JS Large Cap. Fund

Annual Report 2019

JS investments

Managing Mutual Funds Better!

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VISION

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

MISSION

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

BROAD POLICY OBJECTIVES

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

ORGANIZATION

Management Company

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

Board of Directors

Kamran Jafar	Chairman
Hasnain Raza Nensey	Chief Executive Officer
Syed Tauqir Haider Rizvi	Non Executive Director
Hasan Shahid	Non Executive Director
Babbar Wajid	Non Executive Director
Ahsen Ahmed	Independent Director
Asif Reza Sana	Independent Director

Audit Committee

Asif Reza Sana	Chairman
Ahsen Ahmed	Member
Hasan Shahid	Member

Director Finance & Company Secretary

Muhammad Khawar Iqbal

Chief Financial Officer

Zafar Iqbal Ahmed

Trustee

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

Auditors

Deloitte Yousuf Adil
Chartered Accountants

Legal Adviser

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

Directors' Report to the Unit Holders

The Board of Directors of JS Investments Limited, the Management Company of **JS Large Cap. Fund** (the Fund), is pleased to present the Annual Report for the year ended June 30, 2019..

Economic Review:

2019 proved to be a challenging year for Pakistan's economy; characterized by rising interest rates and rupee devaluation. After a year of booming growth in 2018, one that witnessed a 12 year high GDP growth rate, FY19 turned out to be an awaited reality check for Pakistan's economy, that is now recovering from what can best be described as a 'consumption led' growth cycle. In Fiscal year 2019, Pakistan's economy contracted sharply, hitting a nine year low growth rate of 3.3% and missing the stated 6.2% growth target by a wide margin. The economic malaise primarily emanated from worsening current and fiscal account deficits and an overvalued currency.

During FY19, the 9MFY19 fiscal deficit came in at 4.4%. While full year numbers are yet to be released, it is widely expected that the budget deficit for the year will come in at 7.0%, an increase over the FY18 budget deficit of 6.57%. The deficit expanded due to an expansion in current expenditures amidst stagnant revenues. Expenditure overruns were witnessed due to higher than budgeted interest payments and security related expenditures despite a significant cut down in PSDP. On the other hand, tax revenues remained below target due to the economic slowdown (particularly in the industrial sector) and an inefficient tax machinery.

The Current Account Deficit (CAD) improved during FY19 on the back of macroeconomic stabilization measures, conclusion of early phase of CPEC (which led to decline in machinery imports) and lower quantum of energy imports. The CAD still remains unsustainable, despite the aforementioned contraction due to low forex reserves. The CAD for FY19 clocked in at USD 13,587 million compared to USD 19,897 million in FY18, down 32%. The improvement in the deficit was limited by a lack of growth in exports, which were unable to pick up despite steep currency devaluation.

Due to the vulnerable macroeconomic situation Fitch lowered Pakistan's credit rating in December 2018 to "B-" from "B".

Headline CPI inflation averaged 7.2% in FY19 crossing the government's target of 6.0% for the fiscal year. Four factors primarily explain this surge in inflation, i) Upward adjustment in utility prices, ii) lagged impact of PKR depreciation, iii) surging food inflation due to supply side constraints and iv) increase in house rents.

Due to the challenging macroeconomic situation, the State Bank of Pakistan raised the Discount Rate by 675 bps and devalued the PKR by approximately 32% against the US Dollar, as the government geared up to enter its 22nd IMF program. To this end, the government then released the Federal Budget 2019-20 in June primarily focusing on aligning the country's budget with the IMF's requested conditions.

Equity Market Review:

The KSE100 index remained volatile during the first half of the year while the second half was characterized by a clear downward trend, partly due to steep monetary tightening and an austerity-driven FY20 budget. The KSE100 index fell to 33,902 points, down 19.11% YoY. The KMI30 index declined by 24.2% and closed at 54,118 points. The decline in the KMI index was steeper than the KSE100 index as it has a smaller universe of stocks and the index is highly concentrated in Cements, which declined significantly during the year.

In terms of sectoral performance, Oil & Gas Exploration, Commercial Banks, Cements, and Oil & Gas Marketing sectors dragged the index performance, while Tobacco, Glass & Ceramics, and Textile Weaving outperformed the index. Although Oil & Gas and Banking were the largest contributors to the index decline due to their higher weight, performance within the sector was relatively better than cyclical stocks (excluding HBL which had company specific adverse developments). Oil Marketing companies and Refineries were the most hit by PKR devaluation due to their inability to hedge against currency movements and as a result earnings declined significantly due to the booking of exchange losses. Cement, Steel and Automobiles sectors suffered on the back of lower demand due to government's austerity measures and an inability to pass on costs (which have primarily risen due to PKR devaluation).

On the market participant-wise activity, foreigners remained net sellers with sizeable net outflow of USD 359 million. On the other hand, Individuals, Insurance, and Companies were net buyers during the same period with fresh inflows amounting to USD 164 million, USD 152 million, and USD 110 million, respectively.

Review of Fund Performance

The Fund return was -21.46% for the year ended June 30, 2019 against benchmark return of -18.18. Net Assets moved from PKR. 0.76 billion to PKR. 0.54 billion as at June 30, 2019.

Fund and Asset Manager Rating

JCR-VIS Credit Rating Company Limited has affirmed JS Investments' Management Quality Rating of "AM2"(AM-Two) and has upgraded the outlook to "Positive". The rating denotes High Management Quality.

Auditors

The external auditors of the Fund Messrs Deloitte Yousuf Adil Chartered Accountants, retire and being eligible offers themselves for reappointment. The Board of Directors, upon recommendation of the Audit Committee of the Board has approved the appointment of Grant Deloitte Yousuf Adil Chartered Accountants, as the Fund's auditors for the ensuing year ending June 30, 2020.

Board of Directors

During the period, Mr. Yousuf Amanullah, Mr Suleman Lalani and Mr Basir Shamsi resigned from the Board. Mr. Yousuf Amanullah was replaced by Syed Tauqir Haider Rizvi. Further, Mr. Hasan Shahid replaced Mr. Suleman Lalani subsequent to the year.

Additional Matters

a. Annexed to the Annual Report is Fund Manager's Report giving description of principal risks and uncertainties with reasonable indication of future prospects of profit.
b. The Pattern of Unit holding as at June 30, 2019 is disclosed in Annexure 1 of the published financial statements.
c. The system of internal control is sound in design and has been effectively implemented and monitored.
d. A performance table / key financial data is annexed to this annual report.

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.

Karachi: August 22, 2019 **Director** **Chief Executive Officer**

شراکت داروں کے لیے ڈائریکٹرز رپورٹ

جے ایس انویسٹمنٹس لمیٹڈ کے بورڈ آف ڈائریکٹرز، JS لارج کیپیٹل فنڈ (دی فنڈ) کی مینجمنٹ کمپنی نے 30 جون 2019 کو ختم ہونے والے سال کے لیے سالانہ رپورٹ پیش کرتے ہوئے خوشی محسوس کرتے ہیں۔

معاشی جائزہ

2019 پاکستانی معیشت کیلئے ایک چیلنج والا سال ثابت ہوا جو بڑھتی ہوئی شرح سود اور روپے کی قدر میں کمی پر مبنی تھا۔ 2018 تیزی سے ترقی کرتا ہوا سال تھا، جس میں جی ڈی پی میں اضافہ کی شرح 12 سال کے عرصہ کی سب سے زیادہ شرح تھی، مالی سال 19 پاکستان کی معیشت کیلئے قابل تشویش رہا، جس کو ہم 'consumption led' اضافہ کی گردش کہہ سکتے ہیں اور اب جس سے نکلنے کی صورت نظر آرہی ہے۔ مالی سال 19 میں پاکستان کی معیشت معمولی سی موافقت پیدا ہوئی جو نو سال کی کم ترین شرح نمو 3.3% تک پہنچ گئی اور اضافہ کی ہدف شرح 6.2% کے دعوے کے مقابلے میں ایک بڑے فرق کے ساتھ کم رہی۔ معیشت میں ابتری کی بنیادی وجوہات کرنٹ اور مالی خسارے کی بگڑتی ہوئی صورتحال اور کرنسی کی قدر میں نمایاں کمی تھی۔

مالی سال 19 کے 9 ماہ کے دوران میں مالیاتی خسارہ 4.4% رہا۔ اب جبکہ ابھی پورے سال کے اعداد و شمار آنا باقی ہیں تو توقع کی جارہی ہے کہ سال کے لئے بجٹ کا خسارہ 7% تک ہوگا، جو کہ مالی سال 18 کے 6.57% سے بھی زیادہ ہے۔ خسارے میں یہ پھیلاؤ آمدنی میں آمدنی میں کسی اضافہ کے بغیر کرنٹ اخراجات میں پھیلاؤ ہے۔ معمول سے بڑھ کر اخراجات کی وجہ بجٹ میں مختص کی گئی سود کی ادائیگیاں تھیں باوجود اس کے کہ PSDP کے اخراجات میں نمایاں کٹوتی کی گئی تھی۔ دوسری طرف ٹیکس سے حاصل ہونے والی آمدنی بھی ہدف سے کم رہی جس کی وجہ معیشت کی سست روی (خاص طور پر صنعتی شعبہ میں) اور ٹیکس مشینری کی کم استعداد تھی۔

مالی سال 19 میں کرنٹ اکاؤنٹ کے خسارے (CAD) میں کچھ بہتری آئی جس کا سبب میکرو اکنامک کے استحکام کیلئے کئے جانے والے اقدامات، چین پاکستان اقتصادی راہداری (CPEC) کے پہلے مرحلے کے نتائج (جس میں مشینری کی درآمدات میں کمی آنا شامل ہے) اور توانائی کی کم مقدار میں درآمد ہے درج بالا موافقت کی صورتحال کے باوجود، زرمبادلہ کے ذخائر کم ہونے کے سبب کرنٹ اکاؤنٹ خسارہ ابھی بھی غیر مستحکم ہے۔ مالی سال 19 کیلئے کرنٹ اکاؤنٹ خسارہ، 13,587 ملین امریکی ڈالر ریکارڈ کیا گیا جو کہ مالی سال 18 کے 19,897 ملین امریکی ڈالر کے مقابلے میں 32% کم ہے۔ تاہم برآمدات میں کمی کے سبب خسارے میں بہتری محدود رہی جبکہ کرنسی کی قدر میں خاصی کمی واقع ہوئی۔

میکرو اکنامک کی صورتحال Fitch کے باعث دسمبر 2018 میں پاکستان کی کریڈٹ ریٹنگ "B" سے "-B" ہوگئی۔

مالی سال 19 میں ہیڈ لائن CPI افراطِ زر کا اوسط 7.2% رہا جو کہ مالی سال کیلئے حکومت کے مقرر کردہ ہدف 6.0% کی حد پار کر گیا۔ افراطِ زر میں تیزی کے چار بنیادی عناصر ہیں (i) یوٹیلیٹی کی قیمتوں میں بالائی سطح کی ایڈجسٹمنٹ (ii) پاکستانی روپے کی قدر میں کمی کے طویل اثرات (iii) فراہمی کی پابندیوں کے سبب food inflation میں اضافہ اور (iv) مکانات کے کرایوں میں اضافہ۔

میکرو اکنامک کی چیلنج والی صورتحال کے سبب اسٹیٹ بینک آف پاکستان نے ڈسکاؤنٹ ریٹ میں 675 بنیادی پوائنٹس کا اضافہ کر دیا اور امریکی ڈالر کے مقابلے میں پاکستانی روپے کی قدر میں تقریباً 32% کمی واقع ہوگئی جب کہ حکومت نے 22 ویں آئی ایم ایف پروگرام کا فیصلہ کرلیا۔ ایسے وقت حکومت نے جون میں وفاقی بجٹ 20-2019 کا بجٹ جاری کر دیا جس کو بنیادی طور پر آئی ایم ایف کی مطلوبہ شرائط کے مطابق تیار کیا گیا ہے۔

ایکویٹی مارکیٹ کا جائزہ

سال کی پہلی ششماہی میں KSE 100 انڈیکس volatile رہا جبکہ دوسری ششماہی میں یہ واضح طور پر کمی کے رجحان پر مبنی نظر آرہا ہے اس کی جزوی وجہ مالی تنگی کی گہری صورتحال اور شدید درشتگی پر مبنی مالی سال 20 کا بجٹ تھی۔ KSE 100 انڈیکس 33,902 پوائنٹس گر گیا جو سال بہ سال 19.11% کمی کے مطابق ہے۔ KMI30 انڈیکس میں 24.2% کمی کے ساتھ 54,118 پوائنٹس پر بند ہوا۔ KMI30 میں KSE 100 انڈیکس سے زیادہ کمی آئی کیونکہ اس کے اسٹاکس کا دائرہ چھوٹا ہے اور یہ سیمنٹ پر بہت زیادہ منحصر ہے اور سال کے دوران میں جس کی طلب میں نمایاں کمی واقع ہوئی۔

