	
Cement									
Lucky Cement Limited	8,331	35,300	-	20,550	**23,081**	16,066,452	20,928,235	7.35	0.01
D. G. Khan Cement Company Limited	80,000	630,000	-	605,500	**104,500**	8,529,758	9,433,215	3.31	0.02
Cherat Cement Company Limited	34,000	41,800	-	75,800	**-**	-	-	0.00	0.00
Maple Leaf Cement Factory Limited	363,500	903,500	-	1,017,200	**249,800**	8,828,356	9,492,400	3.34	0.02
Fauji Cement Company Limited	-	200,000	-	200,000	**-**	-	-	0.00	0.00
Pioneer Cement Limited	-	66,000	-	26,600	**39,400**	5,183,683	6,644,810	2.33	0.02
						38,608,249	**46,498,660**	**16.34**	**0.07**
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	3.54	0.01
Engro Fertilizers Limited	116,500	125,500	-	211,500	**30,500**	3,714,647	5,069,710	1.78	0.00
Fauji Fertilizers Bin Qasim Limited	-	331,000	-	-	**331,000**	11,077,710	11,740,570	4.13	0.03
						23,360,894	**26,891,393**	**9.45**	**0.04**
Refinery									
Attock Refinery Limited	20,000	5,000	-	25,000	**-**	-	-	0.00	0.00
Pakistan Refinery Limited	-	175,000	-	175,000	**-**	-	-	0.00	0.00
						-	-	-	-
Engineering									
Aisha Steels Mills Limited	-	1,870,000	-	905,500	**964,500**	6,508,812	7,098,720	2.49	**0.10**
Amreli Steels Limited	-	95,000	-	20,000	**75,000**	2,033,011	2,024,250	0.71	**0.03**
Mughal Iron & Steels Industries Limited	-	202,003	-	91,000	**111,003**	7,858,132	10,323,279	3.63	**0.03**
						16,399,955	**19,446,249**	**6.83**	**0.16**
Technology And Communications									
Air Link Communication Limited	131,731	220,500	-	250,231	**102,000**	7,230,081	9,060,660	3.18	0.03
Systems Limited	35,500	53,500	-	89,000	**-**	-	-	-	0.00
Avanceon limited	69,000	65,000	-	134,000	**-**	-	-	-	0.00
Octopus Digital Limited	41,400	-	-	41,400	**-**	-	-	-	0.00
						7,230,081	**9,060,660**	**3.18**	**0.03**
Miscellaneous/ Properties									
TPL Properties Limited	-	200,000	-	200,000	**-**	-	-	-	-
						-	-	-	-
Total as at June 30, 2024						**211,478,420**	**255,873,095**		
Cost as at June 30, 2024							**212,454,687**		

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

		Note	June 30, 2024	June 30, 2023
8.2	**Unrealised loss on re-measurement of investments at fair value through profit or loss**		---------Rupees---------	
	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 withholdee. 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

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, 2024	June 30, 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 it's 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.

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, 2024	June 30, 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, 2024	June 30, 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

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:

		June 30, 2024	June 30, 2023
21.1	**Transactions during the period:**	----------Rupees---------	
	JS Investments Limited (Management Company)		
	Remuneration of the Management Company	**4,651,330**	4,194,749
	Sales Tax on Management Company's remuneration	**604,673**	545,317
	Purchase of units: 369,158 (2023 : 11,876)	**35,000,000**	1,000,000
	Sales of units: 369,158 (2023: 11,876)	**44,395,964**	1,022,328
	Sales load for the year	**83,416**	-
	Selling and marketing expenses	**2,488,610**	2,811,009
	Allocated expenses	**232,580**	229,192
	Shariah advisory fee	**147,815**	195,591
	Expense incurred	**101,468**	101,468
	Income from AMC-Expense ratio adjustment	**520,531**	-
	Central Depository Company of Pakistan Limited - Trustee		
	Remuneration of the Trustee	**465,778**	458,207
	Sindh Sales Tax on remuneration of the trustee	**60,551**	59,567
	Settlement charges	**55,224**	32,690
	JS Bank Limited - Parent Company of JSIL		
	Proceeds from sale of share of BankIslami Pakistan Limited	**13,384,885**	
	Bank Islami Pakistan Limited - Associate of JSCL		
	Return on bank balances	**199**	-
	JS Fund of Funds - Fund under JSIL Management		
	Purchase of units: 109,063 (2023: Nil)	**10,000,000**	-
	Sales of units: 109,063 (2023 : Nil)	**9,992,366**	-
	JS Global Capital Limited (Fellow Subsidiary of JSBL)		
	Brokerage expense	**278,266**	126,926
	Key Management Personnel & Directors		
	Issue of units: 6,205 (2023: Nil)	**1,097,018**	-

		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
June 30, 2024	--------Rupees--------		
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	**-**	**-**	**-**

	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	At amortised cost	Financial asset at 'fair value through profit or loss'	Total
	----------As at June 30, 2024----------		
	------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**
	37,105,854	**255,873,095**	**292,978,949**
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**
	5,050,063	-	**5,050,063**

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
	30,282,703	161,305,915	191,588,618
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
	4,396,447	-	4,396,447

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.

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					
			Exposed to interest rate risk			
	Interest rate	Total	Upto three months	More than three months and upto one year	More than one year	Not exposed to interest rate risk
	%	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

Particulars	Interest rate	Total	Exposed to interest rate risk: Upto three months	Exposed to interest rate risk: More than three months and upto one year	Exposed to interest rate risk: More than one year	Not exposed to interest rate risk
	June 30, 2024					
	%	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	Interest rate	Total	Exposed to interest rate risk: Upto three months	Exposed to interest rate risk: More than three months and upto one year	Exposed to interest rate risk: More than one year	Not exposed to interest rate risk
	June 30, 2023					
	%	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

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 approvedby 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.

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:

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%

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 Attendence 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,	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	✓	-	-	✓

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

Better Investments for a Better Future!

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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