شعبہ جاتی کارکردگی کے لحاظ سے، تیل اور گیس کی دریافت، تجارتی بینکس، سیمنٹس اور تیل اور گیس مارکیٹنگ کے شعبہ جات نے انڈیکس کی کارکردگی کو سست رکھا جب کہ تمباکو، شیشہ اور سرامکس اور ٹیکسٹائل ویونگ کے شعبہ جات کی کارکردگی شاندار رہی۔ اگرچہ تیل اور گیس اور بینکنگ کے شعبہ جات کا انڈیکس میں کمی میں سب سے بڑا حصہ تھا جس کی وجہ ان کا زیادہ بھاری ہونا تھا، تاہم cyclical اسٹاکس (بشمول HBL جس میں خصوصاً کمپنی کی ترقی معکوس شامل ہے) کے مقابلے میں ان کی اندرونی کارکردگی بہتر رہی۔ تیل مارکیٹنگ کمپنیز اور ریفائنریز کو پاکستانی روپے کی

قدر میں کمی سے بڑا جھٹکا لگا کیونکہ وہ کرنسی کی حرکات کا مقابلہ کرنے کے قابل نہیں تھیں اور زرمبادلہ کے نقصانات کے باعث ان کی آمدنی میں نمایاں کمی واقع ہوئی۔ سیمنٹ، اسٹیل اور آٹو موبائل کے شعبہ جات طلب میں کمی سے شدید متاثر ہوئے جو کہ حکومت کے سخت اقدامات اور قیمتوں پر قابو پانے میں ناکامی کی وجہ سے پیدا ہوئی تھی (جو بنیادی طور پر پاکستانی روپے میں کمی کی وجہ سے بڑھ گئیں)۔

مارکیٹ میں شراکت پر مبنی سرگرمیوں میں غیر ملکی خالصتاً فروخت کنندہ رہے اور ان کی فروخت کا حجم 359 ملین امریکی ڈالر رہا۔ دوسری طرف اس مدت کے دوران میں افراد، انشورنز اور کمپنیز خالصتاً خریدار رہے جن کا داخلی بہاؤ بالترتیب 164 ملین امریکی ڈالر، 152 ملین امریکی ڈالر اور 110 ملین امریکی ڈالر رہا۔

فنڈ کی کارکردگی کا جائزہ

30 جون 2019 کو ختم ہونے والے سال کے لیے فنڈ کا منافع 18.18%- اپنے بنچ مارک منافع کے مقابلے میں 21.46%- رہا۔ 30 جون 2019 کو خالص اثاثہ جات 0.76 بلین روپے سے 0.54 بلین روپے پر پہنچ گیا۔

فنڈ اور ایسیٹ مینجر ریٹنگ

JCR-VIS کریڈٹ ریٹنگ کمپنی نے جے ایس انویسمنٹ لمیٹڈ کو "AM2" (اے ایم ٹو) کی مینجمنٹ کوالٹی ریٹنگ تفویض کی ہے اور امکانات کو بڑھا کر "positive" کر دیا ہے۔ یہ ریٹنگ مینجمیٹ کے اعلیٰ معیار کی نشاندہی کرتی ہے۔

آڈیٹرز

ریٹائر ہونے والے بیرونی آڈیٹرز میسرز ڈیلوائیٹ یوسف عادل 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 ڈیلوائیٹ یوسف عادل چارٹرڈ اکاؤنٹنٹس کی 30 جون 2020 کو ختم ہونے والے سال کے لیے تقرری کی منظوری دی۔

بورڈ آف ڈائریکٹرز

مدت کے دوران، جناب یوسف امان اللہ، جناب سلیمان لالانی اور جناب باصر شمسی بورڈ سے مستعفی ہوگئے۔ جناب یوسف امان اللہ کی جگہ جناب سید توقیر حیدر رضوی نے لے لی۔ مزید برآں، جناب حسن شاہد نے بعد ازاں اس سال جناب سلیمان لالانی کی جگہ لے لی۔

اضافی معاملات

ا۔ سالانہ رپورٹ کے ساتھ فنڈ مینیجر رپورٹ منسلک ہے جس میں اپنے بنچ مارک کے ساتھ مناسبت رکھتے ہوئے فنڈ کی کارکردگی کی تفصیل دی گئی ہے ساتھ میں مرکزی خطرات اور منافع جات کے مستقبل کے امکانات کی مناسب علامت کے ساتھ ہیجان کی کیفیت کی وضاحت کی ہے۔

ب۔ شائع ہونے والے مالیاتی گوشوارے کے ضمیمہ 1 میں 30 جون 2019 کو یونٹ ہولڈنگ کے نمونہ کی تشہیر ہوئی۔

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

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

اظہار 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۔

کراچی: 22 اگست 2019 ڈائریکٹر چیف ایگزیکٹیو آفیسر

Fund Manager Report
Annual Report 2019

- **Description of the Collective Investment Scheme category and type**
  Equity Scheme / Open end
- **Statement of Collective Investment Scheme's investment objective**
  JS LCF is an open-end Equity Scheme that aims to benefit from an attractive Capital Market in an economy with growth potential, to maximize the total investment return consisting of a combination of capital appreciation and dividend income. Consistent with its Investment Objective, the Fund shall invest primarily in equity securities of listed Large-Cap companies with market capitalization of over Rupees one billion. The remaining Funds shall be invested in Authorized Investments including cash and/or near cash instruments which include cash in bank accounts, and Governm ent securities not exceeding ninety (90) days maturity.
- **Explanation as to whether the Collective Investment Scheme has achieved its stated objective**
  The collective investment scheme achieved its stated objective.
- **Statement of benchmark(s) relevant to the Collective Investment Scheme**
  KSE30 (Total Return Index)
- **Comparison of the Collective Investment Scheme's performance during the period compared with the said benchmarks**

	Jul-18	Aug-18	Sep-18	Oct-18	Nov-18	Dec-18	Jan-19	Feb-19	Mar-19	Apr-19	May-19	Jun-19	FY19
JSLCF	1.18%	1.04%	-4.87%	1.04%	-1.50%	-9.90%	8.32%	-3.11%	-1.00%	-5.37%	-2.55%	-6.00%	-21.46%
Benckmark	3.15%	-3.30%	-1.67%	1.82%	-3.49%	-10.75%	14.00%	-4.01%	-1.50%	-4.48%	-1.10%	-6.58%	-18.18%
Diff.	**-1.97%**	**4.34%**	**-3.20%**	**-0.78%**	**1.99%**	**0.85%**	**-5.68%**	**0.90%**	**0.49%**	**-0.89%**	**-1.46%**	**0.59%**	**-3.28%**

- **Description of the strategies and policies employed during the period under review in relation to the Collective Investment Scheme's performance**
  The fund had an average invested level of 87.60%. As of June 2019 the fund had high exposure towards Commercial Banks at 27.01%, Oil & Gas Exploration at 16.90% and Fertilizer at 16.96% while the remaining exposure was in a diversified pool of stocks.

  Sector allocations were decided based upon macroeconomic outlook which remained unfavorable. Individual stock selection and allocation within these sectors varied during the year based upon the investment case for or against a stock and its relative price at a particular point in time.
- **Disclosure of the Collective Investment Scheme's asset allocation as at the date of the report and particulars of significant changes in asset allocation since the last report (if applicable)**

	Jun-19	Jun-18
Cash	9.10%	4.80%
Equity	89.86%	89.95%
Other including receivables	1.04%	5.25%
Total	**100.00%**	**100.00%**

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

	Fund		Fund	BM
Information Ratio	(0.09)	Beta	0.7	1.0
Correlation	0.92	Largest Month Gain	14.7%	25.2%
Standard Deviation*	21.7%	Largest Month Loss	-30.8%	-45.0%
Expense Ratio**	4.09%	%Positive Months	57.1%	57.7%

* Since inception
** This includes 0.51% government levy, Sindh Worker's Welfare Fund and SECP fee. Selling & Marketing Expense PKR 2,830,295.

- **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-19	542	108.47
30-Jun-18	695	138.10

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

  The fund invests in equity securities listed on the Pakistan Stock Exchange (PSX). PSX has a market capitalization of ~$69 billion with 30+ sectors.

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

Distribution

NIL

NAV per unit as on June 30, 2019	
Cum NAV (PKR)	108.47
Ex-NAV (PKR)	108.47

- **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 Large Cap. Fund	0.0001	to	9,999.9999	1,838
	10,000.0000	to	49,999.9999	59
	50,000.0000	to	99,999.9999	13
	100,000.0000	to	499,999.9999	4
	500,000.0000	&	above	1
			Total	**1,915**

- **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.

JS Large Cap. Fund

Performance Table

Description	Years				
	2019	2018	2017	2016	2015
Net Assets - Rupees in '000'	542,499	762,002	789,282	664,980	898,659
Net (loss) / Income - Rupees in '000'	(159,235)	(129,031)	237,865	30,222	227,685
Net assets value per unit - Rupees	108.47	138.10	157.05	111.20	106.14
Highest offer price per unit	149.09	166.04	179.87	120.76	115.66
Lowest offer price per unit	109.91	126.63	114.54	30.45	75.34
Year-end offer price per unit	112.15	142.79	161.77	114.54	109.33
Highest repurchase price per unit	144.2	161.2	174.63	117.24	112.29
Lowest repurchase price per unit	106.3	122.94	111.2	29.56	73.14
Year-end repurchase price per unit	108.47	138.10	157.05	111.20	106.14
Earnings per unit - Rupees	(31.84)	(23.38)	47.33	5.05	26.89
Interim distribution per unit - Rupee	-	-	2.00	-	0.50
Interim distribution date	-	-	22-Jun-17	-	26-Jun-15
Final Distribution per unit - Rupees	-	-	-	1.00	-
Final distribution date	-	-	-	12-Jul-16	-
Total Distribution per unit	-	-	2.00	1.00	0.50
Total Distribution - Rupees in '000'	-	-	9,745	5,980	4,233
Accumulated capital growth - Rupees in '000'	(558,696)	(399,461)	(270,430)	(498,549)	(522,792)
Number of units in issue - Number	5,001,545	5,517,729	5,025,737	5,979,986	8,466,340
Average Annual Return					
One Year - in percentage	-21.46%	-12.07%	44.30%	4.77%	31.74%
Two Year - in percentage	-16.77%	16.12%	24.54%	18.26%	35.69%
Three Year- in percentage	3.59%	12.33%	26.94%	25.38%	39.17%

Notes:
- JS Large Cap. Fund was launched on May 15, 2004.
- Consequent to the conversion of the fund from a close end scheme to an open end scheme with effect from September 27, 2010, the comparative figures have not been arrived.

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

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TRUSTEE REPORT TO THE UNIT HOLDERS

JS LARGE CAP. FUND

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

We, Central Depository Company of Pakistan Limited, being the Trustee of JS Large Cap. Fund (the Fund) are of the opinion that JS Investments Limited being the Management Company of the Fund has in all material respects managed the Fund during the year ended June 30, 2019 in accordance with the provisions of the following:

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

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

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

Badiuddin Akber
Chief Executive Officer
Central Depository Company of Pakistan Limited

Karachi, September 20, 2019

Deloitte.

Deloitte Yousuf Adil
Chartered Accountants
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INDEPENDENT AUDITORS' REPORT TO THE UNIT HOLDERS OF JS LARGE CAP FUND

Report on the audit of the financial statements

Opinion

We have audited the financial statements of JS Large Cap. Fund (the Fund), which comprise the statement of assets and liabilities as at June 30, 2019, and the income statement, statement of comprehensive income, statement of movement in unit holders' fund and cash flow statement for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Fund as at June 30, 2019, and of its financial performance and its cash flows for the year then ended in accordance with accounting and reporting standards as applicable in Pakistan.

Basis for opinion

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

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.

S. No.	Key audit matter	How the matter was addressed in our audit
1	**Valuation and existence of investment** As disclosed in note 4.2 and note 6 to the financial statements, investments as at June 30, 2019 represent significant portion of net assets of the Fund. The principal activity of the Fund is, interalia, to make investments in equity securities which is the main driver of the Fund's performance.	We performed the following procedures during our audit of investment: • evaluated design and implementation of controls in place related to purchases and sales of investments. • independent testing of valuations directly with the prices quoted on Pakistan Stock Exchange (PSX); •

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Chartered Accountants

S. No.	Key audit matter	How the matter was addressed in our audit
	The Fund measures them at fair value. Considering the above factors the existence and valuation are significant areas during our audit due to which we have considered this as a Key Audit Matter.	• independently matched securities held by the Fund with the securities appearing in the Central Deposit Company account; • tested purchases and sales on a sample basis to obtain evidence regarding movement of the securities; and • any differences identified during our testing that were over our acceptable threshold were investigated further.

Information other than the financial statements and auditor's report thereon

Management Company 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 audit report.

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

Responsibilities of Management Company and Those Charged with Governance for the financial statements

Management Company is responsible for the preparation and fair presentation of the financial statements in accordance with accounting and reporting standards as applicable in Pakistan, and for such internal control as the Management Company 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 Company 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 Company either intends to liquidate the Fund or to cease operations, or has no realistic alternative but to do so.

Those Charged with Governance of the Management Company are responsible for overseeing the Fund's financial reporting process.

Auditor's responsibilities for the audit of the financial statements

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

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

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Chartered Accountants

- 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 Management Company's internal control.

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

- Conclude on the appropriateness of Management Company'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 Those Charged with Governance of Management Company regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

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

Report on other legal and regulatory requirements

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

The engagement partner on the audit resulting in this independent auditor's report is Naresh Kumar.

Deloitte Yousuf Adil
Chartered Accountants

Date: September 27, 2019
Place: Karachi

Member of
Deloitte Touche Tohmatsu Limited

FINANCIAL STATEMENTS

Statement of Assets and Liabilities

As at June 30, 2019

	Note	2019	2018
		----------Rupees----------	
Assets			
Bank balances	5	**54,507,386**	40,070,113
Investments	6	**514,205,205**	714,297,521
Receivable against sale of investment	6.4	**-**	37,935,455
Deposits and other receivable	7	**3,369,608**	3,323,821
Dividend receivable		**975,856**	331,620
Accrued return on bank balances		**332,218**	117,492
Total assets		**573,390,273**	796,076,022
Liabilities			
Payable to the Management Company	8	**3,151,611**	4,551,868
Remuneration payable to the Trustee	9	**104,147**	143,054
Annual fee payable to the Securities and Exchange Commission of Pakistan	10	**672,194**	750,537
Payable against redemption of units		**-**	1,765,827
Accrued expenses and other liabilities	13	**16,194,201**	16,093,992
Dividend payable		**10,768,622**	10,768,622
Total liabilities		**30,890,775**	34,073,900
Contingencies and Commitments	14		
Net assets		**542,499,498**	762,002,122
Unit holders' funds (as per statement attached)		**542,499,498**	762,002,122
Number of units in issue	15	**5,001,545**	5,517,729
		--------Number of units--------	
Net asset value per unit		**108.47**	138.10
		----------(Rupees)----------	

The annexed notes from 1 to 23 and annexures form an integral part of these financial statements.

For JS Investments Limited
(Management Company)

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

Income Statement

For the year ended June 30, 2019

	Note	2019	2018
		----------Rupees----------	
Income			
Capital loss on sale of investments - net		**(72,872,387)**	(83,474,936)
Unrealised loss on revaluation of investments - net		**(94,994,036)**	(57,500,939)
Dividend income		**31,046,620**	33,526,036
Profit on bank balances		**6,485,197**	6,168,414
Other income		**28,300**	-
		(130,306,306)	(101,281,425)
Expenses			
Remuneration of the Management Company	8	**14,151,472**	15,800,851
Sindh sales tax on Management Company's remuneration	8.1	**1,839,697**	2,054,428
Remuneration of the Trustee	9	**1,415,152**	1,580,056
Sindh sales tax on trustee remuneration		**183,970**	205,408
Annual fee to the Securities and Exchange Commission of Pakistan	10	**672,218**	750,538
Accounting and operational charges	12	**707,576**	790,042
Selling and marketing Expense	11	**2,830,295**	1,923,692
Securities transactions costs		**6,272,730**	3,780,480
Auditors' remuneration	16	**601,222**	580,540
Printing and stationery		**-**	95,592
Listing fee and settlement charges		**222,498**	146,741
Bank charges		**29,522**	17,795
SECP supervisory fee on listing fee		**2,500**	2,500
Others		**-**	20,844
		28,928,852	27,749,507
Net loss for the year before taxation		**(159,235,158)**	(129,030,932)
Taxation	17	**-**	-
Net loss for the year after taxation		**(159,235,158)**	(129,030,932)
Allocation of net income for the year			
Income already paid on units redeemed		**-**	-
Accounting income available for distribution:			
Relating to capital gains		**-**	-
Excluding capital gain		**-**	-
		-	-
		-	-

The annexed notes from 1 to 23 and annexures form an integral part of these financial statements.

For JS Investments Limited
(Management Company)

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

Statement of Comprehensive Income

For the year ended June 30, 2019

	2019	2018
	----------Rupees----------	
Net loss for the year after taxation	**(159,235,158)**	129,030,932)
Other comprehensive income for the year	-	-
Total comprehensive income for the year	**(159,235,158)**	(129,030,932)

The annexed notes from 1 to 23 and annexures form an integral part of these financial statements.

For JS Investments Limited
(Management Company)

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

Cash Flow Statement

For the year ended June 30, 2019

	Note	2019	2018
		----------Rupees----------	
CASH FLOWS FROM OPERATING ACTIVITIES			
Net loss for the year before taxation		**(159,235,158)**	(129,030,932)
Adjustments for:			
Capital loss on sale of investments - net		**72,872,387**	83,474,936
Unrealised loss on revaluation of investments - net		**94,994,036**	57,500,939
Dividend income		**(31,046,620)**	(33,526,036)
Profit on bank balances		**(6,485,197)**	(6,168,414)
		130,334,606	101,281,425
		(28,900,552)	(27,749,507)
(Increase) / decrease in assets			
Investments - net		**32,225,893**	(126,722,726)
Receivable against sale of investments		**37,935,455**	13,001,144
Deposits and other receivable		**(45,787)**	(182,403)
		70,115,561	(113,903,985)
(Decrease) / increase in liabilities			
Payable to the Management Company		**(1,400,257)**	2,111,441
Remuneration payable to the Trustee		**(38,907)**	(4,428)
Annual fee payable to Securities and Exchange Commission of Pakistan		**(78,343)**	(67,887)
Accrued expenses and other liabilities		**100,209**	(3,912,511)
		(1,417,298)	(1,873,385)
Profit received on bank deposits		**6,270,471**	6,075,480
Dividend received		**30,402,384**	35,095,831
Net cash flows generated from / (used in) operating activities		**76,470,566**	(102,355,566)
CASH FLOWS FROM FINANCING ACTIVITIES			
Amount received on issuance of units		**396,876,953**	457,245,517
Amount paid on redemption of units		**(457,144,419)**	(353,927,929)
Payable against redemption of units		**(1,765,827)**	-
Distribution to the unit holders in cash		**-**	(3,060,743)
Net cash flows (used in) / generated from financing activities		**(62,033,293)**	100,256,845
Net increase / (decrease) in cash and cash equivalents during the year		**14,437,273**	(2,098,721)
Cash and cash equivalents at beginning of the year		**40,070,113**	42,168,834
Cash and cash equivalents at end of the year		**54,507,386**	40,070,113

The annexed notes from 1 to 23 and annexures form an integral part of these financial statements.

For JS Investments Limited
(Management Company)

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

Statement of Movement In Unit Holders' Fund

As at June 30, 2019

	2019			2018		
	Capital Value	**Undistributed loss**	**Total**	Capital Value	Undistributed loss	Total
	Rupees					
Net assets at beginning of the year	**1,119,960,080**	**(357,957,958)**	**762,002,122**	1,018,208,837	(228,927,026)	789,281,811
Issuance of 2,957,998 units (2018: 3,004, 647units)						
- Capital value (at net asset value per unit at the beginning of the year)	**408,501,536**	**-**	**408,501,536**	471,873,684	-	471,873,684
Element of loss	**(11,624,583)**	**-**	**(11,624,583)**	(14,628,167)	-	(14,628,167)
Total proceeds on issuance of units	**396,876,953**	**-**	**396,876,953**	457,245,517	**-**	457,245,517
Redemption of 3,474,182units (2018: 2,512,655 units)						
- Capital value (at net asset value per unit at the beginning of the year)	**(479,786,897)**	**-**	**(479,786,897)**	(394,607,398)	-	(394,607,398)
Element of income	**22,642,478**	**-**	**22,642,478**	39,113,124	-	39,113,124
Total payments on redemption of units	**(457,144,419)**	**-**	**(457,144,419)**	(355,494,274)	**-**	(355,494,274)
Net loss for the year	**-**	**(159,235,158)**	**(159,235,158)**	**-**	(129,030,932)	(129,030,932)
Other comprehensive income for the year	**-**	**-**	**-**	**-**	**-**	-
Total comprehensive income for the year	**-**	**(159,235,158)**	**(159,235,158)**	-	(129,030,932)	(129,030,932)
Net assets as at the end of the year	**1,059,692,614**	**(517,193,116)**	**542,499,498**	1,119,960,080	(357,957,958)	762,002,122
Accumulated losses brought forward						
Relating to realized loss		**(329,872,549)**			(306,206,877)	
Relating to unrealized (loss) / gain		**(28,085,409)**			77,279,851	
		(357,957,958)			(228,927,026)	
Net loss for the year		**(159,235,158)**			(129,030,932)	
Distribution during the year		**-**			-	
Accumulated losses carried forward		**(517,193,116)**			(357,957,958)	
Accumulated losses carried forward						
Relating to realized loss		**(413,859,685)**			(329,872,549)	
Relating to unrealized loss		**(103,333,431)**			(28,085,409)	
		(517,193,116)			(357,957,958)	
Net asset value per unit at the beginning of the year		**138.10**			157.05	
Net asset value per unit at end of the year		**108.47**			138.10	

The annexed notes from 1 to 23 and annexures form an integral part of these financial statements.

For JS Investments Limited
(Management Company)

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

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2019

1. LEGAL STATUS AND NATURE OF BUSINESS

1.1 JS Large Cap. Fund (the Fund) was established under the Trust Deed executed between JS Investments Limited as a Management Company and Central Depository Company of Pakistan Limited (CDC) as a Trustee. The Trust Deed was executed on April 06, 2004 and the Fund was approved as a closed-end scheme by the Securities and Exchange Commission of Pakistan (SECP) on April 16, 2004 in accordance with the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (the Rules). The Fund was converted into an open end fund categorized as equity scheme with effect from September 27, 2010 (the effective date) pursuant to special resolution passed at the meeting of certificate holders on September 25, 2009 and subsequent approval from SECP of the modified and Restated Trust Deed on August 20, 2010. The Fund is listed on the Pakistan Stock Exchange Limited.

1.2 The Management Company of the Fund is registered with the Securities and Exchange Commission of Pakistan as a Non-Banking Finance Company under the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (NBFC Rules). Its registered office is located at 19th floor, The Center, Abdullah Haroon Road, Saddar, Karachi, Pakistan.

The principal activity of the Fund is to make investments primarily in equity securities of large - cap companies (with market capitalisation over Rs.1 billion). The remaining net assets of the Fund shall be invested in Cash and / or near cash instruments which includes cash in bank accounts and treasury bills not exceeding ninety days maturity and is an Equity Scheme in accordance with the categorisation guidelines issued by the Securities and Exchange Commission of Pakistan.

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

2. BASIS OF PREPARATION

2.1 Statement of compliance

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

- International Financial Reporting Standards (IFRS Standards) issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017;
- Provisions of and directives issued under the Companies Act, 2017;and
- Non-Banking Finance Companies (Establishment and Regulations) Rules, 2003 (the NBFC Rules), Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the NBFC Regulations) and requirements of the Trust Deed.

Where provisions of and directives issued under the Companies Act, 2017, the NBFC Rules, the NBFC Regulations and requirements of the Trust Deed differ from the IFRS Standards, the provisions of and directives issued under the Companies Act, 2017, NBFC Rules, the NBFC Regulations and requirements of the Trust Deed have been followed.

2.2 Basis of measurement

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

2.3 Functional and presentation currency

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

2.4 Use of judgments and estimates

The preparation of financial statements in conformity with accounting and reporting standards as applicable in Pakistan requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about the carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods. The areas where various assumptions and estimates are significant to the Fund's financial statements or where judgment was exercised in the application of accounting policies are given below:

- Note 4.2.1 and 4.3.1.1 - Classification of investments
- Notes 4.2. and 4.3 - Valuation of investments
- Notes 4.2.1 and 4.3.1.5 - Impairment of financial assets

3. APPLICATION OF NEW ACCOUNTING STANDARDS / AMENDMENTS AND IFRS INTERPRETATIONS

3.11 Standards, amendments and interpretations that are effective for the year ended June 30, 2019

The following standards, amendments and interpretations are effective for the year ended June 30, 2019. These standards, interpretations and the amendments are either not relevant to the Fund's operations or are not expected to have significant impact on the Fund's financial statements other than certain additional disclosures and the impact of IFRS 9.

	Effective from accounting period beginning on or after:
Amendments to IFRS 2 'Share-based Payment' - Clarification on the classification and measurement of share-based payment	January 01, 2018
IFRS 4 'Insurance Contracts': Amendments regarding the interaction of IFRS 4 and IFRS 9.	January 01, 2018
IFRS 9 'Financial Instruments' - This standard superseded IAS 39 Financial Instruments: Recognition and Measurement upon its effective date.	July 01, 2018
IFRS 15 'Revenue from Contracts with Customers' - This standard will superseded IAS 18, IAS 11, IFRIC 13, 15 and 18 and SIC 31 upon its effective date.	July 01, 2018

	Effective from accounting period beginning on or after:
Amendments to IAS 40 'Investment Property': Clarification on transfers of property to or from investment property	January 01, 2018
IFRIC 22 'Foreign Currency Transactions and Advance Consideration': Provides guidance on transactions where consideration against non-monetary prepaid asset / deferred income is denominated in foreign currency.	January 01, 2018

Certain annual improvements have also been made to a number of IFRSs, which are also not relevant for the Fund.

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

3.2.1 The following standards, amendments and interpretations are only effective for accounting periods, beginning on or after the date mentioned against each of them. These standards, interpretations and the amendments are either not relevant to the Fund's operations or are not expected to have significant impact on the Fund's financial statements other than certain additional disclosures.

	Effective from accounting period beginning on or after:
Amendments to IFRS 3 'Business Combinations' - Amendments regarding the definition of business	January 01, 2020
Amendments to IFRS 9 'Financial Instruments' - Amendments regarding prepayment features with negative compensation and modifications of financial liabilities	January 01, 2019
Amendments to IFRS 10 'Consolidated Financial Statements' and IAS 28 'Investments in Associates and Joint Ventures' - Sale or contribution of assets between an investor and its associate or joint venture	Effective from accounting period beginning on or after a date to be determined. Earlier application is permitted.
IFRS 16 'Leases': This standard will supersede IAS 17 'Leases', IFRIC 4, SIC 15 and SIC 27 upon its effective date.	January 01, 2019
Amendments to References to the Conceptual Framework in IFRS	January 01, 2020
Amendments to IAS 1 'Presentation of Financial Statements' and IAS 8 'Accounting Policies, Changes in Accounting Estimates and Errors' - Amendments regarding the definition of material	January 01, 2020
Amendments to IAS 19 'Employee Benefits' - Amendments regarding plan amendments, curtailments or settlements.	January 01, 2019
Amendments to IAS 28 'Investments in Associates and Joint Ventures' - Amendments regarding long-term interests in an associate or joint venture that form part of the net investment in the associate or joint venture but to which the equity method is not applied.	January 01, 2019
IFRIC 23 'Uncertainty over Income Tax Treatments': Clarifies the accounting treatment in relation to determination of taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates, when there is uncertainty over income tax treatments under IAS 12 'Income Taxes'.	January 01, 2019

Certain annual improvements have also been made to a number of IFRSs, which are also not expected to have material impact on financial reporting of the Fund.

Other than the aforesaid standards, interpretations and amendments, the International Accounting Standards Board (IASB) has also issued the following standards which have not been adopted locally by the Securities and Exchange Commission of Pakistan:

- IFRS 1 – First Time Adoption of International Financial Reporting Standards
- IFRS 14 – Regulatory Deferral Accounts
- IFRS 17 – Insurance Contracts

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, ACCOUNTING ESTIMATES, JUDGMENTS AND RISK MANAGEMENT

Accounting policies set out below have been applied consistently to all periods presented in these financial statements unless otherwise stated as mentioned in note 4.2.

4.1 Cash and cash equivalents

Cash and cash equivalents comprise of bank balances including term deposits with banks (with maturity period of less than three months from the date of deposit) that are readily convertible to known amounts of cash and are subject to an insignificant risk of changes in value.

4.2 Adoption of IFRS 9 - Financial Instruments

IFRS 9 'Financial Instruments' was issued on July 24, 2014. This standard is adopted locally by the Securities and Exchange Commission of Pakistan and is effective from accounting periods beginning on or after July 1, 2018, and consequently has been adopted by the Fund. Accordingly, the Fund has applied the requirements of IFRS 9 to instruments that continue to be recognised as at July 01, 2018 and has not applied the requirements to instruments that have already been derecognised as at July 01, 2018. Comparative amounts in relation to instruments that continue to be recognised as at July 01, 2018 have not been restated as allowed by IFRS 9.

IFRS 9 introduces new requirements for:

1) The classification and measurement of financial assets and financial liabilities,
2) Impairment of financial assets, and
3) General hedge accounting.

Details of these new requirements as well as their impact on the Fund's financial statements are described below except the General Hedge Accounting which the Fund does not apply. The Fund has applied IFRS 9 in accordance with the transition provisions set out in IFRS 9.

4.2.1 Classification and measurement

IFRS 9 contains three principal classification categories for financial assets:

- Measured at amortized cost (“AC”),
- Fair value through other comprehensive income (“FVTOCI”) and
- Fair value through profit or loss (“FVTPL”).

Financial asset at amortised cost

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

1) the asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and

2) the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

On initial recognition, for an equity investment that is not held for trading, the Fund may irrevocably elect to present subsequent changes in fair value in OCI, only dividend income is recognised in income statement. This election is made on an investment-by-investment basis.

FVOCI financial assets are subsequently measured at fair value with gains and losses arising due to changes in fair value recognised in OCI.

Financial asset at FVTPL

All other financial assets are classified as measured at FVTPL (for example: equity held for trading and debt securities not classified either as AC or FVOCI).

In addition, on initial recognition, the Fund may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortized cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

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

Financial assets designated at fair value through profit or loss are subsequently carried at fair value, with gains and losses arising from changes in fair value recorded in the profit or loss

The Fund classifies its investments based on both the Fund's business model for managing those financial assets and the contractual cash flow characteristics of the financial assets. The evaluation of the performance of the Fund has been performed on fair value basis for the entire portfolio, as reporting to the key management personnel and to the investors in the form of net asset value (NAV). The investment portfolio of financial assets is managed and performance is evaluated on a fair value basis. The Fund is primarily focused on fair value information and uses that information to assess the assets' performance and to make decisions. Consequently, all the investments are measured at fair value through profit or loss. For other financial assets which are held for collection continue to be measured at amortised cost.

Regular way contracts

All purchases and sales of securities that require delivery within the time frame established by regulation or market convention are recognised at the trade date. Trade date is the date on which the Fund commits to purchase or sell assets.

Recognition

The Fund recognises financial assets and financial liabilities on the date it becomes a party to the contractual provisions of the instrument.

Financial liabilities are not recognised unless one of the parties has performed its part of the contract or the contract is a derivative contract.

Impairment of financial assets

The SECP/Commission has through its letter no. SCD/AMCW/RS/MUFAP/2017-148 dated November 21, 2017 has deferred the applicability of the impairment requirements of IFRS 9 for debt securities on mutual funds. Therefore the Fund will not be subject to the impairment provisions of IFRS 9. Meanwhile, asset management companies shall continue to follow the requirements of Circular 33 of 2012.

For financial assets other than debt securities measured at amortised cost, IFRS 9 requires recognition of impairment based on expected credit loss (ECL) model rather than incurred credit loss model as previously required under IAS 39. Under IFRS 9, the Fund is required to measure loss allowance of an amount equal to lifetime ECL or 12 months ECL based on credit risk.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Fund considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Fund's historical experience and informed credit assessment and including forward-looking information.

However, majority of the assets of the Fund exposed to credit risk pertain to counter parties which have high credit rating or where credit risk has not been increased since initial recognition. Therefore, management believes that the impact of ECL would be very minimal and hence, the same has not been accounted for in these financial statements.

Impact of change in accounting policies due to adoption of IFRS 9

Financial assets and financial liabilities	Original classification as per IAS 39	New classification as per IFRS 9	Carrying amount as per IAS 39 as on June 30, 2018	Carrying amount on initial adoption of IFRS 9 on July 01, 2018	Effect on July 01, 2018 on Retained Earnings
			---------- Rupees ----------		
Financial assets					
Bank balances	LR	AC	40,070,113	40,070,113	-
Receivable against sale of marketable securities	LR	AC	37,935,455	37,935,455	-
Dividend receivable	LR	AC	331,620	331,620	-
Deposits and other receivable	LR	AC	2,700,000	2,700,000	-
Listed equity securities	HFT	FVTPL	714,297,521	714,297,521	-
Accrued return on bank balances	LR	AC	117,492	117,492	-
Payable to the Management Company	OFL	AC	2,948,897	2,948,897	-
Remuneration payable to the Trustee	OFL	AC	126,597	126,597	-
Annual fee payable to the Securities and Exchange Commission of Pakistan	OFL	AC	750,537	750,537	-
Payable against redemption of units	OFL	AC	1,765,827	1,765,827	-
Accrued expenses and other liabilities	OFL	AC	546,870	546,870	-
Dividend payable	OFL	AC	10,768,622	10,768,622	-

- "LR" is loans and receivables
- "AC" is ammortised cost
- "HFT" is held for trading
- "FVTPL" is fair value through profit or loss
- "OFL" is other financial liabilities

4.2.2 Fair value measurement principles and provision

The fair value of financial instruments is determined as follows:

Basis of valuation of debt securities:

The fair value of debt securities (other than government securities) is based on the value determined and announced by Mutual Funds association of Pakistan (MUFAP) in accordance with the criteria laid down in Circular No. 1 of 2009 and Circular No. 33 of 2012 issued by Securities and Exchange Commission of Pakistan (SECP). In the determination of the rates, MUFAP takes into account the holding pattern of these securities and categorises them as traded, thinly traded and non-traded securities. The aforementioned circular also specifies the valuation process to be followed for each category as well as the criteria for the provisioning of non-performing debt securities.

Basis of valuation of equity securities:

The fair value of shares of listed companies is based on their prices quoted on the Pakistan Stock Exchange Limited at the reporting date without any deduction for estimated future selling costs.

Net gains and losses arising on changes in the fair value of financial assets carried at fair value through profit or loss are taken to the income statement.

Basis of valuation of securities at amortised cost:

Subsequent to initial recognition, financial assets classified as amortised cost are carried at amortised cost using the effective interest method.

Gains or losses are also recognised in the income statement when financial assets carried at amortised cost are derecognised or impaired, and through the amortisation process.

4.2.3 Impairment

The carrying value of the Fund's assets are reviewed at each reporting date to determine whether there is any indication of impairment. If such an indication exists, the recoverable amount of such asset is estimated. An impairment loss is recognised whenever the carrying amount of an asset exceeds its recoverable amount. Impairment losses are recognised in the income statement. If in a subsequent period, the amount of an impairment loss recognised decreases, the impairment is reversed through the Income Statement.

As mentioned in note 4.2.1, the impairment requirement of IFRS – 9 for debt securities has been deferred. The Fund has been carrying policy for provision for non-performing debt securities and other exposures which are in accordance with the criteria specified in Circular No. 33 of 2012 dated October 24, 2012 issued by SECP.

4.2.4 Derecognition

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

A financial liability is derecognised when the obligation specified in the contract is discharged, cancelled or expired.

4.2.5 Offsetting of financial instruments

Financial assets and financial liabilities are set off and the net amount is reported in the statement of assets and liabilities if the Fund has a legal right to set off the transaction and also intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

4.3 Transition to IFRS 9 Financial Instruments

Accounting policies applied to financial instruments prior to July 01, 2018

4.3.1 Financial assets

4.3.1.1 Classification

The management determines the appropriate classification of financial assets in accordance with the requirements of International Accounting Standard 39 (IAS 39), "Financial Instruments: Recognition and Measurement" at the time of purchase of financial assets and re-evaluates this classification on a regular basis. The classification depends upon the purpose for which the financial assets are acquired. The financial assets of the Fund are currently categorised as follows:

a) Investments at fair value through profit or loss - held-for-trading

An investment that is acquired principally for the purpose of generating profit from short-term fluctuations in prices is classified as "fair value through profit or loss - held-for-trading".

b) Loans and receivables

These are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market.

c) Available-for-sale

These are those non-derivative financial assets that are designated as available for sale or are not classified as (a) loans and receivables (b) held-to-maturity investments, or (c) financial assets at fair value through profit or loss. These are intended to be held for an indefinite period of time which may be sold in response to the needs for liquidity or change in price. Currently, there are no investments of the fund classified as available for sale.

4.3.1.2 Regular way contracts

All regular purchases / sales of investments are recognised on the trade date i.e. the date that the Fund commits to purchase / sell the investments. Purchases / sales of investments require delivery of securities within the time frame established by the stock exchange regulations.

4.3.1.3 Initial recognition and measurement

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

4.3.1.4 Subsequent measurement

Subsequent to initial recognition, financial assets designated by the management as at "fair value through profit or loss - held-for-trading" and "available-for-sale" are valued as follows:

Basis of valuation of equity securities

Equity securities are valued on the basis of closing quoted market prices available at the stock exchange. A security listed on the stock exchange for which no sale is reported on the reporting date is valued at its last sale price on the next preceding date on which such exchange is open and if no sale is reported for such date the security is valued at an amount neither higher than the closing asked price nor lower than the closing bid price.

Net gains and losses arising on changes in the fair value of financial assets carried at fair value through profit or loss are taken to the income statement.

Net gains and losses arising from changes in the fair value of available for sale financial assets are taken to the other comprehensive income until these are derecognised or impaired. At the time of impairment and derecognition, the cumulative gain or loss previously recognised in the other comprehensive income is shown in the income statement.

Basis of valuation of debt securities (other than government securities)

The investment of the Fund in debt securities is valued on the basis of rates determined by the Mutual Fund Association of Pakistan (MUFAP) in accordance with the methodology prescribed by the SECP for valuation of debt securities vide its circular no. 1 of 2009 dated January 6, 2009 and circular no. 33 of 2012 dated October 24, 2012. In the determination of the rates MUFAP takes into account the holding pattern of these securities and categorises them as traded, thinly traded and non-traded securities. The circular also specifies the valuation process to be followed for each category as well as the criteria for the provisioning of non-performing debt securities.

Basis of valuation of government securities

The investment of the Fund in government securities is valued on the basis of PKRV rates published by Reuters in accordance with Circular no. 33 of 2012.

Net gains and losses arising from changes in the fair value of financial assets carried at fair value through profit or loss - held-for-trading are taken to the income statement.

Net gains and losses arising from changes in fair value of available-for-sale financial assets are taken to the other comprehensive income until these are derecognised or impaired at which time the cumulative gain or loss previously recognised directly in the other comprehensive income is transferred to the income statement.

Subsequent to initial recognition, financial assets classified as loans and receivables are carried at amortised cost using the effective interest method.

Gains or losses are also recognised in the income statement when financial assets carried at amortised cost are derecognised or impaired, and through the amortisation process.

4.3.1.5 Impairment of financial assets

The carrying value of the Fund's financial assets is reviewed at each reporting date to determine whether there is any indication of impairment. If such an indication exists, the recoverable amount of such asset is estimated. An impairment loss is recognised whenever the carrying amount of an asset exceeds its recoverable amount. Impairment losses are recognised in the income statement.

a) Debt Securities

Provision for non-performing debt securities is made on the basis of time based criteria as prescribed under circular no. 33 of 2012 dated October 24, 2012 issued by the SECP. Impairment losses recognized on debt securities can be reversed through the 'Income Statement'.

As allowed under circular no. 13 of 2009 dated May 3, 2009 issued by the SECP, the management may also make provision against debt securities over and above the minimum provision requirement prescribed in the aforesaid circular, in accordance with a provisioning policy approved by the Board of Directors and disseminated by the Management Company on its website.

b) Loans and receivables

For financial assets classified as 'loans and receivables', a provision for impairment is established when there is objective evidence that the Fund will not be able to collect all amounts due according to the original terms. The amount of the provision is the difference between the assets carrying value and present value of estimated future cash outflows, discounted at the original effective interest rate.

4.3.1.6 Derecognition

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

4.3.2 Financial liabilities

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

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expired.

4.4 Issue and redemption of units

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

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

4.5 Net asset value per unit

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

4.6 Revenue recognition

- Gain / (loss) on sale of investment is accounted for in the income statement in the period in which it arises.
- Unrealised gain / loss arising on revaluation of investment classified as at fair value through the income statement is included in the income statement in the period in which it arises.
- Dividend income is recognized when the right to receive the dividend is established.
- Profit on bank balances are recognised at effective profit rates based on a time proportion basis.
- Profit on debt securities classified as non performing assets are recognised on receipt basis.

4.7 Expenses

All expenses including NAV based expenses (namely management fee, trustee fee, annual fee payable to the SECP, and selling and marketing expense) are recognised in the Income Statement on an accrual basis.

4.8 Taxation

The Fund is exempt from taxation under clause 99 of the Part I of the 2nd Schedule of the Income Tax Ordinance, 2001, subject to the condition that not less than 90% of its accounting income for the year as reduced by capital gains whether realised or unrealised is distributed amongst the unit holders, provided that for the purpose of determining distribution of not less than 90% of its accounting income for the year, the income distributed through bonus units shall not be taken into account.

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

4.9 Financial instruments

Financial assets and financial liabilities are recognised at the time when the Fund becomes a party to the contractual provisions of the instrument. Financial assets are derecognised when the Fund ceases to be a party to such contractual provisions of the instrument. Financial liabilities are derecognised when they are extinguished, that is, when the obligation specified in the contract is discharged, cancelled or expired. Any gain or loss on derecognition of the financial assets and financial liabilities is taken to income currently.

All financial assets are initially recognised at cost, being the fair value of the consideration given. Subsequent to initial recognition, financial assets (other than investments mentioned in note 4.2 above) comprising of loans and receivables (representing non-derivative financial assets with fixed or determinable payments that are not quoted in an active market) are carried at amortised cost. However these are estimated to approximate to its fair value.

Financial liabilities are initially recognised at fair value and subsequently stated at amortised cost, which is also estimated to approximate to its fair value.

4.10 Offsetting of financial assets and liabilities

Financial assets and financial liabilities are only 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 the Fund intends to either settle on a net basis, or to realise the asset and settle the liability simultaneously.

4.11 Provisions

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

4.12 Dividend distribution

Dividend distributions (including the bonus units) are recorded in the period in which the distributions are approved. As per regulation 63 of the Non Banking Finance Companies and Notified Entities Regulations, 2008, the Fund is required to distribute 90% of the net accounting income other than capital gains to the unit holders.

4.13 Earnings per unit (EPU)

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

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

An equalisation account called the element of income / (loss) included in prices of units sold less those in units redeemed is created, in order to prevent the dilution of per unit income and distribution of income already paid out on redemption.

Element of income / (loss) 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 shall be taken to unit holders' fund. However, to maintain the same ex-dividend net assets 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.

On redemption of units, element of income is paid on units redeemed from element of income contributed by unit holders on issue of units (i.e. return of capital) or the element of income is paid from the income earned by the fund or the element of income is partly paid out of element of income contributed by unit holders (i.e. return of capital) and partly from the income earned by the fund.

		Note	2019	2018
			Rupees	
5.	**BANK BALANCES**			
	In profit and loss sharing (PLS) accounts			
	- mark- up arrangement	5.1	**54,507,386**	40,070,113

5.1 This includes balances of Rs. 9.742 million (2018: 24.31 million) with JS Bank Limited (a related party) and Rs. 0.05 million (2018: 0.01 million) with Bank Islamic Pakistan Limited (a related party). These accounts carry profit at the rates of 12.70% (2018: 6.75%) and 11.25% (2018: 6.50%) per annum respectively. Other PLS accounts of the Fund carry profit at the rates of 7.00% to 12.85% (2018: 2.97% to 8.00%) per annum.

		Note	2019	2018
			Rupees	
6.	**INVESTMENTS**			
	At fair value through profit & loss			
	Listed equity securities	6.1	**514,205,205**	714,297,521
	At amortised cost			
	Quoted debt securities			
	- Sukuk certificates	6.2	**-**	-
	- Term finance certificates	6.2.2	**-**	-
	Unquoted debt securities	6.3	**-**	-
			514,205,205	714,297,521

6.1 Listed equity securities - fair value through profit & loss *

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

Sectors / Companies	Note	Holding at the beginning of the year	Acquired / bonus during the year	Right during the year	Disposed during the year	Carrying value before revaluation as at June 30, 2019	Market value as at June 30, 2019 (after revaluation)	Market value of Investment as a percentage of net assets
		----------No. of Shares----------				----------(Rupees)----------		---------%---------
Engineering								
Aisha Steel Limited		-	1,050,000	-	1,050,000	-	-	0.00%
Crescent Steel & Allied Products Limited		-	188,000	-	188,000	-	-	0.00%
International Industries Limited		-	19,000	-	19,000	-	-	0.00%
International Steel Limited		-	799,800	-	799,800	-	-	0.00%
Mughal Steel Limited		-	156,000		156,000	-	-	0.00%
Ittefaq Iron Industries Limited		921,500	-	62,950	402,000	7,402,410	3,780,191	0.70%
						7,402,410	**3,780,191**	**0.70%**
Glass & Ceramics								
Tariq Glass Industries Limited		139,000	314,600	-	287,100	17,567,445	12,758,895	2.35%
Shabbir Tiles & Ceramics Limited		892,500	1,371,000	-	1,162,500	21,653,443	11,329,290	2.09%
						39,220,888	**24,088,185**	**4.44%**
Food and Personal Care Products								
Matco Foods Limited		414,000	1,316,500	37,700	1,191,500	17,634,944	15,582,434	2.87%
Prema-At-Tahur Limited		-	125,000	-	125,000	-	-	0.00%
						17,634,944	**15,582,434**	**2.87%**
Pharmaceuticals								
Searle Company Limited		-	35,000	-	35,000	**-**	**-**	**0.00%**
Refinery								
National Refinery Limited		-	41,300	-	41,300	**-**	**-**	**0.00%**
Fertilizer								
Engro Corporation Limited		97,000	252,500	9,100	208,500	41,862,588	39,866,560	7.35%
Fauji Fertilizer Bin Qasim Limited		-	1,829,500	-	1,829,500	-	-	0.00%
Fauji Fertilizer Company Limited		-	797,000	-	568,500	21,787,120	19,925,200	3.67%
Engro Fertilizer Limited		-	1,830,500	-	1,248,500	41,736,688	37,230,540	6.86%
						105,386,396	**97,022,300**	**17.88%**
Oil & Gas Marketing Companies								
Hascol Petroleum Limited		100	-	37	-	31,376	9,401	0.00%
Attock Petroleum Limited		32,000	52,600	5,940	90,540	-	-	0.00%
Sui Northern Gas Pipelines Limited		-	-	-	-	-	-	0.00%
Hi-Tech Lubricants Limited		223,500	485,000	-	242,000	29,763,201	12,903,390	2.38%
Pakistan State Oil Company Limited		-	225,000	-	225,000	-	-	0.00%
Shell Pakistan Limited		57,412	11,700	-	69,112	-	-	0.00%
						29,794,577	**12,912,791**	**2.38%**
Cement								
D.G. Khan Cement Company Limited		-	547,500	-	547,500	-	-	0.00%
Pioneer Cement Limited		-	200,000	-	200,000	-	-	0.00%
Lucky Cement Limited		-	250,600	-	250,600	-	-	0.00%
Kohat Cement Company Limited		-	93,400	-	35,400	5,303,650	3,046,740	0.56%
						5,303,650	**3,046,740**	**0.56%**

JS Large Cap. Fund

Sectors / Companies	Note	Holding at the beginning of the year	Acquired / bonus during the year	Right during the year	Disposed during the year	Carrying value before revaluation as at June 30, 2019	Market value as at June 30, 2019 (after revaluation)	Market value of Investment as a percentage of net assets
		----------No. of Shares----------				----------(Rupees)----------		---------%---------
Power Generation and Distribution								
Altern Energy Limited		203,500	2,000	-	205,500	-	-	0.00%
Lalpir Power Limited		453,500	-	-	453,500	-	-	0.00%
Pakgen Power Company Limited		-	1,490,000		300,000	20,092,726	16,874,200	3.11%
Hub Power Company Limtied (Related Party)		212,400	880,000	74,648	771,900	34,998,461	31,117,905	5.74%
						55,091,186	**47,992,105**	**8.85%**
Oil and Gas Exploration Companies								
Mari Petroleum Company Limited	6.1.2	43,740	24,420	4	68,155	12,591	9,084	0.00%
Oil and Gas Development Company Limited		238,400	850,300	-	715,000	55,198,222	49,137,813	9.06%
Pakistan Oil Fields Limited		-	96,900	60	71,360	10,444,600	10,390,784	1.92%
Pakistan Petroleum Limited		348,400	471,100	34,215	596,300	43,704,966	37,178,448	6.85%
						109,360,379	**96,716,129**	**17.83%**
Cable and Electrical Goods								
Waves Singer Pakistan Limited		211,000	50,000	-	261,000	**-**	**-**	**0.00%**
Textile Composite								
Nishat Mills Limited		-	549,600	-	342,900	27,935,453	19,293,378	3.56%
Gul Ahmed Textile Mills Limited		180,000	713,000	-	720,000	9,788,554	8,151,760	1.50%
Nishat (Chunian) Limited		-	708,500	-	708,500	-	-	0.00%
						37,724,007	**27,445,138**	**5.06%**
Textile Spinning								
Gadoon Textile Mills Limited		-	41,900	-	4,100	**10,791,036**	**5,229,252**	**0.96%**
Services								
Shifa International Hospital Limited		49,300	1,200	-	1,400	**13,210,162**	**10,792,180**	**1.99%**
Automobile Assembler								
Pak Suzuki Motor Company Limited		-	57,800	-	57,800	-	-	0.00%
Al Ghazi Tractors Limited		6,370	-	-	6,370	-	-	0.00%
Honda Atlas Cars (Pakistan) Limited		-	58,400	-	58,400	-	-	0.00%
Indus Motor Company Limited		-	28,240	-	28,240	-	-	0.00%
						-	**-**	**0.00%**
Automobile Parts and Accessories								
Agriauto Industries Limited (Face value of Rs. 5 each)		93,600	-	-	93,600	-	-	0.00%
Thal Limited (Face value of Rs. 5 each)		41,150	5,500	-	46,650	-	-	0.00%
						-	**-**	**0.00%**
Paper and Board								
Century Paper & Board Mills Limited		222,900	-	-	124,000	6,280,150	3,080,735	0.57%
Packages Limited		-	18,400	-	18,400	-	-	0.00%
						6,280,150	**3,080,735**	**0.57%**

Sectors / Companies	Note	Holding at the beginning of the year	Acquired / bonus during the year	Right during the year	Disposed during the year	Carrying value before revaluation as at June 30, 2019	Market value as at June 30, 2019 (after revaluation)	Market value of Investment as a percentage of net assets
		----------No. of Shares----------				----------(Rupees)----------		---------%---------
Commercial Banks								
Faysal Bank Limited	6.1.2	1,520,995	651,500		1,221,800	24,058,698	20,458,956	3.77%
United Bank Limited		213,400	675,000	-	658,100	31,831,899	33,941,614	6.26%
Bank Alfalah Limited		1,388,000	435,000	125,800	1,316,000	30,650,159	27,583,752	5.08%
Bank Al Habib Limited		230,000	547,000	-	386,000	30,408,448	30,646,580	5.65%
MCB Bank Limited		164,900	-	-	164,900	-	-	0.00%
Habib Bank Limited		138,800	788,700	-	855,500	8,915,802	8,154,720	1.50%
Meezan Bank Limited		-	502,500	66,470	181,500	31,879,110	33,771,885	6.23%
						157,744,116	**154,557,508**	**28.49%**
Chemicals								
I.C.I Pakistan Limited		4,300	12,250	-	16,550	-	-	0.00%
Descon Oxychem Limited		-	2,979,000	-	2,979,000	-	-	0.00%
Engro Polymer Company Limited		-	913,000	-	913,000	-	-	0.00%
Ittehad Chemicals Limited		387,500	-	20,000	407,500	-	-	0.00%
Sitara Chemicals Industries Limited		41,200	3,700	-	5,800	14,255,341	11,959,517	2.20%
						14,255,341	**11,959,517**	**2.20%**
Investments as at June 30, 2019						**609,199,241**	**514,205,205**	**94.78%**
Cost of investments as at June 30, 2019						**617,538,636**		

6.1.1 Following shares have been pledged with National Clearing Company of Pakistan Limited:

	2019	2018	**2019**	2018
	-- (Number of Shares) ------		**---------- (Rupees) ----------**	
Bank Alfalah Limited	**500,000**	500,000	**21,795,000**	26,145,000
Engro Fertilizer Limited	**125,000**	-	**7,996,250**	-
Nishat Mills Limited	**100,000**	-	**9,334,000**	-
Hub Power Company Limited	**-**	-	**-**	-
Pakistan Petroleum Limited	**-**	100,000	**-**	21,490,000
United Bank Limited	**-**	-	**-**	-
Muslim Commercial Bank Limited	**-**	100,000	**-**	19,777,000
Oil & Gas Development Company Limited	**-**	50,000	**-**	7,781,000
	725,000	750,000	**39,125,250**	75,193,000

6.1.2 The Finance Act, 2014 introduced amendments to the Income Tax Ordinance 2001 as a result of which companies were liable to withhold five percent of the bonus shares to be issued. The shares so withheld were only to be released if the Fund deposits tax equivalent to five percent of the value of the bonus shares issued to the Fund including bonus shares withheld, determined on the basis of day-end price on the first day of closure of books of the issuing company.

6.1.2 In this regard, a constitutional petition had been filed by Collective Investment Schemes (CISs) through their Trustees in the High Court of Sindh, challenging the applicability of withholding tax provisions on bonus shares received by CISs. The petition was based on the fact that because CISs are exempt from deduction of income tax under Clause 99 Part I to the Second Schedule of the Income Tax Ordinance 2001, the withholding tax provision should also not be applicable on bonus shares received by CISs. A stay order had been granted by the High Court of Sindh (HCS) in favour of CISs.

During the year ended June 30, 2018, the Supreme Court of Pakistan passed a judgement on June 27, 2018 whereby the suits which are already pending or shall be filed in future must only be continued / entertained on the condition that a minimum of 50 percent of the tax calculated by the tax authorities is deposited with the authorities. Accordingly, the CISs were required to pay minimum 50% of the tax calculated by the tax authorities for the case to remain continued. The CISs failed to deposit the minimum 50% of the tax liability and accordingly the stay got vacated automatically during the current year. Subsequent to the year ended June 30, 2019, the CISs have filed a fresh constitutional petition via CP 4653 dated July 11, 2019 as a result of which the HCS issued an order dated July 15, 2019 whereby the previous stay has been restored. The matter is still pending adjudication and no provision has been recorded or contingent liability has been disclosed in the financial statements as the management is confident that the case will be decided in favor of the CISs.

Further, Finance Act, 2018 effective from July 1, 2018 has omitted Section 236M of Income Tax Ordinance, 2001 therefore, bonus shares, subsequent to this amendment, issued to the Fund were not withheld by the investee companies."

6.2 Quoted debt securities at amortised cost

6.2.1 Sukuk certificates *

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

	Holding at beginning of the year	Acquired during the year	Disposed / matured during the year	Holding at end of the year	Carrying Value as at June 30, 2019	Percentage of total Investment
	----------	Number of certificates	----------		---(Rupees)---	
Chemicals						
Agritech Limited	1,100	-	-	**1,100**	**4,991,429**	0.97%
Less: Provision against financial assets (fully provided)					**(4,991,429)**	-0.97%
					-	-
Cost as at 30 June 2019					**4,720,718**	

These sukuk certificates carry a mark-up equal to six month offered rate of KIBOR plus 200 basis points receivable semi-annually in arrears and were to be matured in August 2015. However, up to the year ended June 30, 2019 no principal repayment has been received by the Fund. These sukuk certificates are secured by hypothecation charge over the entire legal ownership and the beneficial interest of the issuer from time to time in and to all present and future fixed assets (excluding land and building) of the issuer in favour of the Trustee for the benefit of unit holders.

These sukuks were classified as Non Performing Asset by Mutual Fund Association of Pakistan (MUFAP) as on August 21, 2010 on account of non payment of the coupon due in August 2010. Therefore, the Fund has made provision of 100% of principal outstanding in the calendar year 2010 and accordingly no accrual for profit have been made by the Fund since then. The above investments were made by the Fund prior to its conversion from closed end fund to an open end fund. However, the carrying value of investments at the year end was nil.

6.2.2 Term finance certificates

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

	Holding at beginning of the year	Acquired during the year	Disposed / matured during the year	Holding at end of the year	Carrying Value as at June 30, 2019	Percentage of total Investment
	----------Number of certificates----------				---(Rupees)---	
Chemicals						
Agritech Limited (Note 6.	697	-	-	697	-	-

6.2.3 During the year 2012, the Fund has received zero coupon Agritech Limited's Privately Placed Term Finance Certificates (PPTFCs) of face value of Rs. 3.485 million against interest due on Agritech Limited's Sukuk. These PPTFCs had a tenor of 3.5 years starting from July 01, 2011 and matured on January 01, 2015 on semi annual repayments of principal. Agritech had a call option on the said facility from the first day of disbursement of the said facility. Since these PPTFCs are received against already defaulted securities and have non-performing status in MUFAP, therefore the management, as a matter of prudence, has valued the said PPTFCs at zero.

6.3 Unquoted debt securities at amortised cost

6.3.1 Privately placed term finance certificates *

* (Face value of Rs. 10,000/- each)

	Holding at beginning of the year	Acquired during the year	Disposed / matured during the year	Holding at end of the year	Carrying Value as at June 30, 2019	Percentage of total Investment
	----------Number of certificates----------				---(Rupees)---	
Textile Composite						
Azgard Nine Limited - related party (Note 6.3.	8,316	-	-	8,316	-	-

6.3.2 These convertible privately placed term finance certificates (PPTFCs) were issued against the cumulative preference shares of Azgard Nine Limited on October 22, 2012 under the "Settlement Agreement" dated October 22, 2012 between the Management Company of the Fund and Azgard Nine Limited. Since these PPTFCs were received against non-performing security, therefore the management, as a matter of prudence had recognised above PPTFCs at nil value. The carrying value of preference shares so converted into PPTFC was Rs. 52 million and provision held there against was Rs. 52 million. These convertible PPTFCs carry mark-up rate of 11% per annum with a tenor of 8 years (inclusive of a 2 year grace period for principal redemption) as per the terms and conditions. In case of Default, the PPTFC Holders shall have the right to exercise the option to convert the PPTFCs into ordinary voting shares of Azgard Nine Limited as per the terms and procedures.

6.4 These amounts represent the receivable / payable against the sales / purchases of marketable securities on the last working day of the year i.e. June 30, 2019.

6.5 'Details of non-compliant

The Securities & Exchange Commission of Pakistan (SECP), vide its circular No. 16 dated July 07, 2010, has prescribed certain disclosures for non-compliances, either with the minimum investment criteria specified for the category assigned to the Collective Investment Schemes or with the investment requirements of their constitutive documents.

Name of non-compliant investment	Type of investment	Value of investment before provision	Provision held if any	Value of investment after provision	% of net assets	% of gross assets
Agritech Limited (6.2.1)	Sukuks	4,991,429	(4,991,429)	-	-	-
Agritech Limited - zero coupon (6.2.3)	PPTFC	3,485,000	(3,485,000)	-	-	-
Azgard Nine Limited - PPTFCs (6.3.2)	PPTFC	52,000,000	(52,000,000)	-	-	-

	Note	2019	2018
		Rupees	
7. DEPOSITS AND OTHER RECEIVABLE			
National Clearing Company of Pakistan Limited - Deposit		**2,500,000**	2,500,000
Income tax recoverable	7.1	**669,608**	623,821
Central Depository Company of Pakistan Limited - Deposit		**200,000**	200,000
		3,369,608	3,323,821

7.1 Clause 47B of Part IV of the Second Schedule to the Income Tax Ordinance, 2001 provides exemption from withholding tax deduction on dividends received by the collective investment scheme from investee companies.

However a letter dated June 30, 2010 issued by Federal Board of Revenue to Assistant Director, Central Directorate of National Savings, Islamabad states that the said exemption will be applicable if exemption certificate under section 159(1) of the Income Tax Ordinance, 2001 is issued by the concerned Commissioner of Inland Revenue.

Based on the above letter, above amount of withholding tax has been deducted by certain investee companies on dividends. An exemption certificate was issued by the concerned Commissioner of Inland Revenue effective up to June 30, 2019. Accordingly the management is in the process of recovering the above tax amount deducted. Furthermore, a stay order has also been obtained by the Management Company of the Fund from further

8. PAYABLE TO THE MANAGEMENT COMPANY

Under the provisions of Non-Banking Finance Companies and Notified Entities Regulations 2008, an Asset Management Company shall be entitled to an accrued remuneration equal to an amount not exceeding 2% of average annual net assets. Management Company has charged remuneration at the rate of 2% per annum based on the daily net assets of the Fund for the year ended June 30, 2019.

	Note	2019	2018
		Rupees	
Remuneration Payable to Management Company		**921,664**	1,265,953
Accounting and Operational Charges payable		**46,084**	63,297
Selling and Marketing Expenses payable		**581,910**	1,521,782
Sindh sales tax payable on Management Company's remuneration	8.1	**1,558,214**	1,602,971
Sales load payable		**43,739**	97,865
		3,151,611	4,551,868

8.1 The Sindh Provincial Government has levied Sindh Sales Tax at the rate of 13% (till June 30, 2017: 13%) on Management Company`s remuneration through Sindh Sales Tax on Services Act, 2011 effective from July 01, 2011. Above liability includes Rs. 1,438,392 (2018: Rs.1,438,392) accrued on Federal Excise Duty (FED) on the management remuneration as fully explained in note 13.2 above. Had the provision on FED not been made, Net Asset Value per unit of the Fund as at June 30, 2019 would have been higher by Re. 0.29 (2018: Rs. 0.26) per unit.

9. REMUNERATION PAYABLE TO THE TRUSTEE

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

- up to rupees one billion	Rs. 700,000 or 0.2% per annum of the daily net assets, whichever is higher.
- exceeding rupees one billion	Rs. 2,000,000 plus 0.1% per annum of the daily net assets of the Fund exceeding rupees one billion.

	2019	2018
	Rupees	
Remuneration payable to the Trustee	**92,166**	126,597
Sales Tax payable on Trustee remuneration	**11,981**	16,457
	104,147	143,054

10. ANNUAL FEE TO THE SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN

This represents annual fee payable to SECP in accordance with the NBFC Regulations, whereby the Fund is required to pay SECP an amount at the rate of 0.095% per annum of the average daily net assets of the Fund in accordance with the regulation 62 of the NBFC Regulations, 2008.

11. SELLING AND MARKETING EXPENSE

Securities and Exchange Commission of Pakistan (SECP) vide a circular no.40 SCD/PRDD/ Circular/361/2016 dated December 30, 2016, allowed the Asset Management Companies to charge selling and marketing expenses to open end equity, asset allocation and index funds, initially for three years (from January 1, 2017 till December 31, 2019). Maximum cap of selling and marketing expense shall be 0.4% per annum of net assets of fund or actual expenses whichever is lower. Accordingly, such expenses have been charged effective from November 15, 2017 at the rate of 0.4% of net assets of the Fund.

12. ACCOUNTING AND OPERATIONAL CHARGES

In accordance with the provisions of the NBFC Regulations amended vide S.R.O 1160(I) / 2015 dated November 25, 2015, the Management Company of the Fund is entitled for reimbursement of fee and expenses incurred by the Management Company in relation to registrar service, accounting, operation and valuation services related to Fund maximum up to 0.1% of average annual net assets of the scheme or actual which ever is less. Accordingly, the Management Company has charged accounting and operating expenses to the Fund at a rate of 0.1% per annum of the average annual net assets of the Fund for the year ended June 30, 2019.

	Note	2019	2018
		Rupees	
13. ACCRUED EXPENSES AND OTHER LIABILITIES			
Provision for Sindh Workers' Welfare Fund	13.1	**5,875,542**	5,875,542
Withholding tax payable		**5,382**	5,382
Federal excise duty payable on Management Company's remuneration	13.2	**9,630,269**	9,630,269
Capital gain tax payable		**-**	33,901
Auditors' remuneration		**396,260**	391,760
Payable against printing and stationery		**-**	42,300
Zakat payable		**21,483**	2,028
Other liabilities		**265,265**	112,810
		16,194,201	16,093,992

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

In the repealed Companies Ordinance, 1984 and the now applicable Companies Act, 2017, mutual funds have not been included in the definition of "financial institutions". The MUFAP has held the view that SWWF is applicable on asset management companies and not on mutual funds.

The total provision for SWWF till June 30, 2019 is Rs. 5.785 million. Had the provision not been made, Net Asset Value per unit of the Fund as at June 30, 2019 would have been higher by Rs. 1.17 per unit (June 30, 2018: Rs. 1.06) per unit.

13.2 As per the requirements of the Finance Act, 2013, Federal Excise Duty (FED) at the rate of 16 percent on the remuneration of the Management Company has been applied effective from June, 13 2013. The Management Company is of the view that since the remuneration is already subject to the provincial sales tax, further levy of FED may result in double taxation, which does not appear to be the spirit of the law, hence, a petition was collectively filed by the Mutual Fund Association of Pakistan with the Sindh High Court (SHC) on September 04, 2013.

While disposing the above petition through order dated July 16, 2016, the SHC declared the said provisions to be ultra vires and as a result no FED is payable with effect from July, 01 2016. However, the tax authorities subsequently filed appeal against the decision of the SHC in the Supreme Court of Pakistan, which is pending for the decision.

Furthermore, the Finance Act 2016 also introduced an amendment to the Federal Excise Act, 2005 whereby FED was withdrawn on services of different industries including Non-Banking Financial Institutions, which are already subject to provisional sales tax.

However, since the appeal is pending in the Supreme Court of Pakistan, the Management Company, as a matter of abundant caution, is carrying provision for FED for the period from June 13, 2013 to June 30, 2016 aggregating to Rs. 9.63 million. Had the provision not been made, NAV per unit of the Fund as at 30 June 2019 would have been higher by Rs. 1.93 (June 30 2018: Rs.1.74) per unit.

14. CONTINGENCIES AND COMMITMENTS

14.1 There are no contingencies and commitments at the year end (June 30, 2018: nil).

15. NUMBER OF UNITS IN ISSUE

As at June 30, 2019, 5,000,545 (2018: 5,517,729) units at par value of Rs. 100 each were in issue.

	2019	2018
	Number	
Total outstanding as of July 01	**5,517,729**	5,025,737
Issued during the year	**2,957,998**	3,004,647
Redemptions during the year	**(3,474,182)**	(2,512,655)
Total units in issue as of June 30	**5,001,545**	5,517,729

16. AUDITORS' REMUNERATION

Annual audit fee	**358,560**	358,560
Fee for the review of half yearly financial statements	**179,280**	179,280
Out of pocket expenses	**63,382**	42,700
	601,222	580,540

17. TAXATION

No provision for taxation has been made as the Fund has incurred a net loss and as such is exempt from Income Tax as per Clause 99 of Part I of the Second Schedule to the Income Tax Ordinance, 2001. The Fund is also exempt from provision of Section 113 (minimum tax) under clause 11A of Part IV of Second Schedule to the Income Tax Ordinance, 2001. Hence, no provision with respect to tax has been recognized in the income statement.

18. TRANSACTIONS WITH RELATED PARTIES / CONNECTED PERSONS

Related party / connected person include JS Investments Limited being the Management Company, Central Depository Company of Pakistan Limited being the Trustee, Jahangir Siddiqui and Co. Limited being the holding company of JS Bank Limited (JSBL-which is the holding company of the Management Company), JS Global Capital Limited (which is a fellow subsidiary of JSBL) and other associated companies of the Management Company and its subsidiaries, Key Management Personnel of the Management Company and other funds being managed by the Management Company and includes entities holding 10% or more in the units of the fund as at 30 June 2019. It also includes the staff retirement benefits of the above related parties Transactions with connected persons are carried out in normal course of business at contracted rates and thus determined in accordance with the market terms.

Remuneration of the Management Company is determined in accordance with the provisions of the Regulations and the Trust Deed.

Remuneration of the Trustee is determined in accordance with the provisions of the Trust Deed.

18.1 Details of balances with related parties / connected persons as at year end

	2019	2018
	---------- Rupees ----------	
JS Investments Limited - Management Company		
Payable to the Management Company	**1,593,397**	2,948,897
Sindh sales tax payable on Management Company's remuneration *	**1,558,214**	1,602,971
Federal excise duty payable on Management Company's remuneration *	**9,630,269**	9,630,269
Central Depository Company of Pakistan Limited - Trustee		
Remuneration payable to trustee	**92,166**	126,597
Sindh sales tax payable on trustee remuneration **	**11,981**	16,457
Security deposit	**200,000**	200,000
Annual, transaction, custodian, CDS connection fee payable	**6,027**	11,886

	2019	2018
	Rupees	
JS Bank Limited - Holding company of the Management Company		
Bank balance	**9,951,605**	24,308,277
Profit receivable	**12,563**	-
Bank Islami Pakistan Limited - Associated Company (Associate of Ultimate Parent Company - JSCL)		
Bank balance	**47,608**	10,836
Profit receivable	**72**	-
JS Global Capital Limited (Fellow subsidiary of JSBL)		
Brokerage payable	**52,111**	138,982
JS Fund of Funds - Funds under common management		
Units of the fund held: Nil (June 30, 2018: 483,718)	**-**	66,801,508
EFU Life Assurance Limited Employees Pension Fund (Associate of Ultimate Parent Company - JSCL)		
Units of the fund held: 13,237 (June 30, 2018: 13,237)	**1,435,770**	1,827,990
EFU Life Assurance Limited Employees Provident Fund - Associate (Employee Benefit Fund of Ultimate Parent Company of JSIL)		
Units of the fund held: 20,102 (June 30, 2018: 20,102)	**2,180,391**	2,776,051
Unit holder holding 10% or more of units in issue		
Units of the fund held: 599,297 (June 30, 2018: 599,297)	**65,003,583**	82,762,949
Key Management Personnel of the Management Company		
Units of the fund held: 66,389 (June 30, 2018: 70,546)	**7,201,165**	9,742,467

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

	2019	2018
	---------- Rupees ----------	
JS Investments Limited - Management Company		
Remuneration to the Management Company	**14,151,472**	15,800,851
Sindh sales tax on Management Company's remuneration *	**1,839,697**	2,054,428
Accounting and Operational Charges	**707,576**	790,042
Selling and Marketing Expense	**2,830,295**	1,923,692
Payment on behalf of the Fund (since then received)	**14,000**	95,236
Sales load	**279,239**	263,703
Central Depository Company of Pakistan Limited - Trustee		
Remuneration to trustee	**1,415,152**	1,580,056
Sindh sales tax on trustee remuneration **	**183,970**	205,408
Annual, transaction, custodian, CDS connection fee	**186,474**	121,741
JS Global Capital Limited - Associated Company (Fellow subsidiary of JSBL)		
Brokerage fee	**668,856**	406,726
JS Bank Limited - Holding company of the Management Company		
Profit on bank balances	**3,342,473**	5,058,042
Bank charges	**15,357**	9,236
Bank Islami Pakistan Limited - Associated Company (Associate of Ultimate Parent Company - JSCL)		
Profit on bank balances	**1,182,501**	89,442
Bank charges	**8,189**	550
JS Fund of Funds - Funds Under Common Management		
Issue of units: 847,968 (2018: 162,654)	**118,000,000**	24,201,000
Redemption of units: 330,632 (2018: 330,632)	**177,006,253**	45,700,000
Hub Power Company Limited (Common Directorship of Ultimate Parent Company - JSCL)		
Dividend Income	**874,720**	-

	2019	2018
	---------- Rupees ----------	
Key Management Personnel of the Management Company		
Issue of units: 20,345 (2018: 22,285)	**2,500,000**	3,107,500
Redemption of units: 24,503 (2018: 1,551)	**3,220,705**	209,207

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

19. FINANCIAL INSTRUMENTS - FAIR VALUES AND RISK MANAGEMENT

Introduction and overview

The Fund has exposure to the following risks from financial instruments:
- Credit risk (refer note 19.1)
- Liquidity risk (refer note 19.2)
- Market risk (refer note 19.3)

Risk management framework

The board of directors of Asset Management Company has overall responsibility for the establishment and oversight of the Fund's risk management framework.

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

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

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

19.1 Credit risk

Credit risk is the risk of financial loss to the Fund if a counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from bank balances, receivable against sale of marketable securities , other receivables and security deposits.

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

Management of credit risk

The Fund's policy is to enter into financial contracts in accordance with the investment guidelines approved by the Investment Committee, its Trust Deed and the requirements of NBFC rules and regulations. Before making investment decisions, the credit rating and credit worthiness of the issuer/counterparty 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.
- Analysing credit ratings and obtaining adequate collaterals wherever appropriate / relevant.
- The risk of counterparty exposure due to failed trades causing a loss to the Fund is mitigated by a periodic review of the credit ratings and financial statements on a regular basis.
- Cash is held only with reputable banks with high quality external credit ratings.
- Investment transactions are carried out with a large number of brokers, whose credit worthiness is taken into account so as to minimise the risk of default and transactions are settled or paid for only upon delivery.

Exposure to credit risk

The maximum exposure to credit risk as at reporting date was as follows:

	2019		2018	
	Balance as per the Statement of Asset and Liabilities	**Maximum Exposure**	Balance as per the Statement of Asset and Liabilities	Maximum Exposure
	---------- **Rupees** ----------			
Bank balances (including profit due)	**54,839,604**	**54,839,604**	40,187,605	40,187,605
Investments	**514,205,205**	**-**	714,297,521	-
Receivable against sale of marketable securiti	**-**	**-**	37,935,455	37,935,455
Deposits and other receivable	**2,700,000**	**2,700,000**	2,700,000	2,700,000
Dividend receivable	**975,856**	**975,856**	331,620	331,620
	572,720,665	**58,515,460**	795,452,201	81,154,680

Difference in the balance as per the Statement of Assets and Liabilities and maximum exposure in investments is due to the fact that investment in equity securities of Rs. 514,205,205 (2018: Rs. 714,297,521) is not exposed to credit risk.

Bank balances

The Fund held cash and cash equivalents at June 30, 2019 with banks having following credit ratings:

Rating	2019	2018	2019	2018
	---------- Rupees ----------		---------- (%) ----------	
A1+	**54,544,464**	39,149,875	**99.46**	99.36
A1	**295,140**	1,037,730	**0.54**	0.64
Total balance including profit due	**54,839,604**	40,187,605	**100**	100

Above rates are on the basis of available ratings assigned by PACRA and JCR-VIS (as of June 30, 2019).

Concentration of credit risk

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

Details of Fund's concentration of credit risk of financial instruments by economic sectors are as follows:

	2019		2018	
	(Rupees)	**(%)**	(Rupees)	(%)
Commercial banks (including profit due and dividend receivable)	**55,815,460**	**95.39**	40,519,225	49.44
National Clearing Company of Pakistan Limited - security deposit	**2,500,000**	**4.27**	2,500,000	3.11
Central Depository Company of Pakistan Limited - security deposit	**200,000**	**0.34**	200,000	0.25
National Clearing Company of Pakistan Limited - receivable against sale of marketable securities	**-**	**0.00**	37,935,455	47.20
	58,515,460	**100.00**	81,154,680	100.00

Past due and impaired assets and collaterals held

Following are the past due and impaired financial assets of the Fund as at June 30, 2019:

- Sukuk certificates and term finance certificates of Agritech Limited (refer notes 6.2.1 and 6.2.2) - Privately placed term finance certificates of Azgard Nine (related party) (refer note 6.3.1)

However these are fully provided. All other financial assets of the Fund as at June 30, 2019 are unsecured and are not impaired.

Settlement risk

The Fund's activities may give rise to risk at the time of settlement of transactions. Settlement risk is the risk of loss due to the failure of an entity to honor its obligations to deliver cash, securities or other assets as contractually agreed on sale.
For the vast majority of transactions the Fund mitigates this risk by conducting settlements through a broker to ensure that a trade is settled only when both parties have fulfilled their contractual settlement obligations.

19.2 Liquidity risk

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

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

Management of liquidity risk

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

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

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

Maturity analysis for financial liabilities

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

	Carrying amount	Contractual cash flows		
		Total	Less than 1 month	Within 3 months
June 30, 2019	---------- Rupees ----------			
Non-derivative financial liabilities (excluding unit holders' fund)				
Payable to the Management	**1,593,397**	**1,593,397**	**1,593,397**	**-**
Remuneration payable to the	**92,166**	**92,166**	**92,166**	**-**
Accrued expenses and other liabilities *	**661,525**	**661,525**	**661,525**	**-**
Dividend payable	**10,768,622**	**10,768,622**	**10,768,622**	**-**
	13,115,710	**13,115,710**	**13,115,710**	**-**
Unit holders' fund	**542,499,498**	**542,499,498**	**542,499,498**	**-**

	Carrying amount	Contractual cash flows		
		Total	Less than 1 month	Within 3 months
June 30, 2018	---------- Rupees ----------			
Non-derivative financial liabilities (excluding unit holders' fund)				
Payable to the Management Company	2,948,897	2,948,897	2,948,897	-
Remuneration payable to the Trustee	126,597	126,597	126,597	-
Accrued expenses and other liabilities *	546,870	546,870	546,870	-
Payable against redemption of units	1,765,827	1,765,827	1,765,827	-
Dividend payable	10,768,622	10,768,622	10,768,622	-
	16,156,813	16,156,813	16,156,813	-
Unit holders' fund	762,002,122	762,002,122	762,002,122	-

* excluding provision for workers' welfare fund, federal excise duty on Management Company's remuneration, Sindh sales tax payable on Management Company's remuneration, Sindh sales tax on Trustee's remuneration and withholding tax payable (deducted on dividend).

Above financial liabilities do not carry any mark-up and are unsecured.

19.3 Market risk

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

Management of market risks

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

19.3.1 Interest rate risk

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

Exposure to interest rate risk

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

	2019	2018
	Rupees	
Fixed-rate instrument		
Financial assets (bank balances)	**54,507,386**	40,070,113

Cash flow sensitivity analysis for variable rate instruments

A reasonably possible change of 100 basis points in interest rates at the reporting date would have increased / decreased the unit holders fund and the income statement by Rs. 542,984 (2018: Rs. 400,701). The analysis assumes that all other variables, in particular foreign currency exchange rates, remain constant.

Bank balances are repriced by the bank after changes in the State Bank of Pakistan's policy rate and do not have any contractual maturity.

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

19.3.2 Other market price risk

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

The management of the Fund monitors the proportion of equity securities in its investment portfolio based on market indices. The Fund policy is to manage price risk through diversification and selection of securities within specified limits set by internal risk management guidelines or the requirements of NBFC regulations. The Fund manages those risk by limiting exposure to any single investee company to the extent of 10% of issued capital of that investee company and the net assets of the Fund with overall limit of 30% to a single industry sector of the net assets of the Fund (the limit set by 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 objective of the Fund's investment strategy is to maximise investment returns.

Details of the Fund's investments in industrial / economic sectors are given in note 6.1.

Sensitivity analysis - Equity price risk

All of the Fund's equity investments are listed on Pakistan Stock Exchange. For such investments classified as at fair value through income statement, a 5% increase or decrease in the fair values of the equity investments, would have increased or decreased the income statement and the unit holders' fund by Rs. 25,710,260 (2018: Rs. 35,714,876).

19.4 Unit holder's fund risk management

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

Under the NBFC Regulations the minimum size of an open end scheme shall be one hundred million rupees at all the times during the life of the scheme. The Fund size depends on the issuance and redemption of units.

19.5 Fair value of financial instruments

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

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

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

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

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

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

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

On Balance Sheet Financial Instrument	Note	Carrying amount			Fair value hierarchy	
		Fair value through profit & loss	Amortised Cost	Total	Level 1	Total
		---------- Rupees ----------				
June 30, 2019						
Financial assets measured at fair value						
Listed equity securities	6	**514,205,205**	**-**	**514,205,205**	**514,205,205**	**514,205,205**
Financial assets not measured at fair value						
Bank balances	5	**-**	**54,507,386**	**54,507,386**	**-**	**-**
Deposits and other receivables		**-**	**2,700,000**	**2,700,000**	**-**	**-**
Accrued return on bank balances		**-**	**332,218**	**332,218**	**-**	**-**
Dividend receivable		**-**	**975,856**	**975,856**	**-**	**-**
		-	**58,515,460**	**58,515,460**	**-**	**-**
Financial liabilities not measured at fair value						
Payable to the Management Company	8	-	**1,593,397**	**1,593,397**	-	-
Remuneration payable to the Trustee	9	-	**92,166**	**92,166**	-	-
Accrued expenses and other liabilities		-	**661,525**	**661,525**	-	-
Dividend payable		-	**10,768,622**	**10,768,622**	-	-
Net assets attributable to redeemable units		-	**542,499,498**	**542,499,498**		
		-	**555,615,208**	**555,615,208**	-	-

On Balance Sheet Financial Instrument	Note	Carrying amount				Fair value hierarchy	
		Fair value through income statement	Loans and receivables	Other financial liabilities	Total	Level 1	Total
		---------- Rupees ----------					
June 30, 2018							
Financial assets measured at fair value							
Listed equity securities	6	714,297,521	-	-	714,297,521	714,297,521	714,297,521
Financial assets not measured at fair value							
Bank balances	5	-	40,070,113	-	40,070,113	-	-
Receivable against sale of investments		-	37,935,455	-	37,935,455	-	-
Deposits and other receivables		-	2,700,000	-	2,700,000	-	-
Accrued return on bank balances		-	117,492	-	117,492	-	-
Dividend receivable		-	331,620	-	331,620	-	-
		-	81,154,680	-	81,154,680	-	-
Financial liabilities not measured at fair value							
Payable to the Management Company	8	-	-	2,948,897	2,948,897	-	-
Remuneration payable to the Trustee	9	-	-	126,597	126,597	-	-
Payable against redemption of units		-	-	1,765,827	1,765,827	-	-
Accrued expenses and other liabilities		-	-	546,870	546,870	-	-
Dividend payable		-	-	10,768,622	10,768,622	-	-
Net assets attributable to redeemable units		-	-	762,002,122	762,002,122		
		-	-	778,158,935	778,158,935	-	-

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

20. TOTAL EXPENSE RATIO

Securities and Exchange Commission of Pakistan (SECP) vide its directive no. SCD/PRDD/Direction /18/2016 dated July 20, 2016 require the Collective Investment Schemes (CIS) shall disclose Total Expense Ratio (TER) in the periodic financial statements of the Fund. TER of the Fund for the year ended June 30, 2019 is 4.09% (2018: 3.51%) which includes 0.51% (2018: 0.45%) representing government levy, Sindh Workers Welfare Fund and SECP fee.

21. 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 have been disclosed in Annexure to the financial statements.

22. GENERAL

22.1 Figures have been rounded off to the nearest rupee.

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

23. DATE OF AUTHORISATION FOR ISSUE

These financial statements were authorised for issue by Board of Directors of Management Company on August 22, 2019.

For JS Investments Limited
(Management Company)

Chief Executive Officer	Chief Financial Officer	Director

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

(i) UNIT HOLDING PATTERN OF THE FUND

	2019			
Category	**Number of unit holders**	**Number of units held**	**Amount Rupees**	**% of total**
Individuals	**1,852**	**2,590,080**	**280,936,579**	**51.79**
Associated companies / directors	**3**	**5,601**	**607,528**	**0.11**
Insurance Companies	**3**	**214,052**	**23,217,483**	**4.28**
Banks / DFI's	**1**	**89,027**	**9,656,446**	**1.78**
Non Banking Finance Companies	**1**	**10**	**1,085**	**0.00**
Retirement funds	**28**	**1,338,443**	**145,176,121**	**26.76**
Others	**27**	**764,331**	**82,904,257**	**15.28**
	1,915	**5,001,545**	**542,499,498**	**100**

	2018			
Category	**Number of unit holders**	**Number of units held**	**Amount Rupees**	**% of total**
Individuals	1,864	2,772,074	382,825,322	50.24
Associated companies / directors	5	489,457	67,594,278	8.87
Insurance Companies	3	214,052	29,560,771	3.88
Banks / DFI's	1	89,027	12,294,700	1.61
Non Banking Finance Companies	1	10	1,332	0.00
Retirement funds	30	1,182,094	163,247,942	21.42
Others	27	771,016	106,477,777	13.97
	1,931	5,517,729	762,002,122	100

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

Name of broker	**% of commission 2019**
JS Global Capital Limited	**13.75**
Bma Capital Management Limtied	**6.94**
Sherman Securities	**5.57**
Next Capital Limited	**5.57**
Efg Hermes	**5.43**
Next Capital Limited	**5.15**
Alfalah Securities Limtied	**4.88**
Optimus Capital Management (Pvt) Ltd	**4.36**
Fawad Yusuf Securities Limited	**4.05**
Adam Securities (Private) Limited	**3.91**

Name of broker	% of commission 2018
JS Global Capital Limited	14.40
Elixir Securities Pakistan (Pvt) Limited	5.11
AL Habib Capital Markets (Pvt.) Limited	4.96
Next Capital Limited	4.92
Alfalah Securities (Pvt) Limited	4.88
Fortune Securities Limited	4.34
Intermarket Securities Limited	4.04
Asda Securites Private Limited	3.93
Multiline Securities (Private) Limited	3.86
BMA Capital Management Ltd	3.61

(iii) THE MEMBERS OF THE INVESTMENT COMMITTEE

Following are the members of Investment Committee of the Fund:

Mr. Hasnain Raza Nensey - Chief Executive Officer
Mr. Khawar Iqbal - Director Finance & Company Secretary
Mr. Zahid Ullah Khan - Chief Investment Officer
Mr. Ali Turab Alvi - Chief Strategy Officer
Mr. Syed Sanakhawan Hussain Shah - Fund Manager

MR. HASNAIN RAZA NENSEY - CHIEF EXECUTIVE OFFICER

Mr. Hasnain Raza Nensey is the Chief Executive Officer of JS Investments Ltd since March 2017. He has an aggregate work experience of more than 25 years and 9 months of which around 16 years has been in the Financial Industry in Pakistan. Prior to joining JSIL, he spent 11 years at UBL Fund Managers Ltd in multiple capacities namely Chief Operating Officer, Chief Financial Officer & Chief Investment Officer. Prior to 2005, Mr. Nensey was associated with the JS Group in various roles including Chief Investment Officer at JS Abamco Limited.

Mr. Nensey has a BSBA Degree with a concentration in Finance and Marketing from Boston University in Massachusetts, USA. He is also an MBA from Babson College in Massachusetts, USA which is very well known for its specialization in entrepreneurial studies.

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

With over 25 years of diversified experience, Mr. Muhammad Khawar Iqbal is currently serving as "Director Finance & Company Secretary" in JS Investments Limited, where he joined in May 2005 as Manager Finance.

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

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

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

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

MR. ZAHID ULLAH KHAN - CHIEF INVESTMENT OFFICER / HEAD

Mr. Zahid Ullah Khan has been associated with the JS Group and the capital markets on the buy side of more than 15 years. Prior to joining JS Investments as the Chief Investment Officer in September 2016, Mr. Khan was at JS Bank since 2012, where he served as a Senior Vice President for the bank's risk management function. His core responsibilities included development of various risk management frameworks, modeling term structure of interest rates, engineering tailor-made interest rate products for corporate clientele, and devising efficient mechanisms for various equity based margin trading products.

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

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

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

MR ALI TURAB ALVI - CHIEF STRATEGY OFFICER

Mr. Syed Ali Turab Alvi joined JS Investments Limited as Chief Strategy Officer in March 2017. Overall he has an experience of more than 16 years under his wing.

Prior to joining at JS Investments Ltd. Mr. Alvi was associated with UBL Fund Managers Ltd. as Chief Investment Officer. He has previously served UBL Fund Managers Ltd. on multiple fronts such as the "Head of Research", "Head of Risk Management" & "Head of Strategy, and Business & Product Development".

Mr. Alvi holds a Bachelors Degree in Computer Engineering and Electrical Engineering from Cornell University, NY, USA..

MR. SYED SANAKHAWAN HUSSAIN SHAH - FUND MANAGER

Mr. Syed Sanakhawan Hussain Shah is currently working as a Fund Manager. He had initially joined JS Investments Limited as a Senior Research Analyst in 2016.

Prior to his joining at JS Investments Ltd. Mr. Shah was associated with Universal Brushwares Investments (Pvt) Ltd. as an Investment Analyst where he was focused on Pakistan & Sub Sahara African equities.

Mr. Shah has a Bachelor`s of Sciences Degree in Economics & Finance from Lahore School of Economics and has cleared CFA level 2.

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

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

Name of Directors	Meetings attended	Meetings held on 02 July 2018	17 August 2018	24 October 2018	17 December 2018	21 February 2019	08 March 2019	26 April 2019	25 June 2019
Mr. Bashir Shamsie *	6	-	1	1	1	1	1	1	-
Mr. Hasnain Raza Nensey	7	1	1	1	1	1	1	-	1
Mr. Suleman Lalani *	5	1	1	1	1	1	-	-	-
Mr. Asif Reza Sana	4	1	1	-	-	1	1	-	-
Mr. Muhammad Yousuf Amanullah *	1	1	-	-	-	-	-	-	-
Mr. Kamran Jafar	8	1	1	1	1	1	1	1	1
Mr. Ahsen Ahmed	6	1	-	1	-	1	1	1	1
Mr. Babar Wajid	8	1	1	1	1	1	1	1	1
Syed Tauqir Haider Rizvi *	3	-	-	-	1	1	-	1	-
		7	**6**	**6**	**6**	**8**	**6**	**5**	**4**

*** Mr. Muhammad Yousuf Amanullah resigned on 24 August, 2018**
*** Mr. Suleman Lalani resigned on 30 April, 2019**
*** Mr. Bashir Shamsie resigned on 21 May, 2019**
*** Syed Tauqir Haider Rizvi Appointed on 29 November, 2018**

(v) MEETINGS OF AUDIT COMMITTEE

Name of Directors	Meetings attended	Meetings held on 15 August 2018	23 October 2018	20 February 2019	08 March 2019	24 April 2019
Mr. Asif Reza Sana	5	1	1	1	1	1
Mr. Suleman Lalani *	3	1	1	1	-	-
Mr. Ahsen Ahmed	4	-	1	1	1	1
		2	**3**	**3**	**2**	**2**

*** Mr. Suleman Lalani resigned on 30 April, 2019**

(vi) MEETINGS OF HUMAN RESOURCE AND REMUNERATION COMMITTEE

Name of Members	Meetings attended	Meetings held on 19 Febrauary 2019	26 April 2019
Mr. Hasnain Raza Nensey	2	1	1
Mr. Basir Shamsie	2	1	1
Mr. Kamran Jafar	2	1	1
Mr. Ahsen Ahmed	2	1	1
		4	**4**

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

Summary of Actual Proxy voted by JS Large Cap. Fund

	Resolutions	For	Against	Abstain
Number	4	4	Nil	N/A
(% ages)	100	100	-	-

Note:

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

